

Legislative Assembly of Alberta

Title: **Monday, May 28, 2001**

1:30 p.m.

Date: 01/05/28

[The Speaker in the chair]

head: **Prayers**

THE SPEAKER: Hon. members, welcome back.

Let us pray. O Lord, we give thanks for the beauty of our province: our land, our resources, and our people. In this difficult time we ask You to hear our prayers for Your intervention so that much-needed moisture may assist in the sustainability of all of Your wondrous works in this Your Alberta. We pledge ourselves to act as good stewards on behalf of all Albertans. Amen.

Hon. members, would you please remain standing for the singing of our national anthem, and would you please join in in the language of your choice.

HON. MEMBERS:

O Canada, our home and native land!
True patriot love in all thy sons command.
With glowing hearts we see thee rise,
The True North strong and free!
From far and wide, O Canada,
We stand on guard for thee.
God keep our land glorious and free!
O Canada, we stand on guard for thee.
O Canada, we stand on guard for thee.

THE SPEAKER: Please be seated.

head: **Introduction of Visitors**

MR. SHARIFF: Mr. Speaker, I have great honour in introducing to you and through you to members of the Assembly Mrs. Shenaz Jeraj, president of the Ismaili Council for Edmonton since July 1999. Canada is home to some 75,000 Ismailis, of which about 10,000 reside in Alberta.

Mrs. Jeraj and the council have partnered with your office, Mr. Speaker, in co-ordinating the celebration of Eid al-Adha for the past three years. During those events the community has made charitable donations to several organizations such as the Winnifred Stewart Association for the Mentally Handicapped as well as the Alberta School for the Deaf to buy equipment. The council will be hosting yet another charitable event, with the proceeds going to Compassion House for breast cancer victims, on June 23 of this year.

Mr. Speaker, this past weekend the Ismaili community also organized a partnership walk here at the Legislature grounds as well as in many cities across Canada. The hon. Minister of Justice and Attorney General as well as the Minister of Community Development attended the event in Edmonton, and the Minister of Health and Wellness attended the event in Calgary.

Mr. Speaker, Mrs. Jeraj in her private life works for Dow Chemical at the Fort Saskatchewan plant and looks after the computer infrastructure for that organization. I request Mrs. Jeraj to please rise and receive the traditional warm welcome of this Assembly.

head: **Presenting Petitions**

THE SPEAKER: The hon. Leader of the Official Opposition.

DR. NICOL: Thank you, Mr. Speaker. I wish to present a petition which states:

We the undersigned citizens of Alberta petition the Legislative

Assembly . . . to end the Policy permitting hazardous wastes to be transported into Alberta from outside Canada and delivered to Swan Hills Waste Treatment Plant.

This petition has 2,000 names on it that come from the communities of Smith, Hondo, Slave Lake, Wabasca, Widewater, Wagner, Canyon Creek, Kinuso, and High Prairie.

head: **Introduction of Bills**

THE SPEAKER: The hon. Member for Spruce Grove-Sturgeon-St. Albert.

Bill 21 **Electronic Transactions Act**

MR. HORNER: Thank you, Mr. Speaker. I rise today to introduce Bill 21, the Electronic Transactions Act.

This legislation has a very simple purpose: to give electronic transactions and electronic signatures the same legal status as their paper counterparts as long as both parties involved consent to handling the business transaction electronically. The omnibus approach of this legislation removes the necessity of individually amending each piece of Alberta legislation that makes reference to requiring signatures or information to be in writing. It will give Albertans the option to communicate electronically while still allowing for current methods of interaction with government organizations or the business sector. In the spirit of harmonization, Mr. Speaker, the intent and scope of this legislation are aligned consistent with similar legislation across the country and will result in consistency in dealing with electronic transactions across provincial borders.

In addition, Mr. Speaker, with the introduction of this bill today, we will be releasing a discussion paper to seek feedback on our approach. Albertans will have an opportunity to provide input on the legislation through comments on the discussion paper, which will be available on the Innovation and Science web site, www.innovation.gov.ab.ca. The deadline for this input is August 1, 2001. In addition to that, government departments have also submitted lists of stakeholders they wish to have an opportunity to comment on the legislation. The discussion paper will be mailed to these individuals and/or organizations and the departments I've identified.

Thank you.

[Motion carried; Bill 21 read a first time]

THE SPEAKER: The hon. Government House Leader.

MR. HANCOCK: Thank you, Mr. Speaker. I'd move that Bill 21 be moved onto the Order Paper under Government Bills and Orders.

[Motion carried]

head: **Tabling Returns and Reports**

THE SPEAKER: The hon. Minister of Community Development.

MR. ZWOZDESKY: Thank you. Mr. Speaker, I rise with two tablings. One is a letter of congratulations to the Aga Khan Foundation members for a very successful partnership walk this weekend, which was co-ordinated by Mr. Salim Bhimji, the volunteer convener, along with assistance from our guest Mrs. Jeraj and numerous others. In this International Year of Volunteers it's a particular pleasure to make that tabling.

At the same time, Mr. Speaker, I'd like to present a tabling of a

letter sent to Mr. Orest Korbitt, chairman of the Alberta Sports Hall of Fame, regarding the outstanding work that he and his board members did to recognize inductees this weekend into the Alberta Sports Hall of Fame: Pat Bawtinheimer, Michelle Conn, Catriona LeMay Doan, James Greenough, Jean Jarrell, Mark Roy, and the Edmonton Oilers hockey teams from the '80s, also Bill Powers on the Bell memorial award, Alex Decoteau on the pioneer award, and century award recipients Wayne Gretzky, Kerrin Lee-Gartner, Glen Sather, Elsie Barlow, the 1978-82 Edmonton Eskimos, and the 1915-1940 Edmonton Grads. It was a pleasure to be there with the Deputy Premier and numerous other colleagues from Red Deer and elsewhere.

Thank you.

THE SPEAKER: The hon. Member for Calgary-Cross.

MRS. FRITZ: Thank you, Mr. Speaker. I'm pleased today to table five copies of two letters that are expressing strong support for bicycle helmet legislation, and they are signed by 15 emergency pediatricians and specialist physicians at the Stollery children's health centre here in Edmonton. These physicians care for the most severely injured children in northern Alberta and have seen firsthand "the devastation preventable injuries have on individuals, families, and society."

Thank you, Mr. Speaker.

THE SPEAKER: The hon. Leader of the Official Opposition.

DR. NICOL: Thank you, Mr. Speaker. I rise today with two tablings. The first is a letter from Mr. Frank Andruchow of Edmonton. Mr. Andruchow is concerned with the deforestation of Alberta.

Mr. Speaker, the second one is a letter from Anne Williams of Lethbridge. Ms Williams does not agree with the rezoning of land on the edge of Waterton park.

THE SPEAKER: The hon. Member for Edmonton-Ellerslie.

1:40

MS CARLSON: Thank you, Mr. Speaker. I have three tablings today. The first is five copies of letters from Mr. Wilde, who is very concerned about Inland Cement's plans to convert from natural gas to coal.

The second tabling is a letter from Alberta Environment to the municipal district of Cardston. In the letter the department outlines its concerns with the proposed subdivision of land on the edge of Waterton park.

My final tabling today is copies of a letter from Bonita Field of Calgary. Ms Field is concerned about overdevelopment in the Castle-Crown area.

Thank you.

THE SPEAKER: The hon. Member for Medicine Hat.

MR. RENNER: Thank you, Mr. Speaker. I'm pleased today to table five copies of a document announcing good news for my constituency, Medicine Hat, as well as southern Alberta. I will be tabling a copy of a news release issued today by PanCanadian Petroleum Limited announcing that they have entered into a memorandum of understanding with Canadian Fertilizers Limited for the development of an 85-megawatt natural gas fired cogeneration plant to be located in Medicine Hat. This project was selected by the province of Alberta's transmission administrator under the location-based credits standing offer process, designed to address transmission constraints with the development of new power generation in southern Alberta.

THE SPEAKER: The hon. Member for Edmonton-Glengarry.

MR. BONNER: Thank you very much, Mr. Speaker. With your permission I would like to table the appropriate number of copies of the program from the Alberta Sports Hall of Fame & Museum induction banquet, which was held Friday in Red Deer and attended by a number of members from this Assembly.

Thank you.

THE SPEAKER: The hon. Member for Edmonton-Gold Bar.

MR. MacDONALD: Thank you, Mr. Speaker. For the information and interest of all members of this Assembly I would like to table the lyrics to *Four Strong Winds* by Mr. Ian Tyson and also the lyrics to *Alberta Bound* by Mr. Gordon Lightfoot.

My third tabling this afternoon is a news release dated July 19, 1999, from Alberta Resource Development. It is titled: "Results of natural gas liquids policy task force announced." Unfortunately, the task force identifies several possible policy options but makes no specific recommendations.

Thank you, Mr. Speaker.

THE SPEAKER: The hon. Member for Edmonton-Strathcona.

DR. PANNU: Thank you, Mr. Speaker. I've got two tablings today. The first one is a set of two letters, each written by two members of Manyberries School Council, Michele Mayer and Sharon Bodin. One of these letters is addressed to me and one to the Minister of Learning. In these letters these parents are expressing their concern about the quality of education as the Prairie Rose regional division 8 does some budget cuts that would force their school to be triple graded in September of this year.

The second tabling, Mr. Speaker, is appropriate copies of an application for an electricity export permit before the National Energy Board. This application is dated May 1, 2001, and is made by Morgan Stanley Capital Group Inc. of New York.

Thank you, Mr. Speaker.

THE SPEAKER: The hon. Member for Edmonton-Highlands.

MR. MASON: Thank you very much, Mr. Speaker. I am tabling an appropriate number of copies of a letter addressed to the Premier from the Bragg Creek Environmental Coalition opposing the proposed Kananaskis FMA and urging the Premier to stop the de facto privatization of these public forests.

head: **Introduction of Guests**

THE SPEAKER: The hon. Minister of Economic Development.

MR. NORRIS: Thank you very much, Mr. Speaker. It's a pleasure to rise today to introduce to you and through you to the Members of the Legislative Assembly two constituents of mine who are seated in the Speaker's gallery. I'd ask them to stand, please. Dr. Donald Jolly and Mrs. Christina Jolly are the parents of page Tim Jolly. Tim has been a page with the Assembly since 1997 and is going into his second year of university in September. He is majoring in political science, even though I've tried to talk him out of that. I understand that his work with the Assembly is coming to an end, and I want to take the opportunity to thank him for his service to this Assembly. We're all very, very proud of Tim. I would ask Dr. and Mrs. Jolly, who are in the Speaker's gallery, to please receive the warm welcome of this Assembly.

THE SPEAKER: The hon. Member for Lacombe-Stettler.

MRS. GORDON: Thank you, Mr. Speaker. I wish to introduce to you and through you 38 enthusiastic students from William E. Hay composite high school in Stettler, Alberta. With the students today are teachers Mr. Neil Humphreys and Mr. Garry Fix and parent helper Ms Cathy Chartier. I am very pleased that they're here today and thank them for coming. Please stand and receive the warm welcome of the Assembly.

THE SPEAKER: The hon. Member for Olds-Didsbury-Three Hills.

MR. MARZ: Thank you, Mr. Speaker. It's a real pleasure today to introduce to you and through you to members of the Assembly 34 very bright and ambitious grade 10 students from Trochu Valley school. They are accompanied by some very hardworking teachers and friends of mine, Mr. Brian Vokins and Mr. Bill Cunningham. I would ask them to rise in the public gallery and receive the traditional warm welcome of this Assembly.

head: **Oral Question Period**

THE SPEAKER: First Official Opposition main question. The hon. Leader of the Official Opposition.

Swan Hills Treatment Centre

DR. NICOL: Thank you, Mr. Speaker. The Bovar annual report for 2000 blames falling revenues at the Swan Hills waste treatment facility on "increased efforts by generators to pursue alternative, lower-cost disposal for their hazardous waste." My questions are to the Premier. Mr. Premier, why is it that the government is promoting old, outdated technology that even the generators of the waste doesn't want to use, especially given that there are alternative technologies that can treat these toxic wastes at source and at lower cost?

MR. KLEIN: Well, first of all, Mr. Speaker, it is encouraging, absolutely encouraging – and on this point I agree with the hon. Leader of the Official Opposition that industry should use all efforts at source to reduce the amount of toxic materials that would otherwise have to be destroyed. They should deal with that at source. I'm pleased also that new technologies are evolving to deal with hazardous waste. But I would remind the hon. member that the Swan Hills plant guarantees a 100 percent kill of toxic wastes. No matter how far the technology progresses in the next 10 or 15 or 20 years, there will always be a requirement for a facility like Swan Hills to absolutely kill those wastes that otherwise can't be disposed of.

THE SPEAKER: The hon. leader.

DR. NICOL: Thank you, Mr. Speaker. Again to the Premier. When you talked about, Mr. Premier, that it guarantees a 100 percent kill, the industry standards are saying that these other alternatives are at least as efficient. So does that not imply that they achieve the same kill of these toxic materials?

MR. KLEIN: Mr. Speaker, if they can achieve the same kill, better. Better. You have to understand and go back and look at the history of this plant. It was probably years ahead of its time. We can say with a tremendous amount of pride in this province that probably we're the only jurisdiction that is absolutely free of PCBs. We're probably absolutely free of toxics that otherwise would've cost us

hundreds of millions of dollars to ship elsewhere and created a problem for another jurisdiction. This plant has served a useful purpose as far as I'm concerned and from the evidence I've seen thus far will serve a useful purpose into the future.

THE SPEAKER: The hon. leader.

DR. NICOL: Thank you, Mr. Speaker. If we're going to be doing that, then why not let industry move on and deal with the new technologies, the new alternatives, and the cost-effective means to do this? Why stand behind an old technology?

MR. KLEIN: Mr. Speaker, we are not stopping industry. As a matter of fact, I'm sure the Minister of Environment would concur that we would encourage industry to develop new and more efficient and more effective ways of dealing with toxic waste, but until all of that technology develops, until there are processes in place to guarantee a kill of all toxic wastes, I would suggest there will continue to be a use for the Swan Hills waste treatment plant.

1:50

THE SPEAKER: Second main question. The hon. Leader of the Official Opposition.

DR. NICOL: Thank you, Mr. Speaker. Following up on this, Mr. Premier, you talk about the idea that we have to allow them to move on. When we have deregulation as a major premise of Alberta, why is it that you continue to create a cost subsidy for this Swan Hills plant and we don't allow the other industries to develop? If they have to have a competitive industry, they shouldn't be fighting against a subsidized industry supported by this government.

MR. KLEIN: Again, the hon. Leader of the Official Opposition makes somewhat of a point, not a total point. The simple fact, Mr. Speaker, is that there is a cost to garbage. There is a cost to garbage whether that garbage is toxic garbage or whether that garbage is municipal waste. In the city of Lethbridge, where the hon. member resides, he pays taxes to subsidize the collection and the disposal of garbage. There is a cost to garbage. As a matter of fact, there is an argument amongst some municipalities as to whether garbage is in fact a service that is a utility or whether it is something that should be the responsibility of the private sector or whether garbage should solely, absolutely, completely be the responsibility of the individual or individuals who create the garbage.

THE SPEAKER: The hon. leader.

DR. NICOL: Thank you, Mr. Speaker. I'd just remind the Premier that I live in the county of Lethbridge, and I pay \$14 every time I take a load of garbage to the landfill.

Will the Premier explain to this Assembly where the plant is expected to get enough waste revenue to make money, given that its previous owners shut it down four times in 2000 due to a lack of volume of waste?

MR. KLEIN: Mr. Speaker, relative to where we are with negotiations to have a private-sector operator take over the plant, I will have the hon. Minister of Infrastructure respond.

THE SPEAKER: The hon. minister.

MR. LUND: Thank you, Mr. Speaker. We're currently dealing with a number of international companies on the sale of the Swan Hills

plant. We're calling now for the specifications for qualification, and we will be moving forward with those companies. Certainly, they are looking at the market. They will make those decisions whether, in fact, they believe there's enough waste, and we'll be moving forward with it as quickly as possible.

THE SPEAKER: The hon. leader.

DR. NICOL: Thank you. Then to the Premier: will there be continued subsidies as part of these negotiations with these international companies when they're coming to look at the option of taking over that Swan Hills plant?

MR. KLEIN: That is an interesting question. Mr. Speaker, certainly we would like to make the plant as profitable as we possibly can for the operators without going to the extent of dreaming up new ways to manufacture waste for them to dispose of.

Will there be subsidies? Mr. Speaker, as I explained earlier, there will always be a cost to garbage. In this province I don't know how many orphan sites there are for which the provincial government has assumed responsibility, contaminated properties for which we cannot assign responsibility to those who originally contaminated the property because of the amount of time that has lapsed. So if there are contaminants that will be recovered from those properties, contaminants that must be by law destroyed at the Swan Hills plant, then, yes, the taxpayers of Alberta will have to subsidize those particular disposals.

