

Legislative Assembly of Alberta

Title: **Tuesday, November 20, 2001**

1:30 p.m.

Date: 01/11/20

[The Speaker in the chair]

head: Prayers

THE SPEAKER: Good afternoon.

Let us pray. O Lord, we give thanks for the bounty of our province: our land, our resources, and our people. We pledge ourselves to act as good stewards on behalf of all Albertans. Amen.

Please be seated.

head: Introduction of Visitors

THE SPEAKER: The hon. the Premier.

MR. KLEIN: Thank you, Mr. Speaker. I'm pleased to have the opportunity to introduce to you and through you to members of this Assembly a good friend, a former Member of the Legislative Assembly, and a gentleman who has made many significant contributions to this province. George Ho Lem Sr. will be recognized further in this Assembly a bit later on this afternoon, but I would like to say that Mr. Ho Lem has done much for sports, business, community service, and politics in Alberta. Mr. Ho Lem was a Calgary alderman and an MLA for the Social Credit Party. His community service ranges from work with the Stampeder Football Club and the Calgary Stampede to the Calgary auxiliary hospital and many organizations in the Chinese community.

Mr. Speaker, George Ho Lem Sr. is seated in your gallery today with his wife, Edie; daughter Cherie Ho Lem; son George Ho Lem Jr.; daughter-in-law Ursula Ho Lem; grandson Stephen and granddaughter Stephanie; nephew Gerald Yuen and his wife, Sharon; nephew Ronald Ho Lem and his wife, Dianne; nephew-in-law Ray Lee; Greg Ho Lem; Marilyn Ho Lem; Kevin Ho Lem; and Candice Ho Lem. I would ask Mr. Ho Lem Sr. and his family to rise and receive the very warm welcome of this Assembly.

THE SPEAKER: The hon. Member for Bonnyville-Cold Lake.

MR. DUCHARME: Thank you, Mr. Speaker. It's my pleasure to introduce to you and through you to all members of this Assembly Alberta's Ombudsman, Mr. Scott Sutton. He is accompanied by his executive assistant, Ms Dixie Watson. They are seated in your gallery, and I'd ask them to please rise and receive the traditional warm welcome of this Assembly.

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

MR. HORNER: Thank you, Mr. Speaker. It is indeed my pleasure to introduce to you and through you to all hon. members a great Albertan, a constituent, a good friend, and recently honoured with the Order of Canada. In addition, this gentleman is the spouse of the hon. Member for St. Albert. Mr. Jack O'Neill is seated in your gallery, and I would ask that he rise and receive the warm traditional welcome of this Assembly.

head: Presenting Petitions

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

DR. PANNU: Thank you, Mr. Speaker. I'm pleased to rise and

present a petition signed by 500 Albertans. With your permission I'd like to read the text of the petition.

We the undersigned residents of Alberta petition the Legislative Assembly to urge the Government of Alberta to provide health care coverage for medical supplies for diabetic children under the Alberta Health Care Plan and provide financial assistance to parents to enable them to meet their children's necessary dietary requirements and cover costs incurred in travelling to Diabetes Education and Treatment Centres outside their own communities in Alberta.

Thank you, Mr. Speaker.

head: Notices of Motions

THE SPEAKER: The hon. Deputy Government House Leader and Minister of Community Development.

MR. ZWOZDESKY: Thank you, Mr. Speaker. I rise pursuant to Standing Order 34(2)(a) to give notice that tomorrow I will move that written questions appearing on the Order Paper do stand and retain their places with the exception of Written Question 5.

I'm also giving notice that tomorrow I will move that motions for returns appearing on that day's Order Paper do stand and retain their places with the exception of motions for returns 14, 15, 16, and 17.

Thank you.

head: Introduction of Bills

THE SPEAKER: The hon. Member for Calgary-Mountain View.

Bill 214

Alberta Wheat and Barley Test Market Act

MR. HLADY: Thank you, Mr. Speaker. I request leave to introduce Bill 214, being the Alberta Wheat and Barley Test Market Act.

Mr. Speaker, this bill will allow for the value-added agricultural industry to prosper in Alberta.

[Motion carried; Bill 214 read a first time]

Bill 215

Health Insurance Premiums Act Repeal Act

MR. VANDERMEER: Mr. Speaker, I request leave to introduce Bill 215, being the Health Insurance Premiums Act Repeal Act.

This bill proposes to eliminate health care premiums altogether.

[Motion carried; Bill 215 read a first time]

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

Bill 218

School (Class Size Targets) Amendment Act, 2001

DR. MASSEY: Thank you, Mr. Speaker. I'm extremely pleased today to request leave to introduce Bill 218, School (Class Size Targets) Amendment Act, 2001.

I believe that this plain language bill will place Alberta first among Canadian provinces to set class sizes, and with it we will join a number of enlightened American states that have taken steps to ensure that children enjoy classroom conditions that maximize their success.

Thanks, Mr. Speaker.

[Motion carried; Bill 218 read a first time]

head: Tabling Returns and Reports

MR. KLEIN: Mr. Speaker, I would like to table with the Assembly today a memo from Ms Fay Orr, managing director of the Public Affairs Bureau, to myself which shows that, in response to a question asked yesterday by the hon. Member for Edmonton-Highlands, in 1992-93 the number of full-time employees in the Public Affairs Bureau was 213, compared to 130 today.

THE SPEAKER: The hon. Minister of Human Resources and Employment.

MR. DUNFORD: Thank you very much, Mr. Speaker. I'm pleased to table with the Assembly today questions and answers from the Committee of Supply meeting of May 9, 2001.

MR. JOHNSON: Mr. Speaker, the Alberta Alcohol and Drug Abuse Commission, an agency of the government of Alberta reporting to the Minister of Health and Wellness, contributes in a major way to the health of individuals, families, and communities in the province. Today it's my pleasure to table AADAC's 2000-2001 annual report. This report presents the significant work of the commission in providing alcohol and other drug and gambling problem prevention, treatment, and information services to the people of Alberta.

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

MR. KNIGHT: Thank you, Mr. Speaker. I would like to table with the Assembly a number of letters that I have received from constituents in support of Bill 207.

Thank you.

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

1:40

DR. PANNU: Thank you, Mr. Speaker. I rise to table the appropriate copies of a document from the Edmonton Coalition on Homelessness regarding their Edmonton housing strategy events taking place on Thursday, November 22, 2001.

Thank you, Mr. Speaker.

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

DR. MASSEY: Thank you, Mr. Speaker. With permission I would table the required number of copies of 26 requests from Albertans who urge the government to vote in support of the class size targets bill to "end the need for parents to fundraise for classroom basics" and "ensure that Alberta can attract and keep the best teachers for our children."

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

MS CARLSON: Thank you, Mr. Speaker. I have two tablings today. The first is five copies of the 2001 Sustainable Calgary State of Our City Report, done by the Sustainable Calgary group, which has some great ideas in it.

My second set of tablings is the appropriate number of copies of 11 requests from Albertans who want the government to vote in support of our class size targets bill to "end the need for parents to fundraise for classroom basics" and "ensure that Alberta can attract and keep the best teachers for [all of] our children."

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

MR. MacDONALD: Thank you, Mr. Speaker. I have two tablings this afternoon. The first is the required number of copies of 26 requests from Albertans who want the government to vote in support of the Liberal opposition's class size targets bill so that "classrooms will no longer be overcrowded," to "end the need for parents to fundraise for classroom basics," and "ensure that Alberta can attract and keep the best teachers for our children."

The second tabling this afternoon is a chart indicating between 1976 and the year 2000 the remaining established reserves of crude oil in the province of Alberta. This comes from the EUB Statistical Series 2001.

Thank you, Mr. Speaker.

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

MR. BONNER: Thank you, Mr. Speaker. I'd like to table the required number of copies of 26 requests from Albertans who want the government to vote in support of the Liberal opposition's class size target bill so that "classrooms will no longer be overcrowded," to "end the need for parents to fundraise for classroom basics," and "ensure that Alberta can attract and keep the best teachers for our children."

Thank you.

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

DR. NICOL: Thank you, Mr. Speaker. I rise today to table 26 requests from Albertans who want the government to vote in support of Bill 218 so that "classrooms will no longer be overcrowded."

Thank you.

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

DR. TAFT: Thank you, Mr. Speaker. I rise to table the required number of copies of 26 requests from Albertans who want the government to vote in support of our education bill on class size targets so that "classrooms will no longer be overcrowded," to "end the need for parents to fundraise for . . . basics," and "ensure that Alberta can attract and keep the best teachers."

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

MS BLAKEMAN: Thank you very much, Mr. Speaker. I have two tablings today. The first is five copies of a letter from a constituent, Carmela Travale, who is pointing out the difficulties of living on assistance of \$615 per month and asking the provincial government to make social services programs more humane.

For my second tabling I join my colleagues in tabling 37 requests from Albertans who also support the class size targets bill, ending parent fund-raising, and the need to attract and keep teachers in Alberta.

Thank you.

THE SPEAKER: Hon. members, pursuant to section 27(1) of the Ombudsman Act I'm pleased to table with the Assembly the 34th annual report of the office of the Ombudsman for the period April 1, 2000, to March 31, 2001, and the financial statements of the office of the Ombudsman as at March 31, 2001.

head: Introduction of Guests

THE SPEAKER: Mr. Premier.

MR. KLEIN: Thank you, Mr. Speaker. It is my pleasure today to introduce to you and through you to Members of the Legislative Assembly another group of young people who have given their time and efforts to raise money for the relief efforts in the United States. Four young students from Warburg school started a campaign called Pennies for Peace. The nine-year-old girls have been collecting pennies since September 11. To date they have raised almost \$5,000 and, incredibly, most of that in pennies. That's an incredible amount of pennies and an awful lot of counting and rolling.

The four young students who spearheaded this effort are with us today along with a fellow student who designed a Pennies for Peace graphic T-shirt. They are accompanied by their very proud parents and grade 4 teacher, Sharon Martin. I would ask Taylor Gidosh, Lauren Sarvas, Jody Wilson, Jaylynn West, and Conor Hess to please rise and receive the traditional warm welcome of the Assembly.

THE SPEAKER: The hon. Member for Airdrie-Rocky View.

MS HALEY: Thank you very much, Mr. Speaker. I don't often have visitors from my constituency, but today I've been doubly blessed. I had a group in from George MacDougall high school this morning, and this afternoon I have a member of the Rocky View school division board in attendance from my riding, and I'm just absolutely delighted. He's a good friend. He's on my board of directors as well, so he keeps me in line and informed as to what's going on in the school division. I'd like John Murray to please rise and receive the warm welcome of this Assembly.

THE SPEAKER: The hon. Member for Whitecourt-Ste. Anne.

MR. VANDERBURG: Thank you, Mr. Speaker. On your behalf I'd like to introduce to you and through you to members of this Assembly visitors in the members' gallery, 27 students and six adults from the Neerlandia school, located in the Barrhead-Westlock constituency. I'd ask them to rise and receive the warm welcome of this Assembly.

THE SPEAKER: The hon. Member for Clover Bar-Fort Saskatchewan.

MR. LOUGHEED: Thank you, Mr. Speaker. I'm pleased to introduce today a group of grade 6 students from Fultonvale elementary school. They're accompanied by their teacher, Mrs. Karin Bittner, and Mrs. Doreen Langdon. They're in the public gallery, and I'd ask that they rise and receive the traditional warm welcome of the Assembly.

THE SPEAKER: The hon. Member for Redwater.

MR. BRODA: Thank you, Mr. Speaker. My guests have not arrived yet but will be here at 2 o'clock. I would like to recognize and introduce to you and through you to the members of the Assembly 26 grade 6 students from the Thorhild school. They're accompanied by their teacher, Mr. Mike Popowicz, and parents Mrs. Stacey Kirk, Mrs. Suzanne Turchanski, Mrs. Linda Ewaskow, Mrs. Tammy Rosenberger, Mrs. Mary Toronchuk, Mr. Don Fleury, and Mr. Ed Turner. They will be seated in the members' gallery, and I would ask that we give them the warm welcome of this Assembly.

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

MR. HUTTON: Thank you, Mr. Speaker. It is my privilege today

to introduce to you and through you to Members of the Legislative Assembly an Edmonton-Glenora constituent, Mr. Bill Daly. Mr. Daly is a very, very strong advocate for a disease that we males don't like to talk too much about, and that is prostate cancer. I'm honoured today to introduce him because over 400 Albertans will lose their life to this disease this year. Mr. Daly is a strong advocate for awareness and early detection, early detection, early detection. I'd ask Mr. Daly to please rise and accept the warm welcome of this Assembly.

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

MS BLAKEMAN: Thank you very much, Mr. Speaker. I would like to introduce to you and through you to members of the Assembly 12 students from NorQuest College. I believe that they're seated in the members' gallery; I'm not sure where they are. They are accompanied today by their instructor Mrs. Elaine McPhee. Whichever gallery they're in, I would invite them to please stand and accept the warm welcome of the Assembly.

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

DR. PANNU: Thank you, Mr. Speaker. It gives me a great deal of pleasure today to introduce to you and through you to the House two Alberta mothers, Ms Jette Badre and Ms Coleen Taylor. These two individuals are the parents of diabetic children and are concerned with the quality of life of over 1,500 children in Alberta who are suffering from the same illness. They are the founding members of an organization called Parents of Kids Experiencing Diabetes, and the acronym for that is POKED. Ms Jette Badre and Ms Coleen Taylor are seated in the public gallery. I would now request that they please rise and receive the warm welcome of the Assembly.

1:50

THE SPEAKER: The hon. Minister of Municipal Affairs.

MR. BOUTILIER: Thank you very much, Mr. Speaker. As you know, the Alberta School Boards Association is having their working convention this week, and my colleague the Minister of Learning spoke to them this morning. I'm very pleased to introduce a Fort McMurray public school board trustee whom I had the privilege of teaching during my days as a teacher. He's here with us today, and I'd like to ask Jeff Thompson to rise and receive the warm welcome of the House. He endured my teaching practices.

THE SPEAKER: The hon. Minister of Economic Development.

MR. NORRIS: Thank you, Mr. Speaker. It gives me a great deal of pleasure to rise today and introduce to you and through you some guests who'll be joining us at approximately 2 o'clock. They are the grade 6 students of Callingwood elementary school, which is in my constituency. If and when they get here, would you please give them a warm Assembly welcome.

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

DR. MASSEY: Thank you, Mr. Speaker. It's a pleasure to introduce to you and through you to the members of the Assembly Heather Rempel. Heather Rempel is a hardworking member of the Edmonton Mill Woods Liberal Constituency Association. In addition, she's the women's commission president, serving both provincial and federal women. She's in the public gallery, and with your permis-

sion I would ask her to stand and receive the traditional welcome of the Assembly.

THE SPEAKER: The hon. Minister of Aboriginal Affairs and Northern Development.

MS CALAHASEN: Thank you, Mr. Speaker. On behalf of my colleague from Stony Plain I'd like to introduce 11 guests that are here today from the Stony Creek school. The parent helpers are Lisa Hansen, Charlotte Smith, Judi Lucas, and Nancy Romano, and with them are students Jake Romano, Casey Hansen, Garrett Berube, Josh Smith, Jordan Hamilton, Rylan Lucas, and Joel Outten. They are seated in the members' gallery, and I'd ask that they rise and receive the warm welcome of this Assembly.

head: Oral Question Period

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

Budget Process

DR. NICOL: Thank you, Mr. Speaker. Each spring we go through a public debate on the legislative process of developing a budget for the province. This fall the government changed that budget. The questions are to the Premier. Why did you not go through the same kind of public debate to facilitate the establishment of that obligation to Albertans before you made the cuts this fall as we did in the spring before we established the budget?

MR. KLEIN: Mr. Speaker, I would remind the hon. leader of the Liberal opposition that we have a very unique procedure relative to budgeting in this country whereby we report to Albertans on a quarterly basis. Because of our prudent financial planning we are able to shift and change our budget requirements to meet the flow of revenues.

DR. NICOL: Mr. Speaker, the Premier didn't get to the point on that. Mr. Premier, why is it that you do not have public consultations on those changes before you actually implement them? The fact that you do change is a given.

MR. KLEIN: Mr. Speaker, perhaps the hon. leader of the Liberal opposition can advise me as to what public consultation takes place when the price of oil plummets. There's no public consultation. We have to be in a position to react to changing circumstances.

DR. NICOL: Mr. Speaker, the obligation of this Legislature is to provide a budget for Albertans. Do you not have a sense that we have an obligation to discuss with Albertans when we make changes in the commitments we make to them in the spring?

MR. KLEIN: I think Albertans have been well aware, certainly since 1993, that this is a government that is reactive to changes, and we do react. We have to react, Mr. Speaker, because we have made it against the law in this province to go into a deficit situation. Now, if the hon. leader of the Liberal opposition would like us to change that law and run deficits, then we wouldn't have to change our budgets at all. All we would do is simply go out and use our credit card and borrow and borrow and borrow and spend and spend and spend, which of course is the Liberal way.

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

DR. NICOL: Thank you, Mr. Speaker. To the Premier again: is it not true that the agencies that deliver services to Albertans are also under law to deliver those services such as health care, care for our children, education?

MR. KLEIN: They will do it, and they will do it based on realistic estimates relative to expenditures and to revenues, Mr. Speaker. All of the agencies that depend on government for finances, including the departments of government, are well aware that if revenues go down, we have to find ways to offset the expenditures.

DR. NICOL: Mr. Premier, so you're expecting them to break contracts with their suppliers, with their teachers, with the people who are obligated to provide those services. They have legal obligations as well.

MR. KLEIN: No, sir. We are challenging school boards, we are challenging regional health authorities, and we are challenging all departments of government to find efficiencies within their departments, Mr. Speaker. I allude here to a news release put out today by the Calgary health region. The headline on this press release reads, "Region lowers spending by \$30M; no reductions in frontline services." Where do they plan to get those savings?

Non-clinical spending reductions include Support Services, Corporate Services, Human Resources, offices of the Chief Executive Officer, Chief Medical Officer, Chief Nursing Officer, Capital Development and Communications;

in other words, out of the administration or the bureaucracy. System efficiency: they think that they can achieve savings by targeting "planned closure of operating rooms for non-urgent surgery over the holiday and Easter periods," by bringing about a number of other operating procedures, by curbing discretionary spending, by not filling FTEs that do not need to be filled at this particular time, and by reducing overtime by 5 percent. These are the kinds of efficiencies we have challenged the authorities, boards, and commissions to achieve, and the Calgary regional health authority has to be commended for doing a darned good job.