THE SPEAKER: Third Official Opposition main question. The hon. Member for Edmonton-Riverview.

Cataract Surgery Contracts

DR. TAFT: Thank you, Mr. Speaker. Last September the Capital health authority awarded a two-year cataract surgery contract to Surgical Centres Inc. The request for proposals was issued in mid-summer with a short response time, and the winner was a company that had neither a surgeon nor the equipment to do the work in Edmonton. It's the same company that is owned to a significant extent by immediate family members of the chief medical officer of the Calgary regional health authority. My question to the Minister of Health and Wellness: given that the government committed during the Bill 11 debate that contracts with private health care providers would be open and public, will the minister make public the tendering and evaluation documents from this contract?

MR. MAR: Mr. Speaker, I can say categorically that this is a completely transparent process. We have gone through a tendering process. We've had our evaluation of those contracts, under the Health Care Protection Act, evaluated by the Auditor General. We've had them evaluated by an outside of province consultant from the province of British Columbia. We've had each contract reviewed by an outside of province consultant from the province of British Columbia. I can say without fear of hesitation that these contracts have all gone through a very scrupulous process. The regional health authorities do have the same conflict of interest bylaws that apply to MLAs that sit in this Assembly, including the Member for Edmonton-Riverview. The Health Care Protection Act requires full disclosure of ownership of private facilities that seek to have contracts with regional health authorities. If individuals wish to see the contracts, those contracts are available on the Internet, and individuals can look at them. We have no fear in having individuals review those contracts for themselves.

THE SPEAKER: The hon. member.

DR. TAFT: Thank you, Mr. Speaker. Was there a detailed cost-benefit analysis done for this process, and if so, will the minister provide those details to us?

MR. MAR: Mr. Speaker, the issue of cost-effectiveness while important is not the only issue that is looked at in the review of these contracts. For example, there may be an advantage in providing such services in a private surgical facility as opposed to being in a hospital, because it frees up space in a hospital surgical suite for more serious types of surgeries to be done. So cost-effectiveness is one element, but it is not the only one. There are a number of other factors, but overall there must be, on balance, more benefit. That benefit may come in terms of cost-effectiveness, or it may be, for example, that better use of resources is being made by contracting out certain services to private surgical facilities.

THE SPEAKER: The hon. member.

DR. TAFT: Thank you, Mr. Speaker. I guess I need to repeat the question. Was there a detailed cost-benefit analysis done for this process, and if so, will the minister release details of it to the Assembly?

MR. MAR: Mr. Speaker, I can again say that each of these contracts has gone through a very, very stringent review process, and I stand by my previous answer.

THE SPEAKER: The hon. leader of the third party, followed by the hon. Member for Calgary-Fort.

Electricity Exports

DR. PANNU: Thank you, Mr. Speaker. Last Saturday it was reported that an American investment firm is applying to the National Energy Board to ship 3 percent of Alberta's total power generation to the United States. The application for this export, which I tabled earlier today, clearly states that the export would come from the existing power supply. My questions are to the Premier. Given that the application clearly states that the export would come from the existing supply, how much more will Albertans be forced to pay when a major sell-off of electricity takes place as a result of this application?

MR. KLEIN: Mr. Speaker, I would assume that this would be a matter for the Alberta Energy and Utilities Board to adjudicate. Our policy is quite clear relative to the export of electricity, and I will have the hon. Minister of Energy supplement. That policy, as I understand it, is that the demands of Albertans relative to supply must be met, that a certain amount of surplus has to be left in the country, and that the surplus on the surplus can be exported contingent on very strict approval requirements being put in place. I'll have the hon. minister supplement.

MR. SMITH: Thank you, Mr. Speaker. The National Energy Board does have a role to play in international interconnect, and the group Morgan Stanley Dean Witter did the appropriate thing, and it filed for export. They're, in fact, one of 10 companies that hold export permits already. There are also exports going on today as we speak to Saskatchewan and British Columbia.

2:00

There is a compelling commercial reason why power is used in

Alberta first. One is that when you export it, it then is subject to line losses. Line losses make it less economic to use that power in a mileage-based jurisdiction or someplace far away from grand Alberta than it does locally. So there will always be an Alberta-first issue.

I think the hon. Member for Medicine Hat today showed the positive effects of a deregulated market by tabling yet another 85 megawatts in cogeneration. That adds up, Mr. Speaker, for PanCanadian to some 300 megawatts. That, coupled last week with TransCanada Pipelines that are in various stages of approval, is some 500 megawatts. That's very close to 1,000 megawatts that is going onstream and will be used in Alberta for Albertans.

THE SPEAKER: The hon. member.

DR. PANNU: Thank you, Mr. Speaker. The export to Saskatchewan and B.C. is different from exporting to the U.S.

Perhaps the Premier can explain to the House how his government can protect Alberta's domestic supply of electricity, when NAFTA will almost certainly prohibit any efforts to limit exports to the United States once exports have started.

MR. KLEIN: Mr. Speaker, again I will defer to the hon. Minister of Energy.

MR. SMITH: I know the term "compelling commercial reason" is one that is difficult, Mr. Speaker, to get through to a New Democratic Party jurisdiction. But I will repeat that in fact there is a cost advantage to use Alberta-produced power in Alberta.

DR. PANNU: Mr. Speaker, my last question to the Premier: given that power exports result in a larger market for coal-fired electricity, will the government explain how all environmental concerns will be addressed?

MR. KLEIN: Well, Mr. Speaker, again I'll have the hon. Minister of Environment supplement, but there are stringent rules and regulations already in place relative to emission and stack standards for coal-generated power plants and other forms of coal generation. Relative to the specifics of those rules and regulations, I'll have the hon. minister respond.

DR. TAYLOR: Thank you, Mr. Speaker. Yes, Alberta does have very strict standards on emissions, but we need to recognize that emissions can be fuel neutral. It's what comes out of the stack that counts; it's not necessarily what goes into the furnaces. So whether it's natural gas or coal or some other fuel source, we will monitor the stack emissions. We do have tough standards on the stack emissions, and our standards will only get tougher.

THE SPEAKER: The hon. Member for Calgary-Fort, followed by the hon. Member for Edmonton-Gold Bar.

Workers' Compensation Board Reviews

MR. CAO: Thank you, Mr. Speaker. My question today is to the Minister of Human Resources and Employment. Given that the two WCB review reports completed at the end of last year have raised expectations from injured workers as well as WCB caseworkers, could the minister give an outline of the process for consideration and implementation of the recommendations from the reports?

MR. DUNFORD: Mr. Speaker, this allows me the opportunity to again thank the chair and the committees of those two groups that have provided the input.

As we stand here today, Mr. Speaker, we're currently involved in

what I would class as a ministry response. We have an internal system within our government that we must move through now in order to arrive at the government response. The timing of that of course is subject, as all of us are, to the various demands that are made on our time. Of course, in recognition of the member's comments about expectations, we are trying to arrive at some sort of public announcement that we'd have available by mid-June.

THE SPEAKER: The hon. member.

MR. CAO: Thank you, Mr. Speaker. I have only one supplementary question, and it's to the same minister. Given that a number of injured workers have expressed to my office their frustration that existing and new cases seem to be put in limbo and decisions delayed because WCB caseworkers are waiting for the implementation from the report, could the minister shed some light on this?

MR. DUNFORD: Well, Mr. Speaker, I'm concerned by some of the components of that question in the sense that with the mandate that the two committees were given, there really shouldn't be anything that would have impacted on a decision when a worker is injured as far as the case manager is concerned. So all I could indicate to you and, of course, to all members of the House is that if there are specific situations now of where decision-making is being held up due to some sort of reference to what our ministry and our government will be doing, I think it would be very, very important that those specific situations be brought forward to my office as soon as possible.

THE SPEAKER: The hon. Member for Edmonton-Gold Bar, followed by the hon. Member for Edmonton-Rutherford.

Natural Gas Liquids

MR. MacDONALD: Thank you, Mr. Speaker. Another major policy shortcoming of this government is its failure to ensure and protect an economical, reliable supply of ethane for Alberta's petrochemical industry. My first question this afternoon is to the Premier. Why did the government's task force in July of 1999 on natural gas liquids make no specific recommendations regarding ethane supply for this province?

Thank you.

MR. KLEIN: Mr. Speaker, this is, as they say, a work in progress.

MR. SMITH: A moving target.

MR. KLEIN: And it is a moving target, absolutely.

But certainly relative to gas produced in this province, there is a policy, Mr. Speaker. What we want – and I hope I receive the support, the undying support, of the hon. member from the Liberal opposition in our endeavour to establish a policy and a program that will allow us to strip the ethane and the propane and the butane and other liquids from that gas, those trillions of cubic feet, that hopefully will flow through Alberta from both the Mackenzie Delta and Prudhoe Bay as it gathers at Boundary Lake to support our growing and our thriving petrochemical industry. I look for his undying support in this endeavour.

THE SPEAKER: The hon. member.

MR. MacDONALD: Thank you, Mr. Speaker. Given that the moving target in this case is gas and jobs out of the province, why

is the Premier allowing the government's policy on ethane supply for straddle plants to be phased out starting in the year 2004? The phaseout is to be complete by June of 2008.

Thank you.

MR. KLEIN: Mr. Speaker, I don't know that to be true at all. As a matter of fact, that would be counter to our policy of achieving as much liquid as we possibly can from natural gas. But to shed more light on the situation, I'll have the hon. minister respond.

MR. SMITH: The member tabled today the results of the natural gas liquids policy task force, and because it is a tabled document, Mr. Speaker, I know I can quote from the task force chairman, the MLA for Clover Bar-Fort Saskatchewan, who is named in the press release as being Rob Loughheed. Mr. Loughheed has been returned to office from that pre-election time, July 1999. In it he says:

The issues raised by our partners in industry and government will shape policy on ethane and other natural gas liquids to ensure that Albertans continue to receive fair value for these publicly owned resources. I trust our stakeholders will continue to work with us to achieve this goal.

That is, in fact, the policy. That is, in fact, what is occurring today, Mr. Speaker.

MR. MacDONALD: Mr. Speaker, my question again to the Premier: why didn't the Premier actively intervene at the National Energy Board hearings that were held in conjunction with the Alliance pipeline to protect the ethane supply of Alberta so it wasn't shipped off to Chicago and the jobs along with it?

Thank you.

MR. KLEIN: Why didn't I personally intervene? I didn't intervene because we have experts in the department, Mr. Speaker, who did intervene in those hearings. Again, relative to the extent of that intervention, I'll have the hon. minister respond.

2:10

MR. SMITH: Mr. Speaker, today in this economy anybody can buy ethane, and there is a balance that allows us to continue to have a healthy, thriving, petrochemical industry. The difficulty that exists today is the price of natural gas, helped in part by the building of the Alliance pipeline that created a continental energy market that allowed producers in Alberta to share in world market prices.

Now, as that happened, we had an opportunity for ethane to be used here, but ethane . . . [interjections] It's hard for me to get through with the chirping from the Liberal opposition, so I'll just continue to talk and maybe slow it down a little, Mr. Speaker, so that we get the point through.

Mr. Speaker, we have now a balance in ethane. We have an issue where ethane is being challenged for its competitive price because of the rise in the natural gas price relative to the price of crude oil. When that natural gas price rises to that extent, those petrochemical plants that are based on crude oil and naphtha start to become more competitive. That starts to challenge our industry. So just as the hon. Member for Clover Bar-Fort Saskatchewan said, it's a moving target; it's an evolving market. That's exactly what we're faced with today.

The great thing about the Alliance pipeline, Mr. Speaker, is it created jobs in this province. It allowed the petrochemical industry to be sustained, and although there are less Liberal jobs in this caucus today than there were a year ago, there are more petrochemical jobs.

THE SPEAKER: The hon. Member for Edmonton-Rutherford, followed by the hon. Member for Edmonton-Glengarry.

Electricity Deregulation

MR. McCLELLAND: Thank you very much, Mr. Speaker. My question is to the Minister of Energy. Typically, rent controls, price ceilings, price caps, deferral accounts, or any artificial pricing mechanism imposed by government has the unintended consequence of providing consumers a reduced supply of an inferior product. Consumers are not motivated to conserve, and producers are not motivated to innovate or invest. My question: what flaws in the design of Alberta's move to a deregulated electricity market have been identified, and what has been done to correct them?

MR. SMITH: Well, we're starting to move on a topic, Mr. Speaker, and I welcome the question from the member. As a matter of fact, on Friday I met with individuals from the Power Pool Council, those involved in electricity in Alberta. It was a productive meeting, and we asked some fundamental questions: what's gone right, what are the warts, and how can we change it if we have to make it stronger? In fact, as the member mentions, we'll be working hard at that part.

One of the parts of that meeting, Mr. Speaker, was an overview from a top world-based consultant that talked about Alberta's restructured electric model. Now, in fact there are 27 states that are in some form of renegotiation of their offering of electricity in a competitive market. He said that what Alberta did in a year, it took the United Kingdom over a decade to get to. So there's progress to report. Part of that progress refers to the earlier questions in that Alberta is not an island. We have to find larger and more creative ways to tie into a prairie power grid, to tap into the hydropower of Gillam and Kettle Rapids on the northern borders of Manitoba.

We do know there's need for a continual review of governance. We also need to know, Mr. Speaker, that we have strong market surveillance administration. As the member appropriately and correctly pointed out, price caps are the way to the California experience; free market is the way to lower prices in Alberta.

MR. McCLELLAND: My first supplementary is to the same minister. Is the date for the removal of price caps or the regulated rate option fixed, or is it tied to competition? Can they be removed earlier if competition is present in the marketplace?

MR. SMITH: A good question, Mr. Speaker. The regulated rate option is in place for five years for residential and farm customers, three years for small commercial customers. Again, we'll be reviewing what is appropriate based on market experiences to date, but those time frames are locked in.

THE SPEAKER: The hon. member.

MR. McCLELLAND: Thank you, Mr. Speaker. My second supplementary. Given that conservation is cheaper and better for the planet, what is the government of Alberta doing to promote energy conservation in our present regulated-rate environment?

MR. SMITH: Well, again another good question. We've had questions from the Member for Calgary-Currie that talked about what's occurred in the city of Calgary and in fact the production of what is termed nega-watts. Anytime you turn a regulated product such as electricity into a commodity, you get two outcomes from that. One is innovation, and the second is conservation.

Now, we've seen from early reports that the conservation in Alberta has been as much as 6 percent. I do know that the government is taking an active role, I think probably with your co-operation and help, Mr. Speaker. As you go through the Legislative Assembly

and the building itself, you'll see compact fluorescent lights in place. I know that there is a deputy ministers' committee. I know the good work of the Minister of Infrastructure, who may wish to supplement about what conservation measures are taken part in across government. There is a great bounty of opportunities to save on power and particularly in that time between 4 and 7 in the evening, which is peak load time, because conservation can save Albertans hundreds of millions of dollars. If you look at today's Power Pool, you'll see power prices at \$80.17 a megawatt-hour.

THE SPEAKER: The hon. Member for Edmonton-Glengarry, followed by the hon. Member for Edmonton-Glenora.

Underground Tank Remediation

MR. BONNER: Thank you, Mr. Speaker. In this legislative session Albertans have learned that the Minister of Municipal Affairs is very concerned about underground tank remediation, that tank remediation is a priority issue, and that 80 million taxpayer dollars are funding the cleanup of industrial waste. What Albertans don't know is where the leaking tanks are, who will receive money from this fund, and what the specific cleanup plans are. My questions are to the Minister of Municipal Affairs. How can Albertans find out if they are living on or near a former tank site?

THE SPEAKER: The hon. minister.

MR. BOUTILIER: Well, thank you. Mr. Speaker, first and foremost, the program that this government announced last year is the only program of its kind in this entire country. The \$80 million that is being used for this remediation work is on a priority basis. In fact, presently we are looking at establishing an even broader criteria on the almost 5,000 sites that have been identified within this province.

THE SPEAKER: The hon. member.

MR. BONNER: Thank you very much, Mr. Speaker. To the same minister: how much of the \$80 million is earmarked for assisting Albertans who are living on or near a contaminated site?

MR. BOUTILIER: Mr. Speaker, every single site that is being identified – that is the purpose of the \$80 million. My response to the hon. member across the way is quite simply this. If it has been identified as a site that needs help, this province and this government are going to help.

MR. BONNER: To the same minister, Mr. Speaker. On Thursday the minister said that the stakeholders were very pleased with the remediation process. Specifically, who are the stakeholders, and what is the process?

MR. BOUTILIER: Mr. Speaker, the process has been that we've been working with the Alberta Urban Municipalities Association and we've been working with the AAMD and C, the Alberta Association of Municipal Districts and Counties. We continue to work with them. The municipal identified sites have been moving forward very productively, and I am proud to say that over 300 and some sites have already been remediated. That good work is going to continue over this next year.

THE SPEAKER: The hon. Member for Edmonton-Glenora, followed by the hon. Member for Edmonton-Ellerslie.