THE SPEAKER: The hon. leader.

DR. NICOL: Thank you, Mr. Speaker. My final question is to the Premier. So you're telling us that your ministers were not diligent when they submitted their business plans to this House in the spring, when they had so much leeway in them.

MR. KLEIN: They were diligent. They were diligent at that particular time. I don't think that anyone – anyone – could have foreseen the horrific events of September 11 and the impact that that would have on the revenue stream. What this government is doing is what governments indeed throughout the world are doing, what businesses are doing. They are making necessary and major adjustments to reduce expenditures to meet a reduced revenue flow. It's as simple as that.

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

It would be helpful if the document quoted from would be tabled with the Assembly as well.

2:00

Teacher Remuneration

DR. MASSEY: Thank you, Mr. Speaker. With the inclusion of 4 percent and 2 percent budget line items for teachers' salaries, the government trashed local bargaining. Now, for the first time in 60

years, the central ATA has refused to ratify the Medicine Hat agreement because moneys will be taken out of the classroom. We are into provincial bargaining. My questions are to the Premier. How are local boards going to reach agreements now that you have moved the system to provincial bargaining?

MR. KLEIN: Mr. Speaker, nothing could be further from the truth. We have not moved the system to provincial bargaining in any way, shape, or form. This is something now that will have to be worked out between the particular local – and I don't know what the local number is of the ATA in Medicine Hat – and the central body.

THE SPEAKER: The hon. member.

DR. MASSEY: Thank you. Again to the Premier, Mr. Speaker: how successful can local bargaining be when it's clear that the decisions are being made by the government in Edmonton?

MR. KLEIN: Mr. Speaker, I'm going to have the hon. Minister of Learning supplement my answer, but the only involvement we have had in teachers' salaries is to take the unprecedented step of including a guaranteed 6 percent increase over two years as a line item in the budget.

Relative to bargaining procedures I'll have the hon. minister respond.

DR. OBERG: Thank you very much, Mr. Speaker. I will say at the outset that it is a bit of a surprise to me that the hon. member is saying that the central Alberta Teachers' Association is not going to ratify something that their local of the Alberta Teachers' Association has voted on and agreed to and, from what I understand, that the local school board has agreed to. This is what local bargaining is all about. It is not us as a provincial government that is moving away from local bargaining. If what the hon. member across the way says is true, I think that's a true slap in the face for the local ATA.

THE SPEAKER: The hon. member.

DR. MASSEY: Thank you, Mr. Speaker. My questions are again to the Premier. How ethical is it for the government to place school boards in the position of providing better wages at the expense of larger classes?

MR. KLEIN: Again, that statement is not true. School boards have the option of spending their money in areas that they consider to be priority areas. If indeed more money for teachers is deemed to be a priority area for a particular school district, then they have the flexibility to spend those dollars in that particular area. If reducing class sizes is a priority, then school boards have the flexibility to address the problem in that particular way. So there's a tremendous amount of flexibility, and that speaks to the issue that is so important, Mr. Speaker, and that is the issue of local autonomy.

THE SPEAKER: The hon. minister.

DR. OBERG: Thank you very much, Mr. Speaker. I would just add to that that with this particular school board, following the elections in October I went down to Medicine Hat and sat with them, as they had some other issues as to what had occurred during the election. So this school board was extremely cognizant. They knew how much money they had, they knew what they wanted to do, and they went and put it on the table. It was an extremely informed decision that this school board made when they made the offer to the

teachers. I want everyone in this Assembly to understand that: that they put forward an offer that they felt they could afford, that they felt the teachers would accept, and that they felt they could deal with.

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

Children's Services

MR. MASON: Thank you very much, Mr. Speaker. In my constituency of Edmonton-Highlands there's a young man who I will call Jim. He is an aboriginal youth suffering from severe depression and suicidal thoughts. With the help of a program at Ben Calf Robe school he is now doing well. Now that program is being cut. My question is to the Finance minister. In the \$23 billion budget of the province of Alberta why can't you find the money to help Jim and thousands of other kids just like him?

MRS. NELSON: Mr. Speaker, we have put forward a budget that we believe meets the priorities of Albertans and at the same time shares the benefits of being in a very fortunate province. How the individual allocations are determined is based on the priorities set within ministries.

I would ask the Minister of Children's Services to respond directly to the question.

MS EVANS: Mr. Speaker, in MáMōwe over 93 agencies are funded, and these agencies provide everything from foster care to care of children with special needs. These are agencies that work as part of the team. Of these agencies, 20 were asked to take some reduction, and that is because in the envelope of our service there are millions of dollars provided for early intervention programs. Those ones that are deemed to be closest to the child that would become most at risk if they were not given a program, who may in fact become part of our child welfare caseloads, are being protected.

Now, there are other programs that are provided in agencies for children where they've been reduced, and if anybody provides me with the name of someone who they believe to be truly at risk to be a part of this growing caseload phenomenon that we've got Canada-wide, then we will be pleased to make sure that this person, this child, gets the services.

THE SPEAKER: The hon. member.

MR. MASON: Thank you very much, Mr. Speaker. Given that there are 10 programs that have been completely wiped out, to the Finance minister, why are preventative children's programs, like the one helping Jim, the first to be cut by this government?

MRS. NELSON: Well, Mr. Speaker, clearly this question should go to the Minister of Children's Services, but let's make it abundantly clear again. As the Minister of Children's Services has indicated, if there are people who are in need who are not fitting into the programs, the names should come forward so they can be dealt with directly. This budget is, again, about meeting the priorities of Albertans' needs and sharing benefits, and we believe that we have dealt with the issues that Albertans have put forward in a very responsible way.

Again I'd ask the Minister of Children's Services to supplement my answer, but clearly I think she has explained this.

MS EVANS: Mr. Speaker, very briefly, I think it's important for me to tell this Assembly that as Minister of Children's Services I have

a huge concern when in one authority 31 percent of the children coming into child welfare this year are 11 years of age and over, which says that because of parent/teen conflict some children are becoming part of this child welfare caseload when it could be better addressed by extended family members, the family and community offering support.

Mr. Speaker, again, we will look after any young person at risk brought to us, but we have to make choices, especially when in this particular area of MáMōwe there was a projected \$17 million deficit because of so many of the children coming forward needing programs. So we have to cut where those cuts are furthest from the child that needs care.

THE SPEAKER: The hon. member.

MR. MASON: Thank you, Mr. Speaker, and I would appreciate it if this question is not deferred to the minister of preventative social services. Will the Finance minister come with me to my constituency and meet Jim and the thousands of other kids just like him?

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

MR. HUTTON: Mr. Speaker, my question is to the Minister of Children's Services. The minister has told us that she's cut a number of nongovernment agencies that provide services to children, yet she is hiring more government staff. Could the minister please explain this in a little more detail?

Thank you.

MS EVANS: Mr. Speaker, in the budget this year and cumulative of last year's additions, 75 staff were added from Human Resources and Employment and other staff that had been part of delivering child services in Alberta. So the advocate's position and other payroll and other support staff were moved from Human Resources and Employment to Children's Services. No additions; just a change of department. The 300 staff that were added on the front lines deliver services directly to children based on the workload standards of the AUPE agreement that we have, and based on the numbers of caseloads, we have had an increase in delivery staff. Now, since the hiring freeze we have not increased staff, and these reductions that I have spoken of on contracts are, again, done to be prudent with our expenditure lines.

2:10

THE SPEAKER: The hon. member.

MR. HUTTON: Thank you, Mr. Speaker. This is my final question, and it's very close to home because a number of these people work in my constituency. The Mennonite society Welcome Home has been cut. I'm curious why we would cut nongovernment partners at a time when these valuable services are needed.

Thank you.

MS EVANS: Mr. Speaker, the reason for 18 child and family service authorities is to in fact get local people involved in establishing priorities, setting the goals and objectives, and targeting the funding where it's most needed. Where funds have been reduced to some agencies, my conclusion is that their selection has been to protect funding in other areas that, again, deliver most closely services for children at highest risk. We are looking at all of the funding reductions across the province, and I'm satisfied that to the largest

extent possible all of the authorities are doing the best they can with the dollars they have.

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

Electricity Pricing

MR. MacDONALD: Thank you, Mr. Speaker. Under this Conservative government electricity deregulation has turned into a \$700 million don't-pay-a-cent-event sale until after the election. The government delayed on purpose the electricity companies' ability to use rate riders to collect energy costs incurred but not covered in existing rates. This year the price cap is 11 cents per kilowatt. However, the Minister of Energy told Albertans in September that they should not expect the province's electricity subsidies to continue beyond December. My first question is to the Premier. What, if any, is the price cap going to be next year?

Thank you.

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

THE SPEAKER: The hon. minister.

MR. SMITH: Thank you, Mr. Speaker. There's quite a bit of information in the member's preamble, some of it good, some of it reasonable, and some of it not so good. But let's just talk about the prescribed rate regulation. This government is going through a series of decisions with respect to electricity on deferral accounts, prescribed rate, pool price deficiency regulation, export principles, PPA arrangements, Clover Bar bidding arrangements, and all the factors that put together an integrated and composite plan which we'll be coming forward with and discussing with Albertans in a transparent, open fashion.

MR. MacDONALD: Mr. Speaker, to the Premier: why delay announcing next year's price cap when residential consumers need this information before they purchase long-term contracts, whether they're for one, three, or five years?

Thank you.

MR. KLEIN: Well, Mr. Speaker, I can provide a very short answer, and then have the hon. Minister of Energy supplement. It's anticipated that electricity rates will be comparatively low.

Perhaps the hon. minister can shed more light on it, so to speak.

MR. SMITH: Mr. Speaker, absolutely correct. It's not shocking news to know that electricity prices are lower, but as the member of the opposition has clearly pointed out, there is the issue of deferral accounts that are owed by consumers to the utility companies and approved by the process through the Alberta Energy and Utilities Board that will go forward in the next year. In fact, the Member for Edmonton-Gold Bar talks about: why not put a cap now? He is assuming that there will in fact be a prescribed regulated rate option for next year, and that final decision has not yet been made.

THE SPEAKER: The hon. member.

MR. MacDONALD: Thank you very much, Mr. Speaker. Again to the Premier: when will consumers know how they are to pay back the \$700 million boondoggle that this Conservative government has

created through electricity deregulation? The \$700 million, how are they going to have to pay that back? Explain that.

Thank you.

MR. KLEIN: Mr. Speaker, first of all, there was no boondoggle. The move to deregulate had been in motion since 1995. It's working out well. A number of factors came together, unfortunately, at the beginning of 2001, I believe it was, that boosted prices, but since then those prices have stabilized. There's tremendous competition now in the marketplace. We see more power projects being announced and coming onstream.

Relative to the specific question as it relates to rates, I'll have the hon. minister respond.

MR. SMITH: Well, Mr. Speaker, the . . . [interjection] I'm sorry; I didn't hear the call. I'm sorry, but that island voice rings loud in the Assembly.

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

Coal-fired Electricity Plants Emissions Standards

MS DeLONG: Mr. Speaker, my question today is regarding emission standards for new coal-fired electricity plants. I understand that Alberta's standards have been of some discussion at the recent Energy and Utilities Board meeting on EPCOR's Genesee 3 and TransAlta's Keephills expansion. My question is for the Minister of Environment. Is Alberta somehow lagging behind with its standards?

THE SPEAKER: The hon. minister.

DR. TAYLOR: Thank you, Mr. Speaker. I can state most emphatically that Alberta is not lagging behind. In fact, our June update of standards gives us the most stringent standards in Canada, significantly more stringent than the federal standards. The federal government is not even talking about bringing in new standards until at least 2003. I will say as well that this is only a first step in the updating of our standards. In the near future I will be asking the Clean Air Strategic Alliance, which is a nongovernmental organization made up of both environmental groups and industry, to develop new standards for the province of Alberta.

MS DeLONG: Mr. Speaker, my second question is for the same minister. I understand that the U.S. EPA standards for new coal-fired plants are more stringent than ours. Can I ask why?

DR. TAYLOR: Well, Mr. Speaker, there are a number of areas that you measure when you measure emissions, and I will say that our particulate matter is about the same as in the U.S. In nitrous oxides and sulphur dioxides the U.S. is somewhat more stringent, but they have a different problem. They have a problem with smog that is caused by these two chemicals. We do not yet have that problem in Alberta. As we update our standards, I expect that in the areas of sulphur dioxide and nitrous oxides these new standards will take those U.S. standards into account.

One further comment that I would make is that the ambient air quality standards that we have in Alberta – that's the air you breathe – are much stricter, Mr. Speaker, than in the U.S.

THE SPEAKER: The hon. member.

MS DeLONG: Thank you, Mr. Speaker. My final question is for the same minister. Recently federal Environment Minister Anderson was quoted as saying that the federal government would be coming up with new standards soon. He also expressed some concern with allowing Genesee 3 and Keephills expansion to move forward based on the fact that they do not utilize best available emission reduction technology. Will the minister care to comment on whether Alberta will adapt these standards and whether the federal minister's comments about best available technology are legitimate?

THE SPEAKER: The hon. minister.

DR. TAYLOR: Thank you, Mr. Speaker. As I've indicated, the feds are talking about new standards, but we don't expect to see anything until 2003. I would assume that the Clean Air Strategic Alliance, who I'm going to ask to look at our standards, will take into account these possible new federal standards as they go forward.

In regards to the best available technology, Mr. Speaker, we set standards. We're technology neutral as a government. What we ask the companies to do is choose the technology from their business case that will meet the standards we have. We will not choose one company's technology over another company's. Standards are important.

THE SPEAKER: The hon. Member for Edmonton-Ellerslie, followed by the hon. Member for Spruce Grove-Sturgeon-St. Albert.

2:20

Teacher Remuneration

(continued)

MS CARLSON: Thank you, Mr. Speaker. At the beginning of this year the Premier promised teachers that they would be rewarded for taking a 5 percent cut but then in the budget gave school boards only 4 percent for salaries. Four percent won't be enough for school boards to cover the salary grid costs and the costs of inflation for teachers and certainly won't come close to matching the settlements awarded to nurses and doctors. My questions are to the Minister of Learning. Why has the government singled out teachers for punitive treatment?

THE SPEAKER: The hon. minister.

DR. OBERG: Well, thank you, Mr. Speaker. I guess I'll go back to what has been said in *Hansard* for the last four or five months. First of all, in the last budget there was 4 percent and 2 percent that was put in exclusively for teachers' salaries, which meant that the school boards could not touch that. It had to be for teachers' salaries. This was a minimum. They also had 3 and a half percent on their general grant rate that they can negotiate with the teachers, and that's exactly what they're doing. That's exactly what they're doing, for example, in Medicine Hat, where the school board and the ATA both voted to accept their contract. I may not have said that already.

The other point that I'll make is that the rationale behind the 4 percent and the 2 percent made them the highest paid teachers on average across the provinces in Canada. Mr. Speaker, let's take a minute and take a look at what's happening in the rest of Canada. In British Columbia they just announced that there would be a spending freeze on education for the next three years. In Quebec they're talking about lowering the wages from \$60,000 a year maximum to \$53,000 a year. All of these things are happening across Canada right now. Our teachers will be the highest paid on average in the provinces across Canada. We have to remember that.

MS CARLSON: Well, Mr. Speaker, how can the minister claim that the 4 percent and the 2 percent raise will make teachers the highest paid in Canada when his arguments are based on a faulty comparison of salaries in other provinces as they stand now and in Alberta as they will be in two years?

DR. OBERG: Mr. Speaker, a lot of these school boards across the country, a lot of the provinces across the country have already settled their contracts for the next two years. Obviously, when we made that announcement, it was at that time, but to date no other province in Canada has surpassed the salary commitments that this government has given to our teachers.

MS CARLSON: Mr. Speaker, when will this minister tell Albertans that teaching salaries have not even kept pace with inflation, which in real terms means that salaries have gone down?

DR. OBERG: Mr. Speaker, a couple of things. First of all, since around 1995 teachers' salaries have gone up an average of around 17 percent in this province. I have already said it, but I'll say it again: it does make the teachers the highest paid in Canada, the 4 and the 2 percent.

There is another interesting component. The hon. member has talked about nurses' salaries. Mr. Speaker, we could quite easily take the nurses' grid, superimpose it on the teachers' grid, and it would be quite acceptable. What it would simply mean is that the people at the lower end of the scale would increase their wage; the people at the higher end of the scale would decrease their wage. Those two scales are superimposable.

THE SPEAKER: The hon. Member for Spruce Grove-Sturgeon-St. Albert, followed by the hon. Member for Edmonton-Riverview.

Provincial Achievement Tests

MR. HORNER: Thank you, Mr. Speaker. In September Alberta Learning released the results from the grades 3, 6, and 9 provincial achievement tests. Although we are cautioned every year not to rank the quality of education within individual classrooms based on these exams, parents and some of the teachers that I've spoken to in my constituency are concerned that teachers may be focusing on preparing students to write achievement tests instead of focusing on the curriculum. My questions are for the Minister of Learning. Given that there are some concerns about the potential of teachers focusing too much on these tests, has there been any consideration given to discontinuing the provincial achievement tests?

DR. OBERG: No, Mr. Speaker.

THE SPEAKER: The hon. member.

MR. HORNER: Thank you, Mr. Speaker. My second question is also to the Minister of Learning. Given the concerns of the parents, what is the value of the provincial achievement tests?

DR. OBERG: Well, first of all, Mr. Speaker, what the provincial achievement tests allow us to do is give a general measure of what is happening with our curriculum in the province. It helps us show how many kids are learning to read, how many kids are learning numeracy skills, what exactly they're learning. Is our curriculum getting old? Is it getting dated? Should we be changing our curriculum? All of these questions are answered by the provincial achievement test.

More importantly, though, Mr. Speaker, what we are now able to do is give individual jurisdictions their results and allow them to take a look at the trends that have been occurring over the last four or five years. These trends are extremely important, because all around the province the trends are very different. What we need to know is: what are the ones that are experiencing very positive trends doing that's different from the ones that are experiencing negative trends? This is a very powerful tool. It's a very powerful tool for the betterment of education in Alberta.