Fetal Alcohol Syndrome

MR. HUTTON: Thank you, Mr. Speaker. My question is to the Minister of Children's Services. Two weeks ago I asked the hon. member responsible for AADAC some questions relating to fetal alcohol syndrome and related programs here in Edmonton, and I will continue to do the same in the following years. Will the minister tell us about funding that her ministry has in place to address this serious issue?

THE SPEAKER: The hon. minister.

2:20

MS EVANS: Thank you, Mr. Speaker. Over the next three years we'll spend at least \$7 million dealing with fetal alcohol initiatives, but I should point out that we are also in partnership not only with Health but with Justice. Numerous issues that emerge there are being funded through numerous programs, even in our local FCSS groups. Some groups do devote dollars to mentoring programs. Overall, that dollar will be placed in the 18 authorities through partnerships that are locally driven, so dollars there may also include some support from various corporate and business partners. Born Free, which we mentioned a couple of weeks ago, is an example of a particular pizza company getting involved and making sure that nonalcoholic drinks are given to pregnant moms. So a number of initiatives beyond that \$7 million.

THE SPEAKER: The hon. member.

MR. HUTTON: Thank you, Mr. Speaker. The minister mentioned the amounts, but could she please let us know some of the initiatives under way that she is planning for combating fetal alcohol syndrome?

THE SPEAKER: The hon. minister.

MS EVANS: Thank you, Mr. Speaker. Perhaps the first thing to do would be to take a look at what happens when a child with FAS or FAE is diagnosed, and that is not a simple issue. We have to in fact do that very important assessment. The assessments of FAS are really important. From the time last fall when I mentioned that about 1 percent of live births carry that potential for fetal alcohol syndrome or fetal alcohol effect – I cited at that time that if we have 36,000 births in Alberta and 1 percent were identified as being FAS/FAE, we'd spend a million and a half dollars for each of those children. That would start with dollars at the time of assessment, Head Start and healthy start programs in communities at the community level, and working with health authorities to make sure that we had mentoring in place for families.

Mr. Speaker, recently I asked that question to an Ontario pediatrician, Dr. Mary Gordon, who said that the most important thing we can do for an FAS child is to love their mother. If we love their mother enough, we'll look after the mother. We'll train her so that her understanding of FAS/FAE will make her so interested in not having any further alcohol during pregnancy that we will be involved in that very important prevention that is critical in reducing the number of FAS/FAE candidates that present themselves in our province.

THE SPEAKER: The hon. member.

MR. HUTTON: Thank you, Mr. Speaker. I was at a function last week with the federal Minister of Justice, and she mentioned that Alberta will lead the prairie/northern FAS partnership. My questions

to the minister: are there other ministries involved in this partnership, and are there other stakeholders that are going to be involved?

MS EVANS: Mr. Speaker, the prairie/northern FAS partnership actually is our way of networking or making a definitive contact with partners in Saskatchewan, Manitoba, and recently the territories and Yukon have been added. We do liaise with the minister of health. AADAC is involved. Our staff work in teams together. The prairie/northern FAS partnership ensures that we're not all reinventing the wheel on issues like guidelines for pediatricians in understanding the assessments, in promotional programs. We build on each other's strengths. We have many people that have a common interest in all of these areas, because there's a mobility among the population that frequently sees children transferred from one area to the other.

Electricity Prices

MS CARLSON: Mr. Speaker, under questioning about electricity prices last week, the Minister of Economic Development said, "There are numerous maritime jurisdictions that are charging far higher prices than [Alberta]." In spite of his comments, we have yet to see any evidence from this minister to back up his claim. To the Minister of Economic Development: will he either provide details backing up his claim or withdraw his comments?

MR. NORRIS: Well, Mr. Speaker, my parents raised me that once you say something, you stand by it. I won't withdraw it. I have information that I'll supply to the hon. member.

I would like to use this opportunity again to tell them why people choose Alberta. The pricing of electricity is one of many, many things that go into people making decisions about coming to Alberta. I have some information that may interest the hon. members opposite about people very close to us. I won't use names, but there is a gentleman . . .

AN HON. MEMBER: Tell us.

MR. NORRIS: I can't tell you, but I can tell you it's from Saskatchewan. His comment was that he's moving his business, Mr. Speaker, because he is absolutely fed up with Saskatchewan's high taxes, and he has put his Regina-based business up for sale to come to Alberta.

I would encourage the members to stop myopically looking at this issue as electricity only and understand that the Alberta advantage is made up of many, many, many things, not the least of which are the lowest taxes in Alberta, the lowest corporate tax rate, and the highest net migration of employment. There is so much more than electricity. They seem to be hung up on all the wrong things.

In answer to the hon. member's question, New Brunswick and Nova Scotia are the jurisdictions. I did mention that I don't like doing that. I wasn't raised to criticize other people. But it is here in black and white.

MS CARLSON: Mr. Speaker, to the same minister: what is the department's response to the report by the Canadian Manufacturers & Exporters showing that higher electricity costs under deregulation would cost Alberta's manufacturing sector 31,000 jobs?

MR. NORRIS: Again, I would encourage the hon. members to look at the long term. Certainly under the current situation of electrical deregulation there may be some sectors that are doing better or worse. There may be shortages that I'm not aware of. I don't understand why they can't focus on the fact that our net business

migration was over 7,000 businesses last year, Mr. Speaker. The number of new jobs created was 110,000. It's endless, and to be myopically focused on this one issue just shows me that there's a lack of direction from the members opposite.

MS CARLSON: To the same minister, Mr. Speaker: given the findings of the Canadian Manufacturers & Exporters report and the fact that Alberta's small manufacturers are subject to the highest electricity costs in the country, aren't the benefits of Alberta's lower business tax being squandered by electricity deregulation?

MR. NORRIS: Well, Mr. Speaker, again we're getting into that very fuzzy Liberal ground of speculation versus fact. Quite simply put, I don't know how to get the message across that one of the many, many factors of coming to Alberta . . .

DR. TAYLOR: Speak slowly.

MR. NORRIS: I'll try and speak slowly.

One of the many, many factors that people choose about Alberta is electricity. That's certainly true, but there are so many others, Mr. Speaker, and at the end of the day all business facts point to the very obvious truth that Alberta is the place that people want to come to. I'd encourage the members to start spreading the word instead of being so negative.

THE SPEAKER: The hon. Member for Edmonton-Highlands, followed by the hon. Member for Red Deer-North.

Municipal Transportation Grants

MR. MASON: Thank you, Mr. Speaker. This weekend's meeting of the Federation of Canadian Municipalities has once again highlighted the need for longer term funding partnerships between the province and Alberta's municipalities. Both Edmonton and Calgary have identified LRT as a key transportation strategy and a major way to reduce traffic congestion in the two cities. My question is to the Minister of Infrastructure. Will the province take a firm funding commitment to extend LRT in Edmonton and Calgary beyond their current limits today?

MR. LUND: Well, Mr. Speaker, once again, as I pointed out to the member one other time, the building of LRTs and that kind of work is not in the Department of Infrastructure.

MR. MASON: Well, then, Mr. Speaker, the same question to the Minister of Transportation.

MR. STELMACH: Mr. Speaker, this government has done something quite unique in the jurisdiction of the dominion of Canada, and that is to extend to Edmonton and Calgary 5 cents of every litre of gas sold in those jurisdictions to go directly to transportation needs in those respective municipalities. Nobody has ever done that before, and that gives the city of Edmonton almost an 80 percent increase in the kinds of revenues they receive from the province and well over 62 percent to the city of Calgary.

MR. MASON: Mr. Speaker, why does the government use specific funding formulas for its pet projects like the twinned export highway to the United States, yet when it comes to important municipal projects like the LRT, the province does not have specific funding programs?

2:30

MR. STELMACH: Mr. Speaker, the north/south trade corridor is a \$1.3 billion project that will connect the Grande Prairie area, all the way through the cities of Edmonton and Calgary and all the way down to Coutts, Alberta, to Montana. That project is undertaken by the province of Alberta. It's solely sourced by this province, and it has no partnership with any municipalities.

In doing that, Mr. Speaker, we've also taken over full jurisdiction of the Deerfoot in the city of Calgary, which would see, oh, a funding commitment of about \$220 million to \$250 million, and we've also taken over the Anthony Henday construction in the city of Edmonton, full construction, which would be about \$250 million, with three bridge structures: one over the Blackmud, one over the Whitemud, and the other one over the North Saskatchewan. That shows a tremendous commitment to those two municipalities, plus we've taken over all of the maintenance. So that gives them at least another 10 percent saving on what they used to spend on those roads.

THE SPEAKER: The hon. Member for Red Deer-North, followed by the hon. Member for Edmonton-Centre.

Court-ordered Prison Visits

MRS. JABLONSKI: Thank you, Mr. Speaker. My question is for the Minister of Children's Services. A mother in Red Deer, Lisa Dillman, is being forced to take her young children to see their father in prison despite the fact that he is a convicted sexual offender. Due to the trauma that the children will suffer, has the Children's Services ministry taken any action to prevent these visits from occurring?

THE SPEAKER: The hon. minister.

MS EVANS: Thank you, Mr. Speaker. Right from the moment that I first realized that the children may be affected, I asked officials both in our department and in Justice what actually is the role of the Children's Services ministry in this situation. Under the current Child Welfare Act there is absolutely no authority to either contradict or challenge the judgment from Saskatchewan. I did advise the mother to get a lawyer, seek legal opinion, and we have also taken a good look at the fact that the Child Welfare Act is under review. With my colleague the Minister of Justice I fully intend to discuss whether or not there could ever be in the Child Welfare Act a section included that would allow that intervention.

I should point out that one of the things about the mother in question here is that she was an excellent advocate. I wrote to her and expressed my sincere concern as she had also demonstrated that our role of children's advocacy tends to be interventionist when there is no other advocate available. Mrs. Dillman is an excellent advocate. She followed through with the lawyer, and as you can see, there was further work done by the courts in appointing a social worker to attend with Mrs. Dillman on the occasion of the visit that the judge indicated must take place.

THE SPEAKER: The hon. member.

MRS. JABLONSKI: Thank you, Mr. Speaker. My next question is to the Minister of Justice. Is there anything he or his ministry can do to prevent any future visits to the penitentiary by these young children?

MR. HANCOCK: Well, Mr. Speaker, as the Minister of Children's

Services indicated, children are the top priority of this government, and in our view a determination should always be made on what's in the best interest of the child. However, this unfortunate situation arises through a Divorce Act application which originated in Saskatchewan, and therefore the Alberta courts do not have jurisdiction in that issue. Neither this department nor any department of government can interfere with respect to an order of a court, particularly the order in this case, made in Saskatchewan.

So the answer given by the Minister of Children's Services is exactly correct. The mother in this case, although she has our complete support and sympathy with respect to what she is trying to do, must avail herself of the court in Saskatchewan to have that particular court order dealt with or reheard. It's not within our authority to interfere with the independence of the court in this particular circumstance.

THE SPEAKER: The hon. member.

MRS. JABLONSKI: Thank you, Mr. Speaker. Well, in that case, can the Ministry of Justice and this government change legislation to prevent a similar situation from happening in the future?

THE SPEAKER: The hon. minister.

MR. HANCOCK: Thank you, Mr. Speaker. That is a timely question, because there are issues with respect to jurisdiction. Last week we tabled the task force report from the Unified Family Court Task Force, bringing the jurisdiction of the Provincial Court and Queen's Bench in this province a suggestion that it be brought together so that there be one forum.

At the same time, we indicated and in our business plan for Justice is an indication that we are reviewing family law in Alberta with the hopes of bringing a simplified form of family law to this Legislature, perhaps this next spring, and in that review we will be looking at issues with respect to family law, custody/access provisions, as they pertain to provincial jurisdiction. Again, in the course of that review the first and foremost as a principle will be that it should always be what's in the best interests of the child.

I should also mention to the House that the federal government is at this very moment conducting a review with respect to their aspects of family law under the Divorce Act, with respect to custody and maintenance issues relative to the federal jurisdiction, and that there are consultations going on. The province will be participating in those consultations, and we're trying to co-ordinate as much as possible the federal and provincial consultations. I do hope that through the course of those revisions, both in the federal and the provincial laws relating to family law, we will be able to deal with issues like this, which seem to fall through the cracks, and provide better assurance for Albertans that the best interests of the child will always be paramount and that we have no interest in advancing the interests of pedophiles or other sex offenders but that we must protect the child at all costs.

head: **Recognitions**

THE SPEAKER: The hon. Member for Redwater.

Gary Macyk

MR. BRODA: Thank you, Mr. Speaker. Today I would like to recognize coach Gary Macyk of the Waskatenau Chiefs baseball team. On October 29, 2000, at the annual Baseball Alberta awards banquet Gary received the coveted Aurora coach/manager award. This award is presented to a senior coach who directed his team with

sportsmanship and is perhaps the highest recognition a coach can receive.

In the third week of August the Waskatenau Chiefs welcomed four teams from British Columbia to Manitoba for the western Canada championship. Gary was not only on the organizing committee, but his team also won the first-place gold medal. In a game against Team Alberta, the Fort Saskatchewan Giants, producing a victory over the Giants by a score of 8 to 6, the Waskatenau Chiefs became the first Alberta team in nine years to win this event.

Over the past 20 years Gary has made an impact on many athletes. I ask the Assembly to congratulate Gary Macyk.

THE SPEAKER: The hon. Member for Edmonton-Glengarry.

Sports Hall of Fame Induction Banquet

MR. BONNER: Thank you, Mr. Speaker. On Friday evening I had the opportunity along with a number of other MLAs to attend the Alberta Sports Hall of Fame 2001 induction banquet. This was a very special year as not only inductees were welcomed into the Alberta Sports Hall of Fame, but also there were onetime century awards, which acknowledged outstanding contributions to Alberta's sporting heritage for the last century.

Worthy recipients of the century individual awards include: athletes, skier Kerrin Lee-Gartner and hockey player Wayne Gretzky; builders, Elsie Barlow for softball and Glen Sather for hockey. The century team awards went to the Edmonton Commercial Graduates basketball teams and the 1978 to '82 Edmonton Eskimo football teams.

All the award recipients have given us great moments and events to remember. Their outstanding contributions have been witnessed provincially and in many cases nationally and internationally. Today we congratulate these recipients on their achievements and thank you for your great involvement in sports in this province.

Thank you.

THE SPEAKER: The hon. Member for Vermilion-Lloydminster.

Nelson Lumber Company Ltd.

MR. SNELGROVE: Thank you, Mr. Speaker. Today I rise to recognize another Alberta success story. The Nelson Lumber Company, with its head offices in Lloydminster, has long been recognized as one of the best home builders in western Canada and has now become Canada's largest home manufacturer. Earlier this month the Nelson Lumber Company acquired SRI Homes of Kelowna, B.C., and now employs 800 people, with expected annual revenues of \$160 million. The type of growth and accomplishment demonstrated by the Nelson Lumber Company is a direct result of sound management, excellent customer service, and a positive vision for the future. This company contributes to the Alberta advantage and the resulting booming economy that we all enjoy.

I would like to congratulate Mr. Ray Nelson, his daughter Ms Glenda Elkow, the board of directors, as well as all the staff that make up the Nelson Lumber Company team. The achievements of this successful Alberta company are a direct result of Mr. Nelson and Ms Elkow's initiative and perseverance. I would also like to wish this new venture success and to Mr. Nelson, the oldest ever heart transplant recipient in Canada, continued good health.

THE SPEAKER: Now we'll hear from the hon. Member for Red Deer-North.

2:40

Red Deer Rebels

MRS. JABLONSKI: Thank you, Mr. Speaker. Today for the first

time in their history the Red Deer Rebels are bringing home the Memorial Cup, representing the Canadian national junior hockey championship. All of Alberta shares in the pride and excitement of this musketeer team that believes in the one for all and all for one system. The Red Deer Rebels are a team of dedicated, hardworking, and talented hockey players, and we congratulate each and every one of them for this outstanding national performance.

Congratulations go to Martin Erat, Justin Mapletoft, tournament MVP Kyle Wanvig, captain Jim Vandermeer, Ross Lupaschuk, Andrew Bergen, Colby Armstrong, Jeff Woywitka, Doug Lynch, Joel Stepp, Boyd Gordon, Jeff Smith, Bryce Thoma, Diarmuid Kelly, Darcy Robinson, Devin Francon, Shane Bendera, Shay Stephenson, Derek Meech, Ladislav Kouba, Joel Rupprecht, Shane Grypiuk, and Cam Ondrik and their excellent coaching staff of Brent Sutter, Dallas Gaume, Justin Wallin, goaltending coach Andy Nowicki, trainers Dave Radar Horning and Les Scott, and head scout, Carter Sears. Congratulations to all of you. Mr. Speaker, if this ran into overtime, that's how Red Deer wins.

THE SPEAKER: The hon. Member for Edmonton-Mill Woods.