THE SPEAKER: The hon. member.

MR. HORNER: Thank you, Mr. Speaker. My final question is also to the Minister of Learning. What is the minister's response to organizations that attempt to rank the schools or school jurisdictions based solely on these achievement tests?

DR. OBERG: Well, Mr. Speaker, I'll try to be generous in here. The response that I tell these people is something that usually can't be said in here. The bottom line is that I completely wholeheartedly disagree with this ranking of school systems that goes on. Everyone in this Assembly realizes and knows that every kid is different, that every classroom is different, the conditions are different, and I think it's a very simpleminded person that puts together these comparisons of schools.

Mr. Speaker, these tests are incredibly important to us from a curriculum point of view. They're incredibly important for those of us who want to better the school system, better the educational environment, and the people that put it forward as a tool to create dissent, as a tool to create controversy, as I say, they're just simple minded.

THE SPEAKER: The hon. Member for Edmonton-Riverview, followed by the hon. Member for Edmonton-Strathcona.

Children's Services

(continued)

DR. TAFT: Thank you, Mr. Speaker. I note in a report tabled today a one-year 37 percent increase in the salary of the AADAC CEO. I'd also like to note that in 1995 the Mennonite churches accepted a long-term funding commitment from the provincial government and started Welcome Home Community, a program for families at risk. Now the government is breaking faith with the Mennonite church and the families they serve. To the Minister of children's Services: why has the government again broken a promise to this church?

MS EVANS: Mr. Speaker, in my response previously in the House this afternoon I identified that there are 93 agencies or supportive groups that have contractual relationships with MāMōwe child and family services. We have selected the 20 agencies that were beyond the direct interface for children most considered at risk.

Mr. Speaker, what I am identifying for the hon. member is that the real tragedy here in Alberta is the rapid increase of child welfare children, children who need the protection of the House, people who need very definite work on assessments because of exposure to family violence, being victims of family violence, being victims of physical or emotional or social abuse.

Clearly, many of these preventive programs that do good work we would certainly like to retain, and we would like to have an opportunity to do that in the new calendar year. In the case of this particular program the costs were rising and many of the programs that we're administering today are being evaluated on their effectiveness both

from a dollar point of view and the effect on how well the children are achieving in overcoming their particular problems because of the delivery of the service.

THE SPEAKER: The hon. member.

DR. TAFT: Thank you, Mr. Speaker. Then I'm wondering, given the soaring rates of child welfare cases, how these will ever come down if the minister is cutting funding for prevention.

MS EVANS: Well, Mr. Speaker, I'm very grateful for the hon. member's question. Quite honestly, across Canada we're looking at a new response model so that those children that are assessed to be the least at risk can have their needs addressed by Boys and Girls Clubs, other community agencies. Then we can structure those that are most at risk on the other end of the spectrum to be those that are removed for adoption, kinship care, and other very focused programs.

Mr. Speaker, my fear today in the child welfare caseload review, the statistics we have so far, is that we are doing more by taking the child out of the home than we should be. We should be working on a home improvement model. We should be working on a community improvement model. We should be working as a community to overcome in Canada, Canada-wide, the embarrassment of growing caseloads in a country that has so much.

DR. TAFT: Again, Mr. Speaker, how are we going to achieve those laudable ends if we continue to cut preventive social services?

2:30

MS EVANS: Mr. Speaker, much of it will deal with family case conferencing. The local Edmonton police are opening a one-stop intake centre where we can put professionals together with the child and the family. We can deal with an expanded family case conference, and we can help our social workers understand the transformation model of working together with community agencies to support those children outside the case management system, inside the family, and with other supportive agencies. It's going to take a lot of work. It's going to take the goodwill of the professionals, and it's going to take the work from other agencies in support of what government is attempting to do.

THE SPEAKER: The hon. Member for Edmonton Strathcona, followed by the hon. Member for Edmonton Meadowlark.

Crossroads Program

DR. PANNU: Thank you, Mr. Speaker. For the past several years, under the leadership of the member who is now the provincial Solicitor General, this government made protecting children involved in prostitution a major policy priority. A safe house for street children, run by the Crossroads outreach program in Edmonton, is a key component of that strategy. Now the shocking news. Yesterday Crossroads were notified out of the blue that funding for this safe house will be terminated in 90 days. My first question is to the Deputy Premier. Will this government make a commitment today to find money to ensure that the Crossroads safe house for children involved in prostitution will remain open?

MRS. McCLELLAN: Mr. Speaker, I will make a commitment to this House that this government will fund priority programs, that this government will carry out the mandate that the people of this province gave it in March of this year, I would say in a significant way, that we will provide sound fiscal management, priority

programs for our people, and carry those out in the best way that we can. That's what this government has committed to do, and that's what this government will continue to do.

THE SPEAKER: The hon. member.

DR. PANNU: Thank you, Mr. Speaker. Let me ask the second question to the Treasurer. Why are important frontline services that help vulnerable children and families such as the Crossroads outreach program and many other important programs that assist the aboriginal community in particular being sacrificed in the government's frenzied rollback in its budget commitments?

MRS. NELSON: Mr. Speaker, when you're charged with the responsibility of dealing with the fiscal situation of the province, striking the right balance is always difficult. Reality does come into play. We have made a commitment not only on the fiscal side of the equation but in dealing with the needs of people. Quite clearly, I think our Minister of Children's Services has enunciated that if there are those in need, she needs to be made aware of them, that she has a number of programs that are there to deal with some of the pressure points for children. I would ask her once again to get up and explain in this House today the programs that she has.

THE SPEAKER: No. We've spent a lot of time on this series.

The hon. member.

DR. PANNU: Thank you, Mr. Speaker. My last question is to the Solicitor General, who I'm sure has a stake in this issue. Can the Solicitor General tell the Assembly how many more children will be prostituting themselves on street corners as a result of this government's reckless cuts to the Crossroads outreach safe house and the cuts to other frontline services for children in Edmonton and elsewhere?

THE SPEAKER: The hon. minister.

MRS. FORSYTH: Thank you, Mr. Speaker, and I appreciate the question. I can tell you that since we developed the PCHIP legislation and the PCHIP legislation was enacted, child prostitution is going down in this province and will eventually be eradicated. I appreciate his concerns in regards to Crossroads. Crossroads is a very effective agency, but we also have Catholic Social Services, that can deliver the program. We also have the Edmonton police, that deliver and pick up these children. So our children in this province who are involved in prostitution will be taken care of.

THE SPEAKER: The hon. Member for Edmonton-Meadowlark, followed by the hon. Member for Edmonton-Centre.

Beer Bottle Recycling

MR. MASKELL: Thank you, Mr. Speaker. This past weekend two of the Alberta-based beer companies announced that they're being forced to increase the price of a case of beer by 20 cents because they are being forced into the province's public recycling system. My question is to the Minister of Environment. Is the government directly responsible for this price increase?

THE SPEAKER: The hon. Minister of Environment. [interjections] Hon. minister, we await.

DR. TAYLOR: Thank you, Mr. Speaker, for calming the House on

this very contentious matter. I want to say that I do understand that one brewery in the province sent out a letter to all liquor stores that they feel they had no choice but to increase the price of beer and that the government is at fault. I want to state quite clearly that this is a business decision. We did not encourage or force any beer company to raise their price for beer. I think it's really unfortunate that they are blaming the government, but what is even more unfortunate is that they are very unhappy about being forced into a public recycling system, which ensures that all consumers get their full refunds. That's what this is about, giving all consumers the full refunds on their bottles, in spite of what a beer company might say.

THE SPEAKER: The hon. member.

MR. MASKELL: Thank you, Mr. Speaker. To the same minister: will Albertans still be eligible to receive their full refund if they were to return empty beer bottles and cans to the retail outlet where they bought them rather than to the bottle depot?

THE SPEAKER: The hon. minister.

DR. TAYLOR: Thank you, Mr. Speaker. What is important here is that in fact they will return a full deposit charge at the public depots. In fact, this puts back into the pockets of Albertans about \$4 million a year in deposits through the public depot system, that they were not getting in the past.

THE SPEAKER: The hon. Member for Edmonton-Centre, followed by the hon. Member for Edmonton-Beverly-Clareview.

Electronic Racing Terminals

MS BLAKEMAN: Thank you, Mr. Speaker. Casino operators that purchased electronic racing terminals from the provincial government signed a contract requiring quarterly reviews and adjustments of compensation rate clauses in the contract. My questions are all to the Minister of Gaming. Mr. Minister, why haven't these quarterly reviews been done since the contracts were signed in 1996-97?

MR. STEVENS: Mr. Speaker, I'm not aware of that particular provision. I will do an inquiry and provide an answer to the hon. member when it's available to me.

MS BLAKEMAN: Well, given that the casino operators have recouped their cost years ago, why is the minister allowing 70 percent of the revenue from these machines, an estimated \$21 million, to go to these casino owners rather than to the charities that need the money?

MR. STEVENS: Mr. Speaker, this particular product was brought into the province as a result of the initiative of the casino owners. An arrangement was made at that time pursuant to contract, and we have honoured that obligation. The Auditor General in investigating this particular contract pointed out that it was necessary to alter it. The AGLC, the Alberta Gaming and Liquor Commission, has done that. We have said to the operators that they have choices, and the choices will ensure that the matter is brought into compliance by December 31, 2003.