Dr. Emery Dosedall

DR. MASSEY: Thank you, Mr. Speaker. Today I recognize the career of an exceptional educator, Emery Dosedall, superintendent of Edmonton public schools, who last week announced his resignation.

Since 1995 Superintendent Dosedall has achieved remarkable success during a time when the monopoly position of public schools was challenged by the introduction of charter schools and attractive funding increases for private schools. Instead of allowing public schools to become a victim of the changes, Dr. Dosedall offered Edmontonians an expansive vision of public education.

Building on the site-based decision model that he helped create under former superintendent Dr. Michael Strembitsky, Dr. Dosedall moved to make the public schools as responsive to parents as possible. From schools focused on the fine arts and heritage languages to those with narrow academic concerns, Dr. Dosedall has redefined public education in our city.

Emery is an exceptional leader because he is an exceptional person. His wisdom, love of learning, enthusiasm for life, and ready sense of humour have served students and citizens of Edmonton well. He'll be sorely missed.

Thank you, Mr. Speaker.

THE SPEAKER: The hon. Member for Grande Prairie-Smoky.

Dr. Llewellyn Schwegmann

MR. KNIGHT: Thank you, Mr. Speaker. It's a pleasure to rise today in this House and recognize an Alberta physician and relate yet another good-news story about health care in Alberta. A young man was attended by a physician in Valleyview, Dr. Llewellyn Schwegmann, who works in the Mistahia RHA. He had a scrape on his leg. An early diagnosis of flesh-eating disease by Dr. Schwegmann and a rapid response in treatment at the University of Alberta hospital resulted in not only saving the leg of the young man but in all likelihood his life. So I think we owe the system and the doctor our vote of support.

Thank you.

Privilege Imputing Motives

THE SPEAKER: Hon. members, on Thursday last there was a point of privilege raised in the House. It was raised by the hon. Govern-

ment House Leader. At that time the chair invited the hon. Member for Edmonton-Highlands to make a tentative statement if he so chose. The chair also indicated that this matter would come back today. So, hon. Government House Leader, do you have something further to add to this point of privilege?

MR. HANCOCK: Yes, Mr. Speaker, unless there's an initial statement that the hon. Member for Edmonton-Highlands would like to say first.

THE SPEAKER: Please proceed now then.

MR. HANCOCK: Yes. Mr. Speaker, as I mentioned on Thursday, I consider it and I think members of this House consider it to be of utmost importance that in the public's eye and in our own eye the question of character and integrity is first and foremost. I think it's well understood, as you review *Erskine May*, the *House of Commons Procedure and Practice*, and *Beauchesne*, that the question of privilege can and in fact should be raised when there is an issue which tends to impede or goes to impeding a member's ability to carry out his parliamentary practice. There is nothing which impedes a member's ability more than a reflection on their character, integrity, and honesty. That's the root of this whole question of privilege today.

Mr. Speaker, I outlined on Thursday that the hon. Member for Edmonton-Highlands had in the course of both his first question and then a supplemental question referred to issues relating to a "direct benefit to his own constituency" and "Will the Premier admit that this is just a pork-barrel project for the minister's constituency?" Those two comments made together go directly to the question of the member's integrity and in that way constitute a question of privilege.

Now, I'd refer you to *Beauchesne* 64 on page 19. "The House has occasionally taken notice of attacks on individual Members," most notably where a member was referred to as "a cheat and a swindler." Now, that's obviously a much more significant comment than the one here, but what's important about that section is that it says that "for the offence" – and this is an offence of impugning a member's integrity – the member "was judged guilty of a breach of privilege and was summoned to the Bar to apologize."

I'd also refer you, Mr. Speaker, to *Beauchesne* 69.

It is very important . . . to indicate that something can be inflammatory, can be disagreeable, can even be offensive, but it may not be a question of privilege unless the comment actually impinges upon the ability of Members of Parliament to do their job properly.

Again, I take that section with respect to its reference to the ability to do the job properly, and there is nothing which is more deleterious to a member in this House than to have their integrity or their character questioned.

Under *Erskine May*, page 117, under Constructive Contempts and Reflections on either House:

Indignities offered to the House by words spoken or writings published reflecting on its character or proceedings have been punished by both the Lords and the Commons upon the principle that such acts tend to obstruct the Houses in the performance of their functions by diminishing the respect due to them.

Reflections upon Members, the particular individuals not being named or otherwise indicated, are equivalent to reflections on the House.

So, Mr. Speaker, it's clear in *Erskine May* that reflections on an individual's integrity can be constituted and should be constituted as a reflection on the integrity of the House as well. Drawing a person's character or integrity into question is a serious offence.

I raise this, as I have in the past, Mr. Speaker, because I believe that we as members of this Legislature are duty and honour bound

to raise the profile of the Legislature and legislators in the public's mind. We need to have, in order to do our jobs properly, a clear understanding that we're here for the betterment of Alberta and not for the betterment of ourselves. If we in any way as members of this Legislature put out into the public mind that any given legislator is here for their own benefit, that calls into question the integrity of each one of the members of this House and makes it more difficult for us to do our job. It is a question that is of the utmost importance.

Now, given that, Mr. Speaker, and given that it is the duty of members of this House to hold members of the government accountable and it is difficult sometimes to do that in certain circumstances where there may be questions to be raised, this House has set aside a special process for that. We have established the office of the Ethics Commissioner, and that's an officer of this Legislature under appropriate legislation. In any circumstance where there is a question about a member's ability to carry out their office and whether they're doing so with integrity and honesty and ethically, then, clearly, the appropriate way to raise that type of a question is to refer it to the Ethics Commissioner for investigation. To bring questions before this House in a manner designed to impugn the integrity of any member impugns the integrity of all members and brings us all into disrepute and must be sanctioned.

2:50

THE SPEAKER: The hon. Minister of Environment on this point of privilege.

DR. TAYLOR: Yes, I would, Mr. Speaker. The hon. Minister of Justice has provided good legal documentation and the parliamentary documentation of the point of privilege, but if I might, I would just like to add a personal note. As you know, I come from a rural constituency, as you do, and the one thing we have in a rural constituency is our reputation. That's why I feel that I need to protect my reputation to the utmost.

We moved to that community in 1945, and we have been in business in that community since 1945, when my father started a business there. My father unfortunately passed away, but my brother and I have sterling reputations for honesty in that community, and our business is based on our honesty. So I strongly object to anything that impinges on my reputation.

THE SPEAKER: The hon. Member for Edmonton-Highlands.

MR. MASON: Thank you very much, Mr. Speaker. Last week the hon. Government House Leader rose on a point of privilege, which he has briefly outlined for the House again today. I certainly take a point of privilege very seriously and have spent a considerable amount of time over the last few days reflecting on the issue, looking at the various authorities and consulting with people, who have provided me with advice.

Mr. Speaker, I would ask that you rule that no prima facie case of privilege exists, and in doing so I draw your attention to *Beauchesne* 27, which states that

a question of privilege ought rarely to come up in Parliament . . . A genuine question of privilege is a most serious matter and should be taken seriously by the House.

The Government House Leader could have risen on a point of order rather than the much more serious question of privilege.

Now, in my reading, Mr. Speaker, it is the difficult task of Speakers to balance the requirements of the protection of individual members with the important principle of freedom of speech and the duty of the opposition to hold the government accountable. Maingot's *Parliamentary Privilege in Canada* on page 315 states:

It is clear that freedom of speech is a constitutionally inherent

privilege, being one of those powers or privileges that are intrinsically necessary for the legislators to perform their legislative work.

The matter should not have been raised as privilege for the following reasons. The alleged use of language impugning the integrity of other members does not constitute a question of privilege. The Speaker himself made this very clear in a ruling rendered in this Assembly on November 17, 1998. The Speaker was ruling on a question of privilege raised by the then Minister of Transportation against the former Member for Spruce Grove-St. Albert. In that ruling the Speaker said:

Language spoken during a parliamentary proceeding that impugns the integrity of members would be unparliamentary and a breach of order contrary to the Standing Orders, but not a breach of privilege.

The Speaker went on to say, "Accordingly, the chair does not find that there has been a prima facie case for a breach of privilege."

The Government House Leader cited page 86 of the *House of Commons Procedure and Practice* in support of raising a question of privilege. However, if one looks at the section cited within its proper context, you'll find that some very strict tests have to be met, including significantly impeding a member from fulfilling their duties and functions. On the citation of the Government House Leader the Speaker of the House of Commons ruled that there was no question of privilege despite the fact that a federal cabinet minister had been accused of being involved in a conflict of interest.

No similar accusation was made in my questions against the Minister of Environment. No evidence has been provided by the Government House Leader that my questions interfered with the ability of the Minister of Environment to do his job. Furthermore, no suggestions were made in my question that the minister would derive any personal benefit either from the commissioning of the feasibility study or from the possible building of a dam down the road. The minister himself did not object to the way I had framed my question at the time. Nothing is wrong with supporting projects benefiting one's own constituency. There's also nothing wrong with pointing it out when it takes place.

I'd like to cite page 224 of Maingot's *Parliamentary Privilege in Canada*, which says:

Parliamentary privilege is concerned with the special rights of Members, not in their capacity as ministers or as party leaders, whips, or parliamentary secretaries, but strictly in their capacity as Members in their parliamentary work.

My questions last Thursday were clearly directed at a decision made by the minister to order a feasibility study, a decision made in his capacity as a minister, not as a member. The minister himself made that distinction in answering the question.

I would like to refer you also to *Beauchesne* 31(1), which states: "A dispute arising between two Members, as to allegations of facts, does not fulfill the conditions of parliamentary privilege." Two members may differently interpret the same set of facts. It is a fact that within months of being appointed, the Minister of Environment commissioned a feasibility study for a major water management project located near or in his constituency. While we may disagree about the significance of these facts, it does not give rise to a question of privilege.

I'd like to address the question of the term "pork barrel." We had been very careful, Mr. Speaker, in looking up this term before the question was even asked. It does not appear in any of the expressions which are ruled unparliamentary by Speakers or chairs of the Alberta Legislative Assembly or in the list of unparliamentary expressions provided by the Speaker's office. The *Random House Unabridged Dictionary*, which is located in the Legislature Library, defines "pork barrel" as "a government appropriation, bill, or policy that supplies funds for local improvements designed to ingratiate legislators with their constituents." It does not imply personal benefit by any member.

In fact, Mr. Speaker, we did a quick search of *Hansard* and found dozens of instances where the words "pork barrel" have been used in this Assembly over the past 10 years by both opposition and government members and no member stood up to make a point of order or certainly not a question of privilege.

Again, using the words "pork barrel" last Thursday, I was very careful to apply it to the proposed Meridian dam project. I did not apply it personally to describe the minister or his conduct. In response to my question, the Premier acknowledged that I was referring to the project not to the minister when I used the words "pork barrel." The Premier said that it's "an absolute insult to even suggest that this is a pork-barrel study." The Minister of Environment, in supplementing the Premier's response, certainly expressed no objection at that time to the use of the term "pork barrel."

Mr. Speaker, as I said at the beginning of my comments, I believe that this issue could have been raised by the hon. Government House Leader as a question of order. If you want to raise it as a question of order, I would certainly be most willing to make the appropriate amends as you direct.

Thank you, Mr. Speaker.

THE SPEAKER: The hon. Member for Edmonton-Riverview on this point of privilege. Citation, please.

DR. TAFT: I feel that these rulings are exceedingly important for setting the tone of the House and for maximizing the opportunity of our debates to proceed here. I don't see the comment as directly impinging on the personal reputation of the hon. minister, so I'd like you to consider those factors as you make your ruling.

Thank you.

THE SPEAKER: Okay. Since last Thursday the chair did receive a visit from the hon. Member for Edmonton-Highlands, and all members should be aware of that.

I believe, hon. members, because this is the first time that we've had a point of privilege raised in this session, that I'll just spend a few seconds longer than perhaps ordinary on this particular point and point out that the basis for the Government House Leader's argument for breach of privilege was certain comments made by the hon. Member for Edmonton-Highlands the afternoon of Thursday last. The hon. Member for Edmonton-Highlands raised a question related to the Meridian dam, and as *Alberta Hansard* records at page 775, the hon. member said that the project "is of direct benefit" to the Minister of the Environment's constituency. In his second supplementary question the hon. member said on page 776 that "this is just a pork-barrel project for the minister's constituency."

3:00

Under our Standing Order 15(2) written notice of a question of privilege is to be provided to the Speaker "at least two hours before the opening of the sitting," or under Standing Order 15(5) a member may raise a question of privilege "immediately after the words are uttered or the events occur that give rise to the question, in which case the written notice required under suborder (2) shall not be required." Privilege is such an important issue that any delay in raising the matter may serve to deny the request. In this case there is certainly no doubt that the issue was raised at the earliest possible opportunity. Under 15(3) the Speaker "may defer debate on the matter until such time as" it is determined that the matter may be dealt with fairly, and that is what the chair did last Thursday when he invited the hon. Member for Edmonton-Highlands to respond.

The Speaker's role is to determine whether the matter raised constitutes a prima facie question of privilege. Joseph Maingot

states in *Parliamentary Privilege in Canada*, second edition, at page 221:

A prima facie case of privilege in the parliamentary sense is one where the evidence on its face as outlined by the Member is sufficiently strong for the House to be asked to debate the matter and send it to a committee to investigate whether the privileges of the House have been breached or a contempt has occurred and report to the House.

Only you, hon. members, can determine whether there is a question of privilege and what to do about it. If the chair finds that there is a prima facie question of privilege under suborder (6), “any member may give notice not later than at the conclusion of the next sitting day of a motion to deal with the matter further.” If the chair finds there is not a prima facie question of privilege, then under suborder (7) the matter is concluded.

The chair has listened attentively to the arguments made by those participating in this debate as early as last Thursday and today as well. It should be clear to all members that an Assembly is a place of strong words. It is the Speaker’s role to ensure that all members are allowed the greatest latitude to express themselves in line with centuries of tradition attesting to a member’s freedom of speech. The right carries a duty to act responsibly consistent with the Assembly’s rules and with traditions, and the chair will not be guided by an individual member’s point of opinion exercised on a particular day but will be guided by the rules and the traditions of the British form of parliamentary democracy created, developed, and extended for nearly 800 years.

Last Thursday the hon. Government House Leader quoted a passage from page 86 of the book *House of Commons Procedure and Practice*. The passage quoted by the House leader was from a May 5, 1987, ruling by former Speaker Fraser of the Canadian House of Commons. The chair examined that ruling, which is found on pages 5765 and 5766 of Commons debates. In that case, allegations were made against the then minister of fitness and amateur sport, the hon. Otto Jelinek, concerning a reported conflict of interest. Speaker Fraser found that while the allegations were serious, they did not amount to a prima facie question of privilege as the member’s ability to perform his functions was not impaired.

In this case the Member for Edmonton-Highlands may have violated certain provisions of Standing Orders; namely 23(h), “makes allegations against another member,” or 23(i), “imputes false or unavowed motives to another member.” The comments could have given rise to a legitimate point of order. The chair does not believe this is a case that falls into that very small category of comments that would impede a member in performing his or her parliamentary duties.

In a November 8, 1998, ruling in a similar issue, the chair quoted Maingot at page 254:

Language spoken during a parliamentary proceeding that impugns the integrity of Members would be unparliamentary and a breach of order contrary to the Standing Orders, but not a breach of privilege.

Furthermore, although the term “pork barrel” has been used in this Assembly, it has not been ruled unparliamentary. However, as all the authorities point out, whether a word or expression is parliamentary or unparliamentary depends on the context in which it is used. To quote *Beauchesne’s* at paragraph 491, “A word which is parliamentary in one context may cause disorder in another context, and therefore be unparliamentary.” The chair did not intervene last Thursday when the words were spoken. While they might have been the subject of a point of order, they do not give rise to a point of privilege.

To return to Speaker Fraser’s 1987 ruling, the Speaker then made some very interesting points. One is that the absolute privilege that

was extended to members for what they say in the House came about in “the British House of Commons in a different age when things said within the House would probably not be heard throughout the length and breadth of the kingdom.” He then said:

Today, as a consequence of television and electronic broadcasting, anything said in this place is said in the street right across the country, and that has to be borne in mind.

He also reminded members to take the greatest care in framing questions relating to conflicts of interest.

While there is not a prima facie question of privilege, the chair is very concerned about the type of statements that give rise to these types of points of order and questions of privilege. This is a place of honour, and members on all sides must respect the institution. The tremendous rights and immunities that members possess must be tempered with responsibility. If members will not exercise some self-restraint, then the chair will intervene more frequently to ensure that the proper level of decorum and respect is maintained. In the chair’s view this was a regrettable exchange that did not reflect well on a particular member. We will move on.

head: **Orders of the Day**

head: **Government Bills and Orders**

Second Reading

Bill 17

Insurance Amendment Act, 2001

[Debate adjourned May 24: Dr. Taft speaking]

THE SPEAKER: The hon. Member for Edmonton-Glengarry.