THE SPEAKER: The hon. member.

MS BLAKEMAN: Thank you, Mr. Speaker. Since this minister also had a choice, why has the minister chosen to allow those casino

operators to continue to receive this money when the money should be going to the charities that need it?

MR. STEVENS: I think it's fair to say, with respect to these machines, that each and every casino operator has developed a business plan which is based upon certain expected revenues. What we have said to the casino operators is that we are going to give them a reasonable period of time to make their decisions, and our judgment is that that reasonable period of time is until December 31, 2003.

So, Mr. Speaker, what we have done is we have addressed the issue. We are continuing to receive revenue in the Alberta lottery fund as a result of the operation of those machines. The casino operators will have a decision to make as to how they wish to deal with those machines, either sell them back to the government or take the other option. Once again, that will be done by December 31, 2003.

THE SPEAKER: The hon. Member for Edmonton-Beverly-Clareview, followed by the hon. Member for Whitecourt-St. Anne.

2:40

Noise Suppression Equipment

MR. YANKOWSKY: Thank you, Mr. Speaker. Our cities and towns are becoming progressively noisier places to live in mainly from vehicle noise. Power station coal haulers, which are far from anyone's bedroom, have spent large amounts of money to make their trucks whisper quiet. A picture of a large power station with some geese in the foreground is titled *Only the Geese are Heard*. Yet we continue to allow the sale and installation of very loud vehicle mufflers, which are polluting our cities with noise and also disturbing the engine emissions. My questions are all to the Minister of Transportation. Could the minister elaborate on Alberta's existing laws, if any, which address the retrofitting of vehicles with other than manufacturers' noise suppression equipment?

THE SPEAKER: The hon. minister.

MR. STELMACH: Thank you, Mr. Speaker. The Highway Traffic Act prohibits anyone from retrofitting an exhaust system that's provided by the car manufacturer to increase the noise level of the muffler for expulsion of gases. The exhaust muffler is designed in such a way as to cool the gases before they're expelled and to ensure that most of the gases are of course combusted before they're expelled into the atmosphere.

THE SPEAKER: The hon. member.

MR. YANKOWSKY: Thank you, Mr. Speaker. Why are vehicle noise laws not being enforced?

MR. STELMACH: The very same act also prohibits an individual from operating a vehicle that has an exhaust system that has been tampered with – opened, widened, or retrofitted – which increases the noise level. Whether it be through municipal bylaw or perhaps through the very same act, the Highway Traffic Act, there are provisions there to ensure that individuals driving these cars are prohibited from doing so and are fined. It's just part of the overall enforcement. Along with many other things that our enforcement agencies have to do, this is one area also that they have to pay attention to.

THE SPEAKER: The hon. member.

MR. YANKOWSKY: Thank you, Mr. Speaker. Can Albertans look forward to quieter towns and cities through tougher, enforceable vehicular noise laws in the future?

MR. STELMACH: Another component of the new highway Traffic Safety Act is a provision allowing local municipalities to set their own bylaws. Of course, those bylaws will have to be enforced by that particular municipality, but it does restrict retrofitting, again, the exhaust systems of cars and motorbikes. As you know, many times on a nice, warm Sunday afternoon, when you want to enjoy a barbecue, there are individuals ripping up and down the street, destroying the peace of the afternoon. The good thing about this is that the local municipality will now be able to not only write their own bylaws but also enforce them.

head: Members' Statements

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

George Ho Lem

MR. CAO: Thank you, Mr. Speaker. To follow the introduction by our Premier this afternoon, I would like to speak about our guest of distinction. Mr. George Ho Lem Sr. was born in Calgary in 1918 to Mr. and Mrs. Ho Lem. George's mother, Mary, was the first woman of Chinese descent to move to Calgary. George is one of Alberta's outstanding examples of success and civic duty. He has had a distinguished career in business and politics as well as an exemplary record of community service.

He founded a cleaning business with his family members in the 1950s and later expanded his business to restaurants as well as to a true western business, horse breeding. He won two Alberta Derbies and has been declared thoroughbred breeder of the year. In politics he was the first visible-minority politician elected in Canada, serving three terms as Calgary city alderman in 1959 as well as a term in this Assembly as a member of the Social Credit Party in 1972.

His commitment to the community is outstanding, having been a member of the Calgary Stampeder Football Booster Club, an 18-year director and also a lifetime honorary director of the Calgary Exhibition and Stampede Board, president of the Calgary Junior Chamber of Commerce, the chairman of the board for 16 years of the Calgary auxiliary hospital, the founding director of the Metropolitan Calgary Foundation, as well as the co-chair of the 1978 Commonwealth Games. He was the personal host to Prince Philip during his stay in Calgary. He served as president, chairman, and founding member of many community charity organizations such as the Sien Lok Society, the Oi Kwan Society, the Calgary Chinatown Development Foundation, the Calgary multicultural society, and many more.

He also worked tirelessly on his own assisting many immigrants in becoming Canadians. The Ho Lem family has set an outstanding model for immigrants and their descendants in integrating and contributing to Canadian society.

Mr. Speaker, may I take the liberty of representing our Premier and all members of the House to say to Mr. George Ho Lem Sr. and his wife, Edie, a traditional Chinese wish. [remarks in Chinese] Or in my westernized paraphrasing: longevity lasting as the Rocky Mountains; blessings coming as waves of the Pacific Ocean.

Thank you, Mr. Speaker.

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

Jack O'Neill

MR. HORNER: Thank you, Mr. Speaker. It is my pleasure to rise this afternoon and recognize my constituent Jack O'Neill, husband

of the hon. Member for St. Albert, and to honour him for his nomination as a member of the Order of Canada. Jack O'Neill has been a passionate advocate of human rights in this province, working towards a personal dream to help Albertans and Canadians understand the importance of believing in the dignity of every human being.

Jack served as a special assistant to former Premier Peter Lougheed, deputy minister of culture, chief commissioner of the Alberta Human Rights Commission, and after retiring as chief commissioner, he co-chaired the human rights conference here in Edmonton, which brought 743 participants from around the world. The conference was in 1998. Currently Jack serves on the boards of the Youville Home in St. Albert, the St. Albert arts and heritage fund, St. Albert Economic Development & Tourism, and the board of the John Humphries Centre in Edmonton for the development of peace and human rights. He coedited a book called *Peace, Justice and Freedom* with professor Gerry Gall and citizenship court judge Gurcharan Bhatia.

Jack O'Neill was notified he had been nominated as a member of the Order of Canada back in June of this year. He will be traveling to Ottawa to receive the distinguished award on December 4. Congratulations to Jack from all of the Assembly, and thank you for a lifetime of public service.

Sustainable Calgary State of Our City Project

MS CARLSON: Mr. Speaker, the Sustainable Calgary State of Our City project was initiated in 1996 by a group of citizens interested in ensuring that their legacy will be one they can be proud of. They came together as a project team – community researchers, indicator think-tank members, and resource people – to examine, through sustainability indicators reporting, how to define progress, quality of life, and sustainability. The 2001 State of Our City Report, which I tabled earlier, documents 36 sustainability indicators. This is the work of almost 2,000 people volunteering over 10,000 hours. Their analysis reveals that even though tentative steps are being taken to address resource consumption, there are signs of wear in the fabric of community life. Education and health systems are showing signs of stress, there are growing inequities in the city, and the ecological footprint indicates that people are consuming 30 percent more of the Earth's natural capital than is regenerated.

The report indicates that Calgary cannot be considered sustainable. They propose four priority actions that they believe can make a real difference to their sustainability: create a sense of community assessment tool, and this is a decision-making tool that assesses how social, economic, or community planning proposals impact sense of community; reduce greenhouse gas emissions by 50 percent over 30 years through reduced energy consumption and a shift to renewable resources; integrate a green tax system, the genuine progress indicator, and ecological footprint analysis into municipal decision-making; support and promote a culture of simplicity.

Mr. Speaker, the Sustainable Calgary group should be congratulated on the very progressive work they have done. I sincerely hope that they become the role models for this level of scrutiny and development of sustainability models for all communities and all levels of government.

THE SPEAKER: The hon. Member for Innisfail-Sylvan Lake.

2:50

Fox Run and Mother Teresa School

MR. OUELLETTE: Thank you, Mr. Speaker. It is with pleasure that I rise today to speak about the Sylvan Lake multifacility school that recently won a prestigious international design award. The Council

of Educational Facility Planners presented the award over the weekend. The honour recognizes the Fox Run school, which is run by Chinook's Edge, and Mother Teresa school, run by the Red Deer Catholic school division. I would also like to note that this award was the only one given in Canada and one of only three in North America.

The school opened its doors last year and is the first of its kind in Alberta. The school not only provides a state-of-the-art learning centre but also is a true community centre. The key to the school's success is due to the design process and collaboration of the partners involved. Officials from Chinook's Edge and Red Deer Catholic school divisions along with representatives from the town of Sylvan Lake worked closely together to create a facility that unites a community of learners, respecting that each participant has specified needs and unique circumstances. The partnership approach taken on this facility is certain to establish a precedent for future joint ventures between school divisions. Everyone involved is to be congratulated for their creativity and co-operation in combining resources to enhance student learning. Our government supports lifelong learning, and co-operative projects like this one promote that belief.