MR. BONNER: Thank you very much, Mr. Speaker. It gives me a great deal of pleasure today to stand up and make a few comments and a few observations on Bill 17, the Insurance Amendment Act, 2001. I would like to compliment the Member for Calgary-Lougheed, who had a tremendous job in trying to overhaul the legislation. I gather that the former act has been in effect in this province since 1915. It is also my understanding that it has been amended over the years to fit the bill and fit the needs of Albertans, but this major update to our legislation which is provided in Bill 17 will certainly not only update the legislation, but it is designed to carry it into the future.

Now, then, when I look at the major object of this bill, it is to amend the new Insurance Act, which is to take effect on September 1, 2001, by removing the requirement that adjusters who are employees of the insurance companies need to be licensed. In its place adjusters working for insurers no longer need to be certified, but the insurer is held responsible for the actions of adjusters who are their employees.

I also see as one of the highlights of this bill that it gives the minister the power to call witnesses to give evidence at hearings in appeals under the act, again I think something that the industry has seen a need for for some time.

3:10

As I said in my opening remarks, this was quite an exhaustive review from stakeholders. We have been receiving information for seven years, but like so much of what we do, as the date of instituting and bringing into effect this new legislation gets closer, we continue to hear more and more input from the stakeholders. As they see how the bill is going to affect them, they certainly bring forward new ideas. So what we have been witnessing is some increased scrutiny, not only from the stakeholders but also from the public domain, and they are bringing more concerns forward.

Now, what we hear from the public domain is that they continue to request more research. They wish there to be additional research, and again I think, Mr. Speaker, that because of the impending implementation of Bill 17, people are finally taking a very close look at it and putting all these changes under the microscope and seeing exactly how it is going to affect them. I think that overall Bill 17 has attempted to address these concerns. What I would like to do is just continue my remarks with regards to some of the parts of this bill that people have made comments on.

When I look at section 2 of the act, 459.1, I see that

where an individual referred to in section 460(2)(c) contravenes this Act or the regulations in the course of employment as an adjuster, the contravention is deemed to have been committed by the insurer that employs the individual, and any remedy available under this Act in respect of the contravention may be pursued directly against the insurer.

I think this particular amendment is a very good amendment. It takes into account here how we want consumer protection, better protection for all Albertans when it comes to dealing with the insurance industry. The insurance industry like so many industries in this province has been impacted tremendously by technology, by increasing demands and changing demands, so I see that this particular amendment, 459.1, is definitely one of those amendments which addresses some of the concerns of the stakeholders.

Now, I see as well here that section 460 is also amended by substituting the following: "The individual is an employee of an insurer and the contract . . . by that insurer or by an insurer that is an affiliate of that insurer," again one of those changes that is certainly an update and simplifies the responsibilities of the employee of the insurer.

In looking at other issues in this new legislation, I see that the new Insurance Act will place the responsibility and liability for the conduct of an insurance company on its directors. Again, this is exactly where it should be. I see that in the present act they have definitely looked at what can happen when insurance companies do not live up to the responsibility and liability placed on them. Certainly they have instituted fines where the maximum fine to insurance companies now has increased dramatically, a thousand-fold, from \$200 originally to \$200,000. When you are looking at those sizes of fines, it certainly bodes well for the average consumer who does want protection when dealing with insurance companies. As well, I see here that these fines will also apply to any dealings with insurance companies which are coercive or deceptive in the way that the insurance company or any of its agents practise.

Another major issue in this particular bill, Mr. Speaker, that it now deals with, is that we will have disclosure from insurance companies and their agents. As well, we will have the implementation of rules governing claim practices.

All of these changes, Mr. Speaker, certainly do a great deal to update this legislation, to move it forward, and to carry it into the future. So with those few comments I will take my seat and listen to what other members of the Assembly have to say in regards to Bill 17.

Thank you for this opportunity.

THE SPEAKER: The hon. Member for Edmonton-Gold Bar.

MR. MacDONALD: Thank you, Mr. Speaker. I, too, have a few words to say regarding Bill 17, the Insurance Amendment Act, 2001. I worked with our ace research staff on the coverage we did back on the Insurance Act, Bill 25. There was such an extensive consultation between the drafters of the legislation and the insurance industry that I'm surprised that this amendment act comes so quickly to the Assembly. It is scarcely two years since Bill 25.

Certainly at that time the industry's opposition to the situation

regarding staff adjusters was brought to our attention. Of course, that was during the stakeholder consultation process. The insurance companies wanted then the staff adjuster licensing provision removed, as I understand it, going back a little ways in history with Bill 25. The opinion that was expressed to us was that it was redundant, given that insurance companies that act as adjusters are already required to have a valid adjuster's certificate of authority. The additional licensing requirement represented an increased cost to insurers that would be passed on to consumers.

The insurance industry viewed this requirement with a great deal of suspicion. They thought it was needless and that possibly it could be a money grab by the government in the way of licensing fees. This could easily happen, because we know the number of fees that have been introduced into this jurisdiction in the last seven years. There's a fee for this; there's a fee for that. In my view, there is no difference between a tax and a fee. Such is my view, and fortunately in our case the courts had something to say about the excessive costs of user fees in this province.

3:20

The highlights, as I see them, of this bill include removing the requirement that adjusters who are employees of insurance companies need to be licensed. Secondly, it makes it clear that insurers are held responsible for the actions of adjusters who are their employees, and I think we should make it abundantly clear that this should go for all employees of insurance companies. This also, again, gives the minister or appeal body the power to call witnesses to give evidence at hearings and appeals under this act.

This insurance act – as I understand it, we are going to receive another rather large, extensive document in regards to the second half of the old Insurance Act from 1918. I'm wondering if the sponsor of this bill, the hon. Member for Calgary-Lougheed, in the discussions that have occurred – and I'm sure there have been discussions both ways between the government and industry regarding this specific insurance amendment. What else is coming down the road with the last stage of the overhaul of the Insurance Act?

When we look at, I suppose, the size of the legislation and the fact that it's two years later, perhaps the other side of the coin, Mr. Speaker, is that if there's only one amendment to the act, then the drafting of that legislation was sound and there was certainly a consultation process. But one cannot take that chance, I believe, with consumers in this province. Consumers are sort of at the bottom of the last-to-know list. If there's anything going on in this province, the consumers seem to be habitually left in the dark. We think of pine shakes; that's one example.

The issue of pine shakes, Mr. Speaker, is one of great importance to all Albertans, and the insurance companies certainly have a very keen role as observers in this as it goes through the court system. But when you think of consumers and you think of the priority that's placed on the consumers' right to know, perhaps we're a little bit too hasty with the amendment here. It looks sound, but one can never be sure, and I'm a little reluctant, I'm a little cautious to support this amendment at this time until I hear back specifically from the insurance industry myself.

Now, I'm looking at the notes I have. The stakeholders consulted, I believe, on Bill 17, the Insurance Amendment Act, 2001, were the Consumers' Association of Alberta; the Insurance Bureau of Canada, Alberta division; and the Independent Insurance Brokers Association.

For Bill 25, the Insurance Act, there was a long list of people consulted. There was the Consumers' Association, the Canadian Bankers' Association, the Canadian Institute of Actuaries, the

Alberta Treasury Branches, the Canadian Independent Adjusters' Association, the Independent Insurance Brokers' Association, the Insurance Bureau of Canada in Alberta, the Canadian Life and Health Insurance Association, the Canadian Association of Insurance and Financial Advisors, and several others. Now, realizing that the consultation was not as extensive for this amendment, I'm concerned about this. I've sent out several letters to various stakeholders. I'm waiting to hear back from them, and I'm sure I will.

You know, Mr. Speaker, when we consider that this legislation will change the insurance industry – now, there are people who will tell you that, no, it's not going to change the insurance industry, but I think in five or six years we will see increased competition. Certainly the banks are very anxious to get in on the industry, and there are certain legislative triggers that are going to be initiated in Bill 25, the Insurance Act. There's also the issue of eligibility, sole or primary occupation, and that's an idea that we've discussed here before. There's the issue of mandatory continuing education, and there was no provision in the act for mandatory continuing education.

Now, many people believe that the needs of consumers demand knowledge, dedication, and education on the part of financial advisers. I myself went in February – yes, Mr. Speaker, in the midst of the election – to make an RRSP contribution. An adviser was there, a young man, and I was astonished at the advice I was receiving from this man. I believe I'm certainly a much more cautious investor than he, but this concept of mandatory continuing education is one that I think would be noteworthy in that specific industry and in that specific institution, which, I can guarantee you, is going to want to sell insurance.

There's also the issue of financial guarantees, compensation plans, compensation sharing, antirebate provisions. Of course, getting back to what I said earlier about the deposit-taking institutions – the banks, the loan companies, the trust corporations, Alberta Treasury Branches, and the credit unions – there's the issue of unfair practices. When will we see an amendment before the House in regards to the specific concerns relating to an unfair or coercive or deceptive practice? You know, many people thought that that definition was too wide, too broad, and they wanted details. But as I view that, it certainly was not in that bill, and it's certainly not part of this amendment. When will that happen?

Now, Mr. Speaker, at this time I think I will conclude my remarks at second reading on Bill 17. Hopefully I'm going to hear back and receive direction on this bill from the stakeholders that I've consulted, and until I do, I'm very cautious. At this time I'm going to withhold judgment on this bill until I hear back from those stakeholders, possibly as soon as tomorrow or perhaps even Thursday evening, because I'll see some people involved in the industry, if I'm lucky, on the soccer pitches of southeast Edmonton.

Thank you.

[Motion carried; Bill 17 read a second time]

3:30

THE SPEAKER: Hon. members, before recognizing the hon. Member for Edmonton-Ellerslie, might we revert briefly to Introduction of Guests?

[Unanimous consent granted]

head: **Introduction of Guests**

(reversion)

THE SPEAKER: The hon. Member for Edmonton-Norwood.

MR. MASYK: Thank you, Mr. Speaker. This afternoon I'd like to introduce to you and through you a very valuable person and a good friend of mine, Mr. David Despina, who worked very hard on my campaign and is also the PC president for the Edmonton-Norwood constituency. He has risen. I'd like the House to give him the warm traditional welcome.

Thank you.

Bill 16 School Amendment Act, 2001

[Adjourned debate May 8: Dr. Massey]

THE SPEAKER: The hon. Member for Edmonton-Ellerslie.

MS CARLSON: Thank you, Mr. Speaker. Happy to have an opportunity to talk to Bill 16, the School Amendment Act, 2001, at second reading, a time when we have an opportunity to speak in principle to the bill and the very beginning stages of when we are able to send bills out to a variety of stakeholder groups and get their feedback and their comments on what they think about the legislation and sometimes have them respond to us on their own, depending on how controversial or how interesting the bill seems to various organizations, groups, and people.

This is what I would call a classic government bill. We see about one-third of the people in the community very much in support of the legislation, we see about one-third of the people in the community very much opposed to the legislation, and about one-third of the people are sitting on the fence, like some parts and don't like other parts and aren't quite sure how they want us to vote. Certainly this is what is unfolding with this particular bill, and it's been quite interesting to watch. This is a bill that's very important for us in terms of the future of our education and, in certain areas that are played out, in terms of how our children will be taught and the manner in which they will go to school and who will have rights and who will have their rights changed. What we've seen with this particular piece of legislation, Mr. Speaker, is one of the greatest volumes of correspondence that I have witnessed on a piece of legislation while I've been an MLA – and that's for some time now – and certainly there's been lots of information.

There's an interesting part of this process with this particular piece of legislation, and I believe that it's one of the fundamental reasons why we have to be very cognizant of our responsibilities as legislators not to pass legislation too fast. What has happened in the course of the timing of this bill having been introduced and now, when I have an opportunity to speak to it in principle, is that we've had the first flurry of feedback from groups directly affected by the legislation. Over the course of last week some of those groups have amended their position slightly after they've had a longer time period to look at the bill, and the bill isn't a short piece of legislation, Mr. Speaker. It comprises some 17 pages of changes, portions to the amendment that are being acted on, and those take some study and some review in order to fully understand not the first wave of implications but other implications involved with the legislation in and around what can happen, may happen, or how it will potentially affect other areas of education.

So what we've seen in the letters and correspondence that we've got from groups is initial reaction and then some of the reactions being somewhat amended as this particular amendment act has been sent out for circulation among additional stakeholders, and some of those stakeholders then have sent this bill to lawyers for legal opinions. It's interesting that those opinions have come back in some detail and, as often is the case with legal opinions, not always expressing exactly the same concerns or perspective.

[The Deputy Speaker in the chair]

So what does that tell us, Mr. Speaker? It tells me that there are some flaws in this bill, that there are some areas for concern, that it certainly needs sober second thought before it gets passed into legislation, and that perhaps this is the kind of bill that would require some amendment, not to say that there aren't potentially some very good things in this bill. Maybe I'll just spend a moment talking about some of the parts of the bill that are particularly appealing to me.

The first of those would be the aspect that deals with charter schools. What we see happening here is that this places charter schools in context, which I think is something that we've needed. We've seen over the past few years that charter schools have been increasingly popular for a variety of reasons, not the least of which, I hear in my constituency, is that they give parents more direct control over what their kids are learning and the process by which they are learning. It allows them sometimes to specifically stream into an area of interest or provide what they believe is a subsequent beefing up of aspects of education that they for whatever reason feel are not available within the current public or separate system. Many people like the charter school system for who it excludes, Mr. Speaker, so I think that in itself is an interesting topic for debate.

What happens here in this legislation, as I understand it, is that the groups now must apply first to a school board to be included as an alternative program. That's really a positive step forward. I think that for the most part most of the charter schools that we have in existence could easily fall within the umbrella of the public or separate school system.

My kids are in the separate system, and as I chose a school for them, I did certainly take a look at the kinds of activities that were available in the school, the scholastic record of the school, and some background on the teachers that they would be most directly affected by and made my choices for my kids based on that. They started in the immersion program, Mr. Speaker, because I felt that it was very important for kids at an early age to learn at least a second language. In my constituency many people speak four or five languages from a very young age. I felt at the very least my kids could have a good grounding in both official languages of this country, that that would be beneficial to them and beneficial to the country.

So that's where they started out, in French immersion at a very excellent school where there were some good programs. A downside to that, though, is you don't get everything you want, and perhaps that school didn't have the same programs for sports or cultural activities that some other choices would have had. Primarily as a result of those options, my children chose to start junior high in different schools.

We took a look at what options were available in the community there, took a look at all the options, including the public system and charter schools, and they chose to remain in the separate system and again by choice went to a school that wasn't within walking distance of the home, that they had to take the bus to or I had to drive them to. Now they're in high school, and they made their choices in terms of where they wanted to go, and they made choices based on programs available there. So once again they looked at charter schools.

The schools they looked at that were charter schools I felt would have fit very well under this umbrella as is listed now for charter schools, that they first must apply to the school board to be included as an alternate program. If they're turned down by the board, the minister may issue a charter. What that does also is raise more than one opportunity for the public to get involved in those decisions. I think that isn't a bad thing, Mr. Speaker, so I'm glad to see that at

least the charter school part of the act will be included. I think that's a progressive step.

3:40

Something else that I was quite happy to see in this particular bill were the discussions around teachers, where they're requiring the school boards to report any employment action against teachers to the registrar. It surprised me actually, Mr. Speaker, that that wasn't already existing in the current legislation, because it seems to be good common sense. It seems to be that when we're talking about the safety of our children and their ability to be educated in a manner and an atmosphere that is positive for them, we would certainly want employment action to be reported to somebody who is in a position of being able to keep track of that information and act on it as necessary. So what will happen now with this piece being in here is that records will be available to employers across the country. I think that teachers are held in the same high regard as nurses and doctors and other professionals, and certainly I have found in my experience that that is a regard that is well placed.

However, there are exceptions to every rule, Mr. Speaker, and certainly teachers fall within that framework. We've seen situations arise throughout this country where there are issues where it would have been very important for the school boards or any employers of teachers to have information about teachers that would have perhaps changed the decisions about where teachers were placed or even if they were placed. So I think that this strengthening of the act is long overdue and a good move.

What it means is that teachers in trouble will not be able to move to other schools without their records following them. It doesn't address what kind of assistance may or may not be available to teachers who are in trouble in terms of turning their records around or addressing outstanding issues, but certainly it weighs heavily on the side of protecting students and the people who hired those teachers, so I'm quite happy to see that particular provision being put in place with the changes in this amendment act. It's a good part of it.

Another good thing that's happening here, Mr. Speaker, I think, is the changes within the bill to the School Buildings Board. While I have a couple of reservations about this, I think in general this is a positive move. What we see happening here is that the School Buildings Board is being dissolved, and what's going to happen now is the school building decisions are transferred to the Minister of Learning. So it's a bit of a dilemma. We don't like to have too much power in the hands of the minister for decisions about where a school is to be built because . . .

DR. MASSEY: School boards become lobbyists.