Thank you very much.

head: Orders of the Day

head: Public Bills and Orders Other than
Government Bills and Orders

head: Committee of the Whole

[Mr. Shariff in the chair]

THE DEPUTY CHAIRMAN: We will call the committee to order.

Bill 207
Alberta Personal Income Tax
(Tools Deduction) Amendment Act, 2001

THE DEPUTY CHAIRMAN: Are there any comments, questions, or amendments to be offered with respect to this bill? The hon. Member for Clover Bar-Fort Saskatchewan.

MR. LOUGHEED: Thank you, Mr. Chairman. Thanks for allowing us to bring Bill 207 forward to committee this afternoon. When the bill went through second reading, I was pleased to see that there's so much support for it. I look forward to passage of the bill at this stage as well. Many people across the province have sent faxes telling me of their support for this bill, and I expect that many of you have also received those faxes.

Mr. Chairman, this bill has received support because it makes sense. It aims to put money back in the pockets of hardworking and deserving Albertans. Currently they have to purchase tools with after-tax dollars in order to do their jobs. In a moment I'm going to speak on several aspects of this bill, and I'd like to ask the Assembly to keep those Albertans in the back of their minds in our discussion this afternoon.

Some of the specific aspects of Bill 207 I'd like to focus on include the benefits of the new targeted tax credit for tradespeople, namely journeymen or apprentices, the benefits this tax credit will have for them and their families, and finally the way that Bill 207 will highlight the role of tradespeople in the province. Bill 207, especially section 2(2), puts money back in the pockets of Albertans. Our government has shown it believes that the reduction of taxes is a means to spur economic growth and a better life for all Albertans. Bill 207 is another stage in the fulfillment of that vision. Lower

taxes will spur investment and growth and promote personal independence and freedom. These are some of the reasons this government brought the Alberta Personal Income Tax Act forward a year or so ago.

Mr. Chairman, Bill 207 gives tax relief to registered journeymen and apprentices working in Alberta trades who spend over \$500 on the purchase of their tools. During second reading we heard about the high price of tools for journeymen and tradespeople, including the apprentices. All of us in the Assembly have become aware that the price of tools makes it difficult for tradespeople to enjoy Alberta's tax relief initiatives in the same way that other Albertans do. That realization and concern for fairness for our workers caused many of us to stand in this House in support of Bill 207. Passing Bill 207 would give our workers the opportunity to perform much-needed and appreciated jobs in Alberta and enjoy the Alberta advantage.

Section 2(2) of the Alberta Personal Income Tax (Tools Deduction) Amendment Act reinforces the notion that tax reduction is always a positive goal, and especially in this case it is directed towards helping a hardworking and sometimes overlooked segment of our society. Mr. Chairman, the introduction of a tools tax credit for journeymen and apprentices is well overdue, and I think that this Assembly would again show itself to be forward thinking in passing this bill.

Next I'd like to speak of the way that Bill 207 grants tax relief to these middle-class, blue-collar Albertans. It's a tax credit that will favourably affect many families. For example, consider the statistics of just one group of tradesmen, auto mechanics. The average income of an auto mechanic in Canada is about \$35,000. Tradespeople have families to support, and \$35,000 isn't a huge amount when there are children to be taken care of. Bill 207 won't give our workers in these fields a huge amount of money, but it will give them an opportunity to purchase many of those things that all families require. Some may argue that all families have these costs, but consider a tradesperson who has to put a sizable portion of income into the purchase of tools necessary to complete the work. Registered journeymen in any trade have to have tools probably more than \$10,000 in value in order to do their job. That money comes from their pockets, paid for with after-tax dollars. There is a difference, Mr. Chairman, and we seek to address that difference.

Next, Mr. Chairman, I'd also like to remind members in this Assembly of the figure that was brought up earlier during second reading. A starter set of tools for apprentices is, at minimum, about \$4,000. Each young apprentice would have to put that forward before beginning work in his trade. The government of Alberta has introduced the 10 percent income tax rate as a means of putting more money back into the wallets of individual Albertans. Bill 207 indicates that more can be done and should be done, and this specific circumstance that journeymen and apprentices find themselves in shows the need for this targeted tax relief. By allowing young apprentices to receive a nonrefundable tax credit through section 2(2) on costs related to tool purchases, maintenance, insurance, or repair, we can in a manner in keeping with this government's desire to keep taxes as low as possible alleviate the costs of working in a trade.

3:00

Specifically what 2(2) does is allow a registered journeyman or apprentice working in one of Alberta's trades the ability to deduct an amount related to tool purchases, maintenance, and repair not exceeding his or her income for the tax year. The deduction is determined by the following formula. The total expenditure for the purchase, rental, or insurance of tools used on the job is multiplied

by the specified percentage of tax credits given that year.

Section 2(3) of Bill 207 requires that the worker applying for the tools credit must give proof that he or she is a journeyman or apprentice in Alberta trades, and the tools have to have been purchased for work-related purposes.

First, by setting the threshold at \$500 in section 2(2), the bill acknowledges that every job has expenses that need to be borne by employees. At the same time, it recognizes that tradespeople and journeymen must in many cases spend several times the amount that others have to spend. By setting a \$500 threshold, we say to people that, yes, very often there are acceptable expenses related to employment, but at some point in time they do deserve a break.

Finally, Mr. Chairman, we considered the role that skilled tradespeople play as the population of this province booms. To support this growth, we've needed to develop new land, build new homes, buildings, highways, and other infrastructure. The creation of a tax credit for the benefit of trade journeymen would go a long way towards recognizing the growth in trade-heavy employment sectors. These sectors include goods production, forestry, logging, oil and gas, manufacturing. Bill 207 recognizes the contribution of these and other workers to our economy.

Before I conclude my remarks, Mr. Chairman, I'd like to acknowledge the support of many members in this Assembly in bringing the bill forward to this stage in committee. I look forward to their continued support and so do the journeymen and apprentices of our great province.

Thank you, Mr. Chairman.

THE DEPUTY CHAIRMAN: The hon. Member for Edmonton-Centre.

MS BLAKEMAN: Thanks very much, Mr. Chairman. I find this bill really interesting, and I'm quite supportive of what it's proposing, but a couple of things have occurred to me. Being as we're now in Committee of the Whole, this is the time to discuss those issues and parts of the bill in a bit more detail.

I think it's a good idea to be doing whatever we can to encourage people working in the trades and in the skilled trades right now. Certainly we're aware in this province that if we want to be a smart province, if we want to keep moving into the future and staying ahead of the pack, we need to have skilled and educated workers. It's difficult to attract people to that if all they can see are obstacles in front of them. So I think what's being offered here may not remove an obstacle, because the cost of paying for tools and specialized equipment, safety equipment, specialized clothing for the job, can still be an obstacle even with what's being proposed here, but it does move us some way down the path to making this more attractive.

I certainly see the need for more skilled workers and tradespeople in this province. Somebody was talking to me the other day on the phone and was concerned about a clerical job disappearing, and I said, "Well, the clerical job may well disappear, but it will be replaced by a job for a skilled technician, and that person or those people will in fact get paid more than the clerical position, so overall I think we're ahead of the game."

I come from a family of tradespeople. My father was in the trades; both my brothers are ironworkers. I can certainly look at how many tools they have, what kinds of tools they have, and how important those tools are to their safety, to the safety of the other workers on the site, and ultimately to the safety of the public, because if they're not using very good tools and they make a mistake – and they wouldn't; they're very conscientious. That could either injure someone else on their work site or even down the road if a

building they helped to put up isn't done as well as it should have been and – who knows? – a piece of siding could fall off and hit a member of the public. I mean, all of these things have to be taken into consideration.

Where I was struggling with this bill was whether in fact it was putting one group of people in Alberta far ahead of others in advantages through taxes and through tax credits here and was that creating an inequity between people? The second thing I was wondering about was forgone revenue and what had been done around forgone revenue. So I can perhaps prevail upon the proposer of the bill to be answering that question when he wraps up or to answer it even sooner than that.

Has the mover of the bill looked at whether this is creating a special category of workers in the province? I've been sort of asking around and talking to people, and it seems like academics, for example, can claim some small expenses, nothing nearly as large as what's being anticipated in this bill, but there's also an expectation that any academic institution would in fact be paying for anything else that an academic wanted, magazine subscriptions and that sort of thing.

So then I looked at self-employed people. Certainly in the arts community that I come from everyone is self-employed, and in fact their specialized tools and equipment and apparel are deductible as necessary to getting and keeping a job. So okay. I kept looking. Well, what about other self-employed people: consultants, businesspeople, accountants, small businesspeople, that sort of thing? They can either have the tools and equipment paid through their company, or as self-employed they probably are able to get some sort of tax credit for having expended that money.

So as far as I'm able to tell, there is an equity in this bill, but I still put it forward to the mover of it to ensure that this has been looked at. Has it been anticipated that it could be creating an underclass, some group of workers in the province who are now being left behind and who will want to be coming forward to get their share of this as well? So with this bill would we be creating yet another group of people that would be wanting to come forward to claim some sort of benefit similar to this?