MS CARLSON: Yes. School boards absolutely become lobbyists under that kind of a situation, Mr. Speaker, and it gives the Minister of Learning a tremendous amount of power and control. Of course, the concern always is regarding the independence of the decision-making about where the schools go. We saw some of that here recently just prior to the election. There seemed to be a priority list where schools should go. The next thing you know there's a sod turning, and people are participating in the building of schools in areas where it's a surprise to the rest of the province that they're going up.

DR. MASSEY: Block funding would be better.

MS CARLSON: Yeah, block funding would certainly be better in this regard in terms of where the schools would go and how the decision-making will be.

So we would like some information, Mr. Speaker – and perhaps the Minister of Learning can give this to us when we get to the committee stage – in terms of how he's going to make the decision on the school buildings. What we would like to see happen is that criteria be developed, a framework for the decision-making that is open, accessible, and where the minister is accountable for the decisions that he makes. What I would envision seeing is a weighting given to the various criteria for schools wanting or needing to be built, so that the weighting develops and what can be the kinds of criteria. We've all seen them. I have many of those instances in my own constituency. We have plots of land designated particularly for junior highs in my constituency that haven't been built and it looks like, under the existing system, will never be built.

What are the demands in the area for those schools? There are a great number of children who need access to that education who are now being bused or driven by parents to other locations that are quite far out of the way. Why do you want kids to go to your school locally? So that they can participate in extracurricular activities, so that they can develop friendships within the community, so that it's easy for them to get to the school and get home afterwards. I think that those are some excellent reasons.

We've heard all kinds of horror stories of kids taking very long trips on bus rides. Certainly my own kids have been in that situation where they've had 45 minutes or an hour to ride on the public system. The biggest problem with that in Alberta is that when they're on the public system, particularly if they have to transfer, what do they do in cold weather? Small kids get pushed to the back of the lineups; they get pushed out of the bus shelters. Those are all things that you have to be concerned about when you're in a situation where you cannot drive your child to and from school every day but they need to get there. So having schools in local areas is important.

We have a particular problem in Mill Woods with the high schools at this time in terms of them being overcrowded and periodically going to time periods when they have closed boundaries and kids who live right across from the school can't go to the local school. They have to bus someplace very far away. So those are all items that we would like to see developed in the criteria for assessing who gets a school and who doesn't: the population, current and future in terms of pressure on existing school systems; how many kids are currently being bused out of the area; what kind of programing would be developed there; perhaps infrastructure needs of other schools in the area. All these kinds of things can be put on a list. They can be assigned a weighting, and then depending on the weighting, it can be determined how fast they move up to the top of the list and schools be built there.

There's a tremendous amount of development in southeast Edmonton, and in fact there are another 10,000 homes slated in my own constituency over the next five to 10 years. There's no way, Mr. Speaker, that that kind of a population increase – that's homes, not people. That means 30,000, 40,000 people moving into the constituency over the next few years. Mill Woods is an area where young families tend to move in, so kids of school age will definitely be moving into the area, and the current schools can't sustain that kind of pressure on them by any stretch of the imagination. We have gone through many years of school boards moving in portables and setting them up, and that's not going to be adequate to meet the needs. So we would like to see, specifically, the kind of criteria that the minister is going to be developing to deal with these pressure points in the province.

Conversely, what decision-making is he going to be making in terms of shutting down schools? We know that there are many schools in rural Alberta who share the concern with declining

populations that they're going to have to shut down a school. Schools are always a fundamental anchor in a community and particularly in rural areas. If they only had to ride on a bus for 45 minutes, the parents would be happy. We've heard some horror stories of kids and the amount of time that they have to get on buses and the age that we're putting kids on buses.

3:50

You know, when I lived in Coronation, Mr. Speaker, the big debate then was to change kindergarten from a half-day program to a day program there in town. Why? The only reason was the school bus ride. There were a number of young kids – so those are four and a half and five year olds – who were on the bus for longer than 45 minutes five days a week. It was crazy. We think about it: they're very young children being put on a bus like that. So what they decided to do was to have two full days of school instead and provide a nap time for the kids after lunch so that they could rebuild their energies. That turned out to be much more beneficial, I think, to the kids in the long run than the half-day programs, where they had to spend so much time on the bus. So those are issues that I'm hoping the minister will take under consideration and will report back to us on.

Thank you.

THE DEPUTY SPEAKER: The hon. leader of the third party.

DR. PANNU: Thank you, Mr. Speaker. I rise to take this opportunity to make some comments on Bill 16, which contains amendments to the School Act. The amendments are diverse. They deal with a variety of issues and aspects of the existing legislation. Some amendments would seem to be quite timely and helpful. Others I have some questions about. Now, I'm not sure which way I would lean in the end. Yet there are others that are so contentious that I'm hearing a fair bit of opposition directly from school boards that will be affected by those changes. So this is sort of an omnibus bill, but let me outline the various sections that I'd like to speak on and then continue with my remarks.

I think the preamble to the School Act, as I read it, is a good one. It seems to underscore the fact that minority language education guarantees will be respected in the province. I think that's really a question of the Francophone community and its language rights being protected and respected, I guess, if this bill passes. That's good.

The next section, section 3, talks about abolishing co-ordinating councils, and I guess that becomes redundant given the changes that are proposed here. So that's fine. I don't see anything particularly controversial about that.

Section 5, then, goes on to talk about the process of establishing charter schools. I guess what's intended here is that if these amendments go through, anyone wanting to establish a charter school would apply to the minister now and not to the board. Really several sections of the bill deal with charter schools. Given the experience we have had with charter schools in this province, which is one of, I think, failure of the experiment, I don't know why the minister has gone on in detail to outline a somewhat modified procedure to establish schools rather than to say that the experiment has failed, that we recognize it, that it was an experiment, let's get rid of it, and encourage school boards to continue doing what they're doing; that is, to establish alternative schools in order to meet the needs of the diverse communities which they serve.

The minister clearly recognizes that the public school systems, both separate and public, under the overall umbrella have been sensitive to growing community needs which grow out of growing

diversity. They provide choice and alternative programs that have been subscribed to quite heavily by the families and students who enroll in them. So I just have questions about why the minister still wants to retain and put in his own hands the power to establish private schools, when he duly recognizes that the current system of public school boards works well in providing diverse and special programs where there is a demonstrated need. There's an ability on the part of the board to deliver those needs by way of special programs.

Then there are some minor changes, I guess some wording changes. The word "company" is fine, I guess, in the way it's being used now. The word "person" is eliminated. I have no problem with that.

Section 15 still continues to talk about private schools. It is certainly a welcome change with the amendments in this act that are being sought by obliging the school boards and schools – whether they're private schools or charter schools or public schools – to report in a systematic way on unsuitable teachers. I think that's a change that was overdue. I understand that it has the support of all segments of the stakeholders in the education system. So that's certainly been a very welcome change.

There's the abolition – let me look at my notes here, Mr. Speaker – of the School Buildings Board and the space utilization committees, you know, that arrive out of that, so I guess that's good. The two ministers, the Minister of Infrastructure and the Minister of Education, can deal directly with those questions now. So it certainly helps reduce some bureaucratic bottlenecks and give to the ministers the ability to directly respond to community demands and pressures.

In that regard I guess I would like to mention in passing the question of school closures, particularly in the inner-city areas of Edmonton and Calgary and even in Red Deer. I visited a school council there about three years ago, where parents in an older area of Red Deer were facing a school closure, a school that served not only their children exceedingly well, but most of the parents who had sent their children there were in fact recent immigrant families. They thought the school served the special needs of their children exceedingly well. In addition to that, they thought that the school also served as a community centre with all kinds of facilities. They, as new members of Alberta society, needed those facilities located nearby them in their own schools so that they could access them.

So those are the kinds of concerns that continue to persist, not only persist but are growing in Edmonton. I know they're also quite serious concerns in Calgary. In another school area that I visited there about a year or so ago, I met with the school council, and there were very similar concerns.

So I hope that with this change the minister will be able to show much greater responsiveness and sensitivity to the needs of local neighbourhoods, particularly in the inner-city areas, which are certainly in crying need of renewal. The city centres are losing businesses because the population is thinning out. We in fact need to attract more people into the inner-city area. If schools are being closed, the ability to attract more people to move into those areas is thereby reduced.

4:00

So I hope the minister will use this new power that he's seeking by way of changes through this bill to respond more sensitively and more openly to these pressures from inner-city neighbourhoods and communities. The space utilization formula is in part to blame for school boards having to close inner-city schools, and I would urge the minister, again, to revise, change this formula, make this formula sensitive to the needs of these local neighbourhoods and inner-city communities.

There's always, of course, a fear that this kind of centralization of

authority in the hands of the minister himself could be used in the opposite direction. I certainly would hope that doesn't happen. It is centralization. It does concentrate power in the department's own bureaucracy, which, on the one hand, can make it easy for the minister to simply say, "I'm going to do this and do it very quickly" to respond to local community concerns. On the other hand, the communities might find that the power is placed now so far away from them that it's not accessible to them.

Mr. Speaker, to turn to some of the other issues, the most contentious area, as I said, has to do with the establishment of separate school regions, starting with section 29 onwards in the bill. I want to just draw to the attention of the House and the minister some of the concerns that have been communicated to me through letters and have been communicated to other members of this House. I'm going to just use a sample of them to put them on the record.

On Thursday, I guess, at the reception of the Alberta School Boards Association meeting in the Royal Glenora club, next door to us here, there were several from all sides of the House present. I certainly was very seriously lobbied and buttonholed by concerned members of the school boards. One message that I received from them was that on this issue of the establishment of separate school boards there isn't support from the majority of the members of the Alberta School Boards Association. I hope I'm not wrong. My impression is that the minister, in fact, did say that there's wide, broad-based support for this. Certainly that's not the message that was given to me firsthand, face-to-face by several members of these boards who were present at this reception.

Let me take a letter from the Black Gold regional schools jurisdiction. In this letter I think the interesting part for me is:

My Board has some serious reservations about some of the provisions of Bill 16. We are particularly concerned about several of our smaller communities where any erosion of student enrolment will jeopardize the programs currently in existence. We are extremely proud of the educational opportunities we provide in New Sarepta, Calmar, Thorsby and Warburg and to allow decisions from outside those communities to determine the availability of educational opportunities within those communities is completely unfair.

That's from Black Gold regional schools.

Red Deer public school district No. 104. Again, let me read, Mr. Speaker. It says:

The Board of Trustees of the Red Deer Public School District No. 104 wishes to share with you its grave concern regarding some of the provisions of Bill No. 16, The School Amendment Act, 2001. Specifically, our Board is opposed to the provisions which establish a new process for facilitating the expansion of separate school education. We urge you and your colleagues in the Legislative Assembly to withdraw these provisions.

So that is another letter.

Then a letter, a copy of which I received, to the minister from the Francophone secular school division, and that's quite categorical about the way they think this bill fails to address their rights and their concerns. So there are several problems with this bill. Let me just quote a couple of sentences as well from the Greater Southern public Francophone education region No. 4. The observations made here are something that deserve the consideration of this House in my view. It says that

although a solution may have been found which may meet the legal requirements, the proposed amendments do not respect the rights and needs of the secular Francophone community.

Again, since the letter is addressed to the minister, it says:

As a result, Dr. Oberg, this is to advise you that as advocates for public Francophone education, the Board of Trustees of the Greater Southern Public Francophone Education Region No. 4 cannot accept on principle that this second condition regarding prejudicial hiring practices be incorporated into the governance structure of the . . . Boards concept.

So they're also expressing a very serious concern about it, Mr. Speaker.

The last letter from which I want to quote is from the Public School Boards' Association of Alberta. They have expressed several concerns which overlap with the concerns expressed by school boards and school board associations which I referred to in my remarks a few minutes ago.

So there are problems, Mr. Speaker. There are problems to be resolved. All of us realize that these matters of public/separate school boards are contentious ones. They're complex ones. They're sensitive ones. We shouldn't rush to impose solutions which are unacceptable to a substantial number of school boards involved and citizens involved.

In light of what I've heard as representations from a variety of school board members from different jurisdictions, different backgrounds, different stakes in the changes being proposed, I get the feeling that what we need to do as an Assembly is advise the minister to withhold further action on this bill in this Assembly and give himself and give his department time to consult, to find solutions that would be appropriately acceptable to these large numbers of significant educational players, policymakers and decision-makers. If we show some degree of patience in this regard, if the minister and his department are willing to consult further, it may be possible to ultimately find solutions that will enjoy greater permanence, that will enjoy more widespread support and approval across Alberta, across various communities.

So I'm going to certainly call on the minister to consider holding this bill until the fall session and to engage in consultations with those who have expressed serious concerns. I know that the Public School Boards' Association of Alberta, with 41 members, at the end of last week told me that they had 18 boards who had formally expressed opposition to certain sections of this bill having to do with the establishment of those public schools.

4:10

Public education, Mr. Speaker, is such an important institution in our kind of society not only because it provides young people with skills which are related to their intellectual performance later on and their ability to earn a good living and become productive and responsible citizens but also because public education is a very important means of seeking a degree of harmony through integrating diverse segments of our society into a harmonious totality or entity. So I would certainly hope that the minister will pay attention to the concerns that are being expressed broadly across this province with respect to those provisions that I've drawn attention to. These concerns should be taken seriously, and an attempt should be made to address them before we proceed any further with this bill.

So, Mr. Speaker, with that I close my comments on Bill 16. Thank you.

THE DEPUTY SPEAKER: The hon. Member for Edmonton-Glenarry.

MR. BONNER: Thank you very much, Mr. Speaker. I have a few concerns. I have a few observations and some analysis in regard to Bill 16, the School Amendment Act, 2001. As other speakers have said before me, this certainly is a contentious and conflicting piece of legislation yet legislation that all parties in this province, I think, seem to have some need of. Yet they are very cautious and very concerned about the contents of Bill 16.

These amendments to the School Act certainly are amendments that will have far-reaching concerns and perhaps cause us more problems than solve problems. So when I heard the hon. Member

for Edmonton-Strathcona talk about taking time to pass this bill and taking more time to consult with the various stakeholders, I would certainly have to echo those wise comments, particularly when it comes to something that is so important to Albertans, and that is public education.

Certainly all members in this Assembly realize the importance of public education. For many of us it was stressed by our parents, by our grandparents, particularly parents and grandparents that had experienced situations in other countries before they immigrated to Canada. They certainly saw public education as one of the key instruments for their children to get ahead, for their children to become educated, for their children to have a better life in this country than they had, certainly worthy, worthy principles that all of us hold dear.

So in looking at this, I saw that the object of Bill 16 was to address the equalization of the assessment tax base, new methods for expansion of the separate school jurisdiction, and other amendments for the Francophone regional authorities, charter schools, reporting of employment actions against teachers, and the dissolution of the School Buildings Board.

Now, last week, Mr. Speaker, a number of members from this Assembly had the opportunity to attend the meeting of the Alberta School Boards Association, zones 2 and 3. I can certainly say that in my four-plus years in this Assembly I have never, never encountered so much concern over a piece of legislation by a group of stakeholders. Some of the things that came forward from my meetings with those stakeholders that particular day were not by people in our school boards from our major cities and major urban centres but from those that were from outside.

The county of Sturgeon school board was well represented at this particular meeting, and they had many, many concerns. Their concerns were certainly what this would do not only to education, not only to the funding of education, but also what it would do to communities as they struggle to deal with some of the provisions of Bill 16. It certainly is full of conflicting and contentious issues, and it will have a huge impact on our rural communities.

I was quite interested to see, when I was going through the material on this particular bill, what impact this would have on, say, smaller communities like Jasper. Certainly that is one of those communities that I'm familiar with. I obtained my education from grades 1 to 12 in Jasper, and we certainly had a number of Catholics but a far greater percentage of Protestants that attended school in Jasper. I can't begin to think what would have happened at that point if, for example, we'd had to have two separate systems. I would think that perhaps our math 30 class, which had five members, would have been cut to a system where we would have had three students in the Protestant system and two in the Catholic system. So, again, we have to look at legislation and certainly hope that reasonable minds deal with these changes and that when they deal with these changes, they make changes which are for the good of all when it comes to education.

Now, I notice here that the bill addresses six issues. One of those that we do wish to make comments on is the expansion of Catholic separate school education. When we look at this particular part of the bill, the amendment assumes that the only minority faith entitled to separate school education is Catholic where Catholics are the minority. There are communities in Alberta where Protestants are in the minority compared to Catholics, and the amendments make no provision for this reality. They go on to say that the amendments discriminate against a Protestant minority.

I had an opportunity to teach in this particular type of a situation when I taught with St. Albert public, which was the Catholic board, because at the time that the school board was formed in St. Albert,

the Catholics were the majority, so they were considered the public board, and the Protestants, who were the minority, were considered the separate board. Now, over time the number of Protestants in St. Albert that are attending school have far outstripped and outnumbered the Catholics, yet we still have the situation where in St. Albert the public board represents the Catholics.

As well, under the amendment it assumes that the local members of the minority faith invariably want separate school education, so there is no provision for these people to say no to separate school education. The amendments discriminate against local minority faith communities that wish to remain part of the public system.

4:20

The amendments also transfer control of this issue from the local electors to politicians, who perhaps do not even live in the affected community. What this would do, as well, is take away that citizen control; they would lose local control of the particular situation. This again, Mr. Speaker, is something that as members of a community we certainly hold dear: the fact that we do have locally elected school boards and we wish those people to speak on our behalf.

Now, as well, one of the other issues that I have concern with is that certainly in education all educators and all boards do have a very restricted budget with which to work. Certainly one of the key issues that is going to be addressed this fall, again a very contentious issue, is where in our budget we had a line item that indicated that teachers over the next two years would get a 6 percent raise. This is certainly a challenge as to how this is going to be dealt with. Here we have legislation that is going to increase quite dramatically the cost of educating students, and one of the outcomes of this legislation is that because of the sparsity, we can look forward to increased busing. We also are going to have huge bills when we look at providing education to all, as is the possibility under this bill.

When I look at this busing issue – the former assistant superintendent of schools in the county of Parkland, who is a good friend of mine, had to make the decision whether they were going to close a couple of rural schools. The enrollment had dropped in those schools, as it has in many of our municipalities across this province. They were really looking, at times when they were short of money, as to the feasibility of keeping these schools open or the reality of perhaps having to close them. At that time it was indicated that perhaps they should close these schools because enrollment had dropped significantly, but it also meant that they'd have children in elementary school that would be riding school buses for 90 minutes one way in order to get to school.

Now, they were holding this meeting on a Friday afternoon, and he said: "Well, why don't we hold off on this decision until Monday morning? We'll meet over in the yard where we have all the school buses and we have our maintenance department." So when all the school board members arrived on Monday morning, he instructed them to get on the school bus, and he had the school bus driver take them for a 90-minute tour on the back roads, the gravel roads, the rough roads, of Parkland county. Now, when they got back to the yard 90 minutes later, he then had the school board members vote on whether they should keep those schools open or close those schools. It was a unanimous vote, Mr. Speaker. Absolutely nobody that rode that school bus for 90 minutes wanted to close those schools.

So what we have to look at in this legislation, as well, is how we are impacting the youth of this province. If we are going to require them to ride buses for an inordinate amount of time, what are we doing to those students? It is not only from the point of view of the time taken out of their day riding a school bus but the opportunities they lose at school because they have to get on buses and head home directly after. You know, the additional burden we would put on

parents: they would have to drive in order for their children to take part in school activities. So that is another issue in this particular legislation that does cause me a lot of concern.

I think what we have to do here is look at other implications of Bill 16, and this is the effect that it will have on our communities in this province. We have already had examples of where people have built partitions in schools so that they can have two separate types of education, and we have seen how this has torn communities apart. As well, when we have this being allowed to happen, Mr. Speaker, we also have the situation that we cannot offer the same quality education to each particular student. When we are taking a pie, a small pie, I might add, and splitting it into even smaller amounts because we are not working together, because we have to deal with two small groups rather than one group that could be dealt with much better by being combined, then I really have to question the value of this.

These were many of the concerns that I heard last week from the Alberta School Boards Association, zones 2 and 3, when I met with those people. There weren't too many people that I spoke to at that particular time that were in favour of Bill 16 in its present format.

So, again, when it comes to legislation, legislation that is difficult and legislation that people realize there is a great need for in this province, when we have this much opposition, this much concern, then I think that as legislators it is very, very important that we don't push this through, that we do search out other alternatives to what is suggested in this bill, that we do look at amendments which will strengthen this bill, which will strengthen our Alberta communities, which will strengthen the education program that we can provide to our students.

So with those comments, Mr. Speaker, I will take my seat. I certainly would urge all members of this particular Assembly not to rush forward and pass this bill but to certainly look at it with the tools that are available to us to make it a much better piece of legislation.

Thank you.

THE DEPUTY SPEAKER: The hon. Member for Edmonton-Highlands.

MR. MASON: Thank you very much, Mr. Speaker. I'm pleased to rise to speak to Bill 16. I think that it's a very significant piece of legislation, and I think it's worthy of some comment. As my colleague the Member for Edmonton-Strathcona and leader of the third party has said earlier, there are different elements to this bill that make it very difficult to sort out whether or not we can support it. There are certainly some positive elements in the bill, and I do want to acknowledge that fact.

Certainly the right of electors belonging to one group or another, that previously may have been compelled to support a separate or a public system, to actually under the new legislation look at opting out and supporting the system that they choose is a very positive development. I think it's important that parents be permitted to choose the system in which they want to enroll their children. These decisions are, in my experience, made less and less along the basis of faith but more and more along the basis of the individual school: the quality of the teaching staff, the quality of the administration staff, the programs that might be offered in that school, and the overall quality of the education that might be had.

4:30

We've seen examples of this, Mr. Speaker, in some of the discussions around closure of inner-city schools in my constituency. Certainly decisions of parents to go to the separate or the public

systems are made more along the lines of the convenience and quality of the education that's offered. For example, in one case one school lost enrollment because the other one in the different system instituted a program of all-day kindergarten. That was the deciding factor, not which particular faith they belonged to but rather that specific program. So I think it's a positive step and one that I'm pleased to support.

The second element that I think is positive about this legislation, Mr. Speaker, is that it – and I forget the other positive thing. I will come back to that. Perhaps reciting a few of the negative elements of the bill will jog my memory, and I will come back to it. I guess I'm just unaccustomed to saying positive things about government legislation, but I do try to do it every once in a while. I do try to do it.

I guess the most difficult piece of this legislation is the capability of a minority group within a specific area to force the creation of a new school jurisdiction and people not being in a position to stop it once it has happened. I think you come back to the question of what the quality of the education is. So if you have a small school jurisdiction where there's just one system, whether it's public or separate, and then a group wants to divide it into two because they think there might be some advantage to do that, whether it be for religious education reasons or other reasons, then you may in fact have a situation where the quality of education received by the children in that district is reduced because the schools are too small to support an adequate level of education. I think that that's a difficulty of the bill.

I know that the Public School Boards' Association has raised a number of concerns with respect to this bill, and I think that's got to be one of the more difficult elements of it. I think that we ought to have sufficient flexibility built in so that between the parents, whether they're supporters of the public or the separate system, the local school board, the department of education, and the minister the right decision can be achieved. The right balance has to be there to ensure that the rights of the minority to their own separate school board are qualified by the parents themselves from that particular faith community having the right to say, "No, we don't want to have a separate system; we think that the students are best served by having one." I think if that were incorporated, it would make it much easier to support this bill.

Well, Mr. Speaker, I have remembered the other positive element of the bill, and it has to do with the changes around creation of charter schools. I think it's certainly an improvement in the bill to specifically further restrict the ability of charter schools to be established, so we find that the minister has more jurisdiction over that.

I think the whole question of charter schools is something that the government should relook at. I know that it was an article of faith of the neoconservative developments of education coming out of the 1980s. It was certainly something that people believed needed to be done because public school systems had not been responsive to the changing demands of parents. But as I think we've seen and we've heard in the debate and, in fact, in one of the tributes that the hon. Member for Edmonton-Mill Woods made this afternoon, the public school system has responded to those demands of parents. They have in fact provided a large measure of variation in programs to meet the needs of parents, whether it be for special education or the arts. We've seen a number of schools – I know in Edmonton there are at least a couple of schools, one at the junior high and high school level and another at the elementary level – that have developed outstanding arts programs that attract students from around the city. They are very highly recognized schools.

We find a number of other schools that have offered language instruction, primarily in the area of the French language, first of all,

with the French immersion schools and so on. That has become a really important development. Parents now have an opportunity not just in the big cities but even throughout the province to enroll their children in French immersion schools and have them educated in the French language. I think that that has been predominantly provided through the public and separate school systems. I sometimes use the term "public school systems" to mean both, but what I mean is that those systems that are elected and supported by taxpayers have been very responsive, particularly in the area of language. Also we've seen, for example, Ukrainian language programs. I know that in my old ward 3 that I represented on city council for many years, I often was invited to programs at schools that offered Ukrainian language education. And there are more. There are some that offer Chinese language education.

The fact of the matter is that the main argument put forward in the 1980s in favour of charter schools has been refuted by the facts and by the development historically of responsive public school and separate school education systems that have really dealt with the demands of parents for options and choice for their children. So I think the government might want to reconsider its commitment to charter schools. I think that it would be better if people as a whole participated in a democratically elected school system and insisted that the needs of their children for education were properly represented within that system rather than opting out and setting up a number of smaller scale schools or school divisions. I think that that's an important piece, Mr. Speaker.

I think there's a danger when you have smaller groups in the community insisting that they need to have direct control over the programming that exists. I think there needs to be a balance between the interests of society as a whole to provide education and to making sure that there are some common elements of education, that we're all educated with some common values and certain principles, some things that everyone has in their education, yet allow a variation in programming to provide for the individual needs of students and the special qualities or special interests that the children themselves may have to enable every person to individually become a great contributor to our entire society.

4:40

In general, Mr. Speaker, I think that the bill has some very positive elements. I would like to see a greater emphasis, a greater shift to publicly delivered education, whether it's separate or public systems. I would like to make sure that individuals in small areas have some option if it's suggested that you want to split the school system in that particular area. I think that that's an important piece.

Generally, I think the bill deals with things that maybe ought not to be considered together. It would certainly make it easier for us on this side if we could somehow divide the positive elements of this bill from the negative ones. It presents us with some quandaries, but perhaps when the bill comes to committee stage, we will be able to address those through the suggestion of a number of amendments, which I will be only too pleased to present and speak to the members opposite about and give them a full and detailed understanding of our positions and the things that we think could be done to improve the legislation.

So with those comments, Mr. Speaker, I'd be pleased to take my seat and allow others to continue this very important debate. Thank you.

[Motion carried; Bill 16 read a second time]

Bill 20 Appropriation Act, 2001

THE DEPUTY SPEAKER: The hon. Minister of Revenue.

MR. MELCHIN: Thank you, Mr. Speaker. I'd like to stand today and have the pleasure of moving second reading of Bill 20, the Appropriation Act, 2001. With regards to this bill, we've already had some discussion in the Assembly with regards to the estimates, and this bill brings forward the authorization of the spending amounts as identified in those estimates for the period of 2001-2002, ending March 31, 2002.

With particular regard it does authorize operating expense and capital investment of \$19.364 billion, including operating expenses of \$18.795 billion; program expenses and voted debt servicing of \$80 million; capital investment of \$569 million; voted nonbudgetary disbursements of \$179 million; and lottery fund payments of \$1.016 billion.

Ministries are also authorized to make additional statutory payments as permitted under the statutes other than the Appropriation Act. Statutory payments are identified in the estimates document for Budget 2001, but they do not form part of the Appropriation Act.

Just as a side comment to this, we in the Legislature have an opportunity of debating all of the estimates of the departments. Especially with the assignment of the Department of Revenue, at this stage I've always been puzzled in some respects that we spend all of this time debating the expenditures and the appropriation of that – and I appreciate that we have legislation that authorizes the collection of all of our taxes and fees and revenues that are associated with funding those expenditures – yet we don't take the time, really, in this Legislature to actually review and debate all the various revenue related items. I know it's been a procedure that we've gone through in the past, but I certainly would like to see that we have the opportunity likewise to give full considered debate to all of the items that we collect and disburse through this.

Thank you, Mr. Speaker.

THE DEPUTY SPEAKER: The hon. Member for Edmonton-Ellerslie.

MS CARLSON: Thank you, Mr. Speaker. I'm happy to see that the Minister of Revenue and I agree on something, and that's that we should have more debate time for the budget. Certainly we would support having an equal amount of debate time for each type of revenue that comes into the government's hands. That would be very appropriate, we feel, and perhaps he can lobby his colleagues to add that to next year's agenda. We'd certainly be looking forward to seeing that happen.

Mr. Speaker, I'm happy to have an opportunity to speak to Bill 20, this year's appropriation bill, at second reading. You know, we have a problem with this bill in principle. It's tough to support the appropriation bill without getting some kind of explanation about how the new spending will contribute to meeting defined outcomes and performance criteria such as reducing health care waiting lists and reducing the pupil/teacher ratio and improving the lives of vulnerable children and protecting our seniors. The list goes on and on.

It's hard for us to also talk about passing this bill and approving it in principle, Mr. Speaker, when there are any number of questions that, in fact, we didn't get answered during the debate time. In some cases we certainly did talk about sending additional questions in writing to the minister and having those responded to in writing at some future date never quite determined at the point that we were talking about it, but it isn't quite the same as having an opportunity to debate. In fact, we don't really have an opportunity to debate budget issues in the process that's set up. What happens is that the minister makes a short introduction, we lay out our questions over

the course of an hour, and then the minister responds for an even shorter time period at the end of that.

It would be really productive, I think, for both sides of the Legislature if we could honestly have a question-and-answer kind of process in here where not only was the minister available for questions, but we had key staff available from the departments. Often the minister knows the basic concepts of what it is, the policy-kinds of directives in terms of what's happening in the department, but they don't often know the details, Mr. Speaker, not through any fault of their own. There's just too much work to do. Sometimes it's those very details that we'd like to get at when we're talking in budget debates, and I certainly would support a process that made that possible.

When we have tried to do the question-and-answer thing here in committee debates over the past years with regard to budget, what we did find was that we didn't get very good answers. Some ministers were excellent, but for the most part what the ministers would do would be to stand up and answer a question and rattle on for however long on that particular answer to the question and related items and use up the speaking time that was available for the estimates. What would be the most proactive is for us to get, for instance, our one hour of debate time, and then the minister could respond to the questions in as much additional time as was required to adequately meet those questions. I think what that would give us is a quality of question-and-answer time. That's the kind of process that we would like to see develop in appropriations over the future, where good questions can be asked and good answers are provided and where we still get at least a minimum of one hour talk time per ministry.

That isn't very much time, Mr. Speaker, when we're talking about huge dollar expenditures, a total of \$19.544 billion in expenses this year. In fact, one hour was all we got to talk about the \$19.544 billion in revenue that was collected by this department for the government in general. So we would think it would be more appropriate to have more time than that.

4:50

Mr. Speaker, I'm going to put some of the questions that did not get discussed during budget debate on the record at this point in time. Perhaps we'll get some response prior to us having to actually vote on the appropriations. This Wednesday looks like the date when the final vote will come up. I think these issues are important. They're outstanding issues that need to be talked about and discussed.

The first one that I would like to talk about is under the special places program. A change was made this year, Mr. Speaker, where special places programming was put into the Community Development department business plan rather than in Environment, where it was before. I have some reservations about that having been done. I think the jury is still out in the department in terms of whether they support those changes having been made. We never got a full justification for why those changes were made, and that's one of the questions that we would like to have answered. How does the Minister of Environment feel that special places and parks in general will be enhanced by moving them to Community Development? My first impression of that happening is that now we're supporting a theme park kind of filter when making decisions on parks. I hope that's not the case, and I guess as time unfolds we will find that out.

In terms of special places specifically I have some questions. What's the status of the Special Places 2000 program at this stage? We know the long and not very happy history of that program, and it was to have been concluded by 2000. It isn't yet, Mr. Speaker. There are still several outstanding issues involved in the program,

and we'd like to get an update on where it stands and what the Minister of Community Development plans to do in terms of finishing up the program and what replacement program there is for finishing the concept. I don't think we actually got to the stage where we can adequately say that the mandate of that committee to designate 12 percent or better of this province was actually met. So if we could get that information, it would be helpful. I would also like the Minister of Environment's feedback on what he thinks in terms of the success or failure of that particular program.

We'd also like to know if the department plans to continue to protect areas under this program in terms of any additions and those areas that were still under discussion. If the department is continuing with the program, will economic development rather than environmental protection continue to be the cornerstone of protected areas? That's, of course, our very grave concern.

You know, I hearken back to when this government set out a committee to talk about public lands in this province. The government committee went out and talked about them, solicited feedback from the community, and they got it. One of the government members who was on the committee at one point said to a participant in the program: ranchers are bringing money to the table in deciding about these areas, grazing leases; what are you bring to the table? That was quite startling to the person to whom that question was asked, because they felt, as I feel, that the mandate of the government is the greater good of the landscape and not necessarily the monetary value that is brought by using that landscape in a particular manner.

Greater good isn't always economic good, Mr. Speaker. It can include many different facets. In fact, often the greatest thing we can do for the landscape is to protect it. So our question is: how does Community Development, whose very name, Community Development, would be in contradiction of environmental protection, expect to continue to be the cornerstone of providing protected areas? We'd like some specifics on that if we could, exactly where the minister expects to go with that, the framework within which he will be making decisions. Do they have any long-term plans in this regard? When can we expect feedback, and how are they benchmarking success? So those are the questions with regard to that.

Also, if you could tell us what the department is going to do if they're not going to continue with the program. Is there a program replacement idea out there? If not, why not? What will happen to all the areas that were nominated for protection? I ask this on behalf of many people throughout this province who are gravely concerned about this issue, and we have been waiting, in fact, for some sort of public announcement that has not been forthcoming from the minister. So if we could get that information, it would be very helpful to us.

Another question in that regard is: how will the department monitor applications for industrial developments in or near parks and protected areas? The buffer zones have always been an area of great contention, and now, Mr. Speaker, we have a ministry that really doesn't understand the mandate of protection and the impact that can occur with industrial development very near or right beside protected areas. Has any of the staff from Environment been transferred over? Who is it that's got the technical expertise in that area? Those are the kinds of questions that we like to see answered. If the minister can develop that, that would be very helpful to us. Have they been receiving applications at this stage? That would be a good question to have answered.

Also, what are the department's plans for promoting low-impact ecotourism? Always an area of keen interest to us, and certainly those are some areas where we can see replacement income coming

into regions that have been otherwise economically disadvantaged. I think particularly of some of the coal mines that have been shut down recently. It certainly has an impact on areas.

However, there is no doubt that for every single place where we had a coal mine, we also have incredible opportunities for ecotourism. I'm wondering what the Minister of Community Development has in mind for those areas. To be seen as the minister who really drives ecotourism in this province would be a feather in his cap, I think, and something that he wouldn't really want to ignore. Those questions relate to page 88 in the business plan, and if the minister could respond to them, I would appreciate it.

If we go to page 96 there too, now we talk about the total area of parks and protected areas in Alberta being 81,000 kilometres squared. We need to know what new areas are anticipated in this increased area. Not getting much information about that, and some feedback would certainly be beneficial. Do we see that there are major areas planned, or, Mr. Speaker, will Albertans continue to see a patchwork of fragmented areas evolve from that?

I'm not sure if the Minister of Community Development is up to speed on the Y2Y concept, Yukon to Yellowstone, the kinds of wildlife corridors that are needed and necessary in this province. I'd appreciate his feedback on that if he knows about the concept and if he supports it. If he supports it, what action is his department taking?

I know that formerly in Environment there were some people dedicated to that particular concept, pulling in some research and, I'm hoping, trying to develop the science on why it would be necessary to have those linkages. Certainly I think that we've put on the record many times why the linkages are important, but we haven't particularly seen great support on that issue from the government. Hopefully we can hear something back on that, hopefully a big announcement. But in the absence of that, perhaps before the summer comes, we can see the Minister of Community Development respond to those particular issues.

Mr. Speaker, I'd like to talk a little bit about climate change, if I could. There are issues here that also weren't fully developed in the budget. If we talk in principle about spending billions and billions of dollars in government expenses, then part of what we need to talk about is how we reduce those dollars in the long run and what decisions the government has currently made, whether or not they're feasible and whether they're going to create additional costs in the future.

5:00

One thing I'd like to talk about is some of the statements that we've heard from the Premier about the clean coal technology. We need to get a definition of exactly what this government means by that. There's some desk thumping at the idea of clean coal technology. I agree with the member that clean coal technology is where we want to go, but let's talk about the scientific facts in that regard, Mr. Speaker, which would state that clean coal, truly clean coal technology is not feasible, is not possible even scientifically at this particular stage.

I see that the member is shaking his head that I am wrong. Well, I would like to see some facts tabled on this, Mr. Speaker, because certainly all the research we've done would indicate that we are at least 15 years away from true clean coal technology. There are lots of cleaner coal technology systems available, but that is quite different from clean coal technology. I know that all of the businesses involved in coal technology support cleaner coal technology. Good for them. It's the right thing to do for people, it's the right thing to do for the environment, and it's the right thing for them to do in the long run in terms of dollars spent and saved. So we would

like to see them pursue that beyond a shadow of a doubt, and what the government can do to support that technology we're also in support of, Mr. Speaker.

In fact, clean coal technology is absolutely not available at this time. It isn't even at the pilot project stage. All scientific evidence and feedback that we're getting would indicate that we are at least five years away from being able to build a pilot project on clean coal technology. Then in order to get a proper length of time to evaluate the pilot project, it's going to take about another five years to be able to identify whether in fact it is running on a clean basis and any tweaking that needs to happen in the process. Traditionally what has happened then is that it takes another five years before that technology can get to market. So what we're seeing now are some public dollars being spent on this research and development. That's somewhat of a concern because what we're seeing are the bucks being spent on something that might or might not work and has a payoff that is coming quite far in the future, incredibly far in the future, Mr. Speaker.

What we would like to see at least with parallel dollars allocated to it, if not more dollars – at the very minimum we would like to see parallel dollars dedicated to looking at alternative sources of technology such as wind or solar or whatever else is out there or other kinds of options that will reduce emissions and reduce the usage of coal as a fuel at this particular time. We don't see that kind of commitment by this government, Mr. Speaker, and that's really too bad.

The kinds of things that we need to take a look at are retrofits for individuals and for businesses and not the least of which is government, Mr. Speaker. This is a place where the Minister of Environment, who is not all that thrilled with listening to this particular debate, could have some huge impact. Why doesn't the government take a look at retrofits for its buildings and its vehicles? They could show some true leadership in this regard, and they could move a serious way towards reducing emissions in general. The government is a huge consumer both in public buildings and in public vehicles, and it would be very proactive of this minister if he could move forward to see the government undergo major retrofits. That would be an economic development stimulant. So perhaps the Minister of Economic Development can get on this particular bandwagon too, because certainly what it does is stimulate the retrofit industry, stimulate the incentives for businesses to look at alternate sources, and it also serves a huge environmental benefit, Mr. Speaker. Those are the kinds of things that we think the minister should be taking a look at. This could be a big hit for him, and we'd like to see him pursue it.

Thank you.

THE DEPUTY SPEAKER: The hon. Leader of Her Majesty's Loyal Opposition.

DR. NICOL: Thank you, Mr. Speaker. I rise this afternoon to speak to Bill 20, the Appropriation Act. This bill is kind of the culmination of the Committee of Supply debate that we've had where we've dealt with each of the departmental budgets and we bring them together now into the aspect of dealing with the overall approval of the appropriations.

One of things that we have to look at in the context of the Appropriation Act itself – we end up with a few dollars, the dollars actually reported in here in each of our departmental areas and this Legislative Assembly, but what is missing in this from the perspective of judging it as a functional document for the public and for us in the Legislature are some of the issues that would relate back to outcome measurements. When we talk about the commitment of

dollars in the context of this act, we're seeing more and more where there are provisions being made for a kind of flexibility within what's going on without any resulting accountability for the change in dollars.

Mr. Speaker, you know, we've seen all the way back to when we started the debt retirement act and allowed for, within a department, changes in budgeted processes. We spent a lot of time in Committee of Supply talking about the line item values. What we end up with is debating the allocation of a lot of dollars, yet when it comes to an operational budget, the minister responsible is never held accountable for anything other than the total value of dollars that are put to that department in the sense that here now is the bill that allocates money to each of those departments without ever putting into legislation the commitment that we make to the specific programs that are represented by the line items in those budgets that we debated at length for the last 20 days.

This is the kind of thing that leaves Albertans with a question in mind as to what kind of legitimacy there is to the budgeting process. Even though we spent time debating the line item allocations, when it comes time to deal with accountability and verifiability, the government can spend them as they see fit. What we then end up with as the only mechanism for accountability is the Public Accounts debate a year down the road, and, Mr. Speaker, even there we're finding now that as we get involved in dealing with the public accounts – as an example, this year there's no way we're going to be able to address each of the departments in the one time per week only during session scheduling that comes up with the debate on public accounts. So there's no follow-up ability in terms of the government's performance and the government's measure except in those few areas where we do get to bring them to Public Accounts.

I think what we've got to do is look at this from the perspective of how we provide for that accountability when we go ahead and present our budget to Albertans. I guess that's where I would suggest that it would be useful to have the line item, full-scale budget brought into the actual enactment. Mr. Speaker, I say that because what we're finding now is that more and more the needs of Albertans require action from more than one ministry. In essence, as an example, what we end up with is that in our service-providing ministries they decide the focus of a program and they decide the delivery of that program, but the capital structure for that program gets moved over to Infrastructure. That's even true in Transportation now, where this becomes a part of the Infrastructure debate. What we then have is no relationship between the related needs and the actual delivery capacity that we have within the budget.

5:10

The other area where this comes up is if we take issues that relate to some of the seniors' or some of the children's programs that we have. Even though more and more children's services or children's needs are being addressed by the minister responsible, we now have a news seniors' approach. What we want to do is watch, because a lot of the needs of those individuals are actually delivered by other departments, through Health or through Learning. What we see then is that you can end up with dollars being shifted around, and they're not accountable in terms of the recipient of that service when all we see are totals for the budget as they come out reported in the Appropriation Act.

I think it would be useful for us to further review whether or not it's legitimate to not deal with incorporating into the legislative approval process, i.e. the Appropriation Act votes, the actual line items. We can see some very significant changes in the direction of a ministry just by moving dollars from one part of their budget to another, which does not require, then, any subsequent legislative

debate or legislative approval. That's the issue that becomes really critical in the case of what I'm talking about. If there's no legislative debate, this in essence becomes an internal decision of the minister with possible standing policy committee and possible cabinet discussions behind closed doors in the government structure, where there's no open public debate available to Albertans, when we see significant shifts in the way the dollars are being moved from one program to the other.

The issue that I also wanted to look at that kind of follows on this a little bit is as we get into the Appropriation Act, section 3(2), when we're talking about effectively allowing any surplus. I assume it also then would be any negative or any deficit that would occur in the lottery fund to automatically roll over to general revenue under the title of debt repayment and contingency reserve so that it moves over and becomes part of that 75-25 pool that the government has. I think that what we want to do is make sure that we look at that as being a true statement in the sense that if lottery fund commitments that we vote through the Legislature at the end of the year are greater than the revenues – now, we have a history, Mr. Speaker, of increasing revenues from lottery. Still, if there was to come a year when revenues were not as expected and we ended up with the revenues coming into lottery not being sufficient, does this section here also then imply that there would be additional general revenue dollars made up to effectively meet the needs of those programs that were being funded by those lottery dollars?

I think that should be clarified for Albertans, because what we see is essentially that if there's a surplus in the lottery fund after commitments, it rolls over. But what happens to those dollars that are specifically identified in programs as being funded by a transfer from the lottery fund? If there's not enough revenue in the lottery fund, how do we deal with that?

So we've got kind of an inconsistency here. If we've got extra, we put it in general revenue as a surplus. But if we have a deficit, what happens? How do we fund those programs? Are they just automatically cut, as would happen if the general revenue fund revenues did not reach the level that was necessary to meet the expenditures that we pass in the budget? You know, that's part of the act as well, which basically says that on a quarterly update if we don't have the revenue stream to support our expenditures, the expenditures are reduced proportionately. Well, would that necessarily transfer over on a program-specific level to the lottery fund program allocations and how they are treated? So I guess that section, when we looked at Bill 20, triggered that kind of concern and that kind of inconsistency when I was looking at that.

The other thing that I wanted to basically touch on initially as we go through this is to look again at the fact that when we deal with our budgets, we keep talking about the idea that we want to be accountable to Albertans, that we want to be accountable to ourselves in terms of our process. The Auditor General has also suggested that we build some measure of performance into our budget approval process, but we don't see it here. We don't see at all in the Appropriation Act any reference back to the performance measures or even to the business plans. If we see the information we're dealing with in the context of the performance measures, in the context of the business plans having any relevance as we go through this approval process for the budget and the appropriations, what we should do is have an additional section in the act which basically stipulates that any ministerial transfer of dollars within their budget has to be consistent with the business plans or has to be consistent with achieving the performance indicators.

You know, this would just be a statement that would stand out for Albertans that says: we've gone through the process of developing business plans, we've gone through the process of selecting a series

of performance indicators, and we now want our budget to be reflective as we put it into operation. That way what we would have is just a slight reminder to the ministers that when they start transferring dollars within the legal authority of the minister but outside any voted amount, they would still do it in the context of and under the achievement of those performance indicators.

Mr. Speaker, as we look through the budget, we also see that in the last two years we've now rolled together operating and capital. This creates a real kind of opportunity for a minister at the end of the year when there are additional dollars available to say, "Oh, well, let's buy some capital; let's buy some supplies," those kinds of things. In essence, "Let's make sure we've used our money."

By separating out the capital allocation from the operating expense, what we end up with is a clear, separate process for decision-making that would allow us to say that these capital projects are needed during this year's commitment to delivery of a service. Yet by not earmarking those dollars separately in our Appropriation Act, what we basically allow is for a minister, as they move through the year, to deal with specific capital projects as part of their overall budget, so there's no operational separation.

If we're going to allow for additional operating dollars, say to be transferred to capital, what we would see then is that that may in effect commit in subsequent years a need for further operating dollars. In essence, we are committing future years to an expenditure pattern that hasn't been approved, prior to implementing it, by the Legislative Assembly, by the people of the province. So I guess I just raise that as kind of a companion to this issue that I was talking about of moving the operating dollars between programs, yet we don't have the flexibility that we need.

5:20

Those are the kinds of things we need to look at in terms of a more direct relationship between our votes here, the debate that we had in Committee of Supply, the actions of the minister delivering those services and programs during the year, and the subsequent follow-up that we have to have when we go back to the accountability phase that comes up under Public Accounts. I guess what we have to do is look at how that whole process maintains and effectively conveys to Albertans a degree of true commitment to the openness and accountability that we talk about in the Legislature on a frequent basis.

The final area that I would like touch on is: how do we measure the idea of budget management, budget stability, and budget sustainability? When we see the ability of the government to increase expenditures in the middle of the year, to switch expenditures in the middle of the year, we don't have that same kind of commitment to a sustainable budget or a sustainable operation of our commitment in the delivery of these programs. I think we've talked about this a lot in Committee of Supply, Mr. Speaker, when we talk about how we measure the change from one year to the next in our budget.

You know, this budget now is about 22 percent above the approved budget for last year, but it's only 12 percent above the actualized or expected expenditures when we get to the end of the year. In essence, there's almost a 10 percent increase in expenditures that occurred during that year, which becomes a baseline for this budget. If we start listening to the Provincial Treasurer talk about having only a 12.5 percent increase this year in the budget, that implies that the budgets from last year are based on what was actually spent, not the value that was approved by the Legislature. We have to look at that in the context of the appropriateness, in the context of the planning process.

I guess in that previous comment, Mr. Speaker, I was not quite

correct in the sense that I said “approved by the Legislature.” Even the supplementary estimates are approved by the Legislature, but I meant the amounts that are approved at the time of the budget debate.

Even though we add those in, what we’ve got then is basically a two-step process for budgeting in Alberta. One is the budget debate. One is what we need in the middle, and then that relates to the next year in terms of what is the base for the next year. My contention is that we should always use the budget that is approved in the Legislature at the time of the budget debate. In other words, when we pass the original appropriation bill, that should be the base for the subsequent year, not the realized expenditures that we deal with through additional appropriations in the interim period. That way we end up with a degree of consistency in our debate and our legitimization, I guess, of those expenditures, because they’ve come before this House, they’ve come before the people of Alberta and had a true open discussion as part of the expenditure pattern.

So that’s basically where we’re going. Mr. Speaker, it gets to be a real issue about: how do we deal with appropriations when we want to look at voting for the bill, when we have a whole kind of series of questions that we raised about the individual line items? The province has to go on. We have to have the dollars. When we get it presented in this kind of a manner, it’s hard to argue at this level that we should be changing money between ministries without having the line item information to justify or to verify where we would be moving the dollars from. So I guess in the end what we have to say is that we vote yes for Bill 20, but remember all the comments we made when we were voting on and debating each of the individual ministries as we went through the discussions, and we ended up then basically questioning a lot of the things that came up

for debate in the actual decisions on the individual programs and the individual services that we would be providing.

Mr. Speaker, what we want to do then is basically say that in order to keep the province running, we’ll be looking at voting for this, but we’ve still got a lot of questions on the exact way that the dollars were allocated and, more specifically, in terms of the way the performance indicators relate back to the expenditures of those dollars and to the way that we deal with the issue of keeping our budget in line with the discussion and the debate and the approval process that we go through in this Legislature.

So with that in mind, Mr. Speaker, I’ll take my seat and let someone else continue. [interjection] Before I sit, I would like to adjourn debate on Bill 20.

[Motion to adjourn debate carried]

THE DEPUTY SPEAKER: Prior to adjourning for the afternoon, there’s one item of business that needs to be dealt with prior to Committee of the Whole consideration of certain bills later on this evening. Members may have noticed a minor typographical error that appeared in the title on the cover sheet of Bill 13, Farm Implement Dealerships Act, when it was first printed and distributed to members on May 7. I would request the Assembly’s unanimous consent to replace the original copy of Bill 13 with the correct version for the official records of the Assembly.

[Unanimous consent granted]

[The Assembly adjourned at 5:28 p.m.]