The second issue that I'm increasingly interested in is forgone revenues, because anytime the government doesn't collect money through whatever scheme, whether it's through a tax credit, a refundable credit, any scheme that exists whereby you are not paying tax on a certain amount of money, that is money that the government doesn't get to collect. We are very careful – I can see the Treasurer smiling at me. Yes, she knows what I'm talking about. Any expenditure that we look at in this Assembly, we expect there to be a performance measurement with it, a target. You know, what is this money to be used for? How is it to be used? What is the expected outcome? How are we going to measure this? How are we going to evaluate it? Was the money well spent? Did we get good value for our dollar? But we are not doing that when we look at forgone revenue.

3:10

What's being proposed in this bill is another form of forgone revenue. It's money that the government will not take in once people have been able to apply for this revenue. Perhaps Madam Treasurer has worked with the proposer of the bill to actually work this all out. If so, I'd be delighted to hear her contribution to this. What has been worked out by way of what the government expects to gain, or what is the expected outcome of this forgone revenue? If they're not collecting income tax on \$500 from every tradesperson or apprentice in the province, that adds up to a lot of money. What are we expecting to get from that? We're expecting to get more

people working in the province. Well, then, how many? What's the performance measurement? What's the measurement to know that we've been successful with this scheme?

Well, okay. I just mentioned more people working. Are we expecting to have less accidents on the job? If people are able to afford a better quality of safety equipment because they will now get a tax deduction, is there some measurement by which we are saying: okay; we expect there to be fewer accidents on the job in Alberta? We have a shocking number of accidents on the job, particularly, it's been pointed out, because we're working with so many young workers and especially in the oil field.

So I'm asking: what can I expect? What can I go back and tell my constituents is the anticipated benefit to the government, the benefit to all Albertans from giving these individuals this tax credit? If we are willing to scrutinize expenses that this government wants to expend on behalf of Albertans, why are we not examining the money that we're not bringing in, which is what's happening here? I will leave that for the mover of the bill and the Treasurer to respond to. I think it's a valid point, and I think it's important that we do balance these things when we are looking at programs like this.

That's what I was interested in asking while we are in Committee of the Whole. I do think it's an interesting idea. I would like to see it followed through, but I wouldn't be doing my job as a legislator if I wasn't asking: how are we evaluating the success or failure of this program? What monitoring mechanism is in place? What evaluation mechanism is in place? How do we know if it worked or not? Over what period of time? So I'll put that question, that challenge forward to my hon. colleagues across the floor and hope that I will get an answer back.

Thank you very much for allowing me to speak.

THE DEPUTY CHAIRMAN: The hon. Member for Vermilion-Lloydminster.

MR. SNELGROVE: Thank you, Mr. Chairman, and I thank the hon. member for some very valid comments towards the bill.

It's indeed my pleasure to rise today to speak on Bill 207, the Alberta Personal Income Tax (Tools Deduction) Amendment Act, 2001. I, like the Member for Clover Bar-Fort Saskatchewan, am pleased to see Bill 207 in Committee of the Whole. This bill is a good step for Albertans. It provides us with the opportunity to use our new unhooked tax system to provide added incentives for Albertans to enter the trades and to reward blue-collar Albertans who must spend thousands of dollars on tools each year just to do their jobs.

However, while I like the intent and spirit of the bill, I do believe we can refine it here today to make it even better, and I propose a few amendments, Mr. Chairman. I would like the amendments to be dealt with as a single amendment and voted on as such.

THE DEPUTY CHAIRMAN: The chair has a copy of the proposed amendment, and we shall refer to this as amendment A1.

MR. SNELGROVE: Thank you, Mr. Chairman.

THE DEPUTY CHAIRMAN: Just give us a minute so that they can be distributed to all the members.

Hon. Member for Vermilion-Lloydminster, you may proceed.

MR. SNELGROVE: Thank you, Mr. Chairman. First, I would like to change the title of the bill from the Alberta Personal Income Tax (Tools Deduction) Amendment Act, 2001, to the Alberta Personal Income Tax (Tools Credit) Amendment Act, 2001. Second, I would

like to make several changes to section 2 of Bill 207. The most important of these is to add an upper limit to the amount of money spent on tools that is eligible for a credit.

First, Mr. Chairman, those members gathered here today may ask why the title needs to be changed; it seems straightforward enough. Well, I assure you that I'm not just nitpicking here. First, we notice that Bill 207 would amend section 10 of the Alberta Personal Income Tax Act and, if passed, would actually slide in as section 10.1. This puts it square in the middle of the tax credit section of the Alberta Personal Income Tax Act. In fact, it is structured much the same as other mechanisms that we refer to as tax credits. [interjection] I'll get back to you.

So, first off, this leads to a question: why would we refer to Bill 207 as a deduction when the rest of the section refers to these mechanisms as credits? Doing so may cause the average Albertan to scratch his head in confusion when doing his taxes, and I for one will say this much: I'm already annoyed when I do my taxes; the last thing I need is to be confused.

Second, this is a technical point. What Bill 207 offers is a tax credit, not a deduction. To recap, Bill 207 allows tradespeople and apprentices the opportunity to lessen their tax burden by showing that they spent money on tools to be used on the jobsite. These workers are then credited a specific amount of money dependent upon the tax rate of the province. The money is not paid directly to them but is instead taken off their taxes. Essentially what is going on here is this. If a tradesperson or apprentice spends X amount of dollars on tools, then he does not have to pay taxes on that amount. In essence, he is being credited a certain amount of money that he does not have to pay taxes on. Thus, we should be calling this bill a tax credit and not a straightforward deduction.

Next, I'd like to propose the following amendment to Bill 207. Clearly put, I would like there to be an upper limit on the amount of money that an individual can be credited. As it stands, there is an upper limit. This upper limit is the worker's employment income for the tax year. This is fine, but it seems to leave a lot of room for abuse. For example, we've heard it said that an average auto mechanic makes \$35,000 a year. Now, as much as we know that tradespeople have to spend a lot of money on tools per year, we also know that the average tradesperson doesn't have to spend that much money on tools. On the average we're looking at a ballpark of around \$3,000 per year.

This leads to an interesting point, however, that needs to be explored. If the average tradesperson spends \$3,000 on tools but can be credited right up to his full salary, then are we not opening up the tax system to abuse by those less honest in society? I would argue very strongly from experience that the Alberta tradespeople I've met are by and large hardworking, honest people who want nothing more than the ability to take care of their families, live comfortably, and help see our province prosper. We also know that one bad apple can spoil the whole bunch. What would happen if a few of the less honest people in our province decided to take advantage of the extra room by buying tools on behalf of their friends or neighbours, getting the money back from those people, and having their bosses or supervisors sign off on the receipts? The way the bill is set up now, they could do this right up to the point where they spend an amount equivalent to their income on tools. If they were to do so, they would put themselves in a position of having to pay no provincial tax whatsoever, Mr. Chairman. Why would we open up the province and the people of Alberta to that abuse when we can nip it right in the bud right here by adding a maximum limit to the amount of money tradespeople and apprentices can be credited?

Mr. Chairman, I propose that we amend section 2 of Bill 207 by adding an upper limit of \$5,000. In brief, with the lower limit of

\$500 and the upper limit of \$5,000 we are making available \$4,500 that tradespeople and apprentices can receive a tax credit upon. Under the current scheme this frees up a maximum of \$450 off their taxes per year. I think this number is fair. It is slightly above the average amount of money that is spent on tools per year by tradespeople and apprentices and therefore takes into account what most tradespeople and apprentices would use.

Well, some will no doubt say that we are not providing enough relief to those who spend upwards of \$5,000. I can only say that no government can appease everybody. These workers would still receive a sizable credit but would not be eligible for a credit above the upper limit. This is a fair price to pay, getting a tax credit and making sure that the tax credit can be equally distributed amongst tradespeople and apprentices without being open to abuse.

Mr. Chairman, I therefore would like to refer all of the members here today to the motion for amendment form that has been distributed and call upon them to accept these amendments.

In closing, I'd like to reiterate my support for Bill 207. It's about time that our tradespeople and apprentices were recognized for the hard work that they do. I would also like to once again applaud the Member for Clover Bar-Fort Saskatchewan for raising this issue in the Assembly. I call upon all the members of the Assembly to help him support our workers and support Bill 207.

Thank you.

3:20

THE DEPUTY CHAIRMAN: The hon. Member for Innisfail-Sylvan Lake.

MR. OUELLETTE: Thank you, Mr. Chairman. It's my pleasure to rise today to speak on Bill 207, the Alberta Personal Income Tax (Tools Deduction) Amendment Act, 2001, on the amendment.

I'd like to first note that I support this bill in principle and also am excited to see that it has got the rest of the Assembly thinking about ways to improve the bill. In that spirit I'd like to give my support to the amendments proposed by the Member for Vermilion-Lloydminster. The amendments proposed by the Member for Vermilion-Lloydminster are both sensible and fair.

I say that they are sensible because they protect all Albertans from the possibility, even the slightest possibility, of tax abuse. I say that these amendments are fair for two reasons. First, they give all tradespeople an equal opportunity to enjoy the benefits of tax relief. Second, these amendments are fair because they help to fine-tune Bill 207 to keep it in line with its original spirit to improve the lives and relative equality of all Albertans.

In order for our economy to thrive, we need tradespeople. If we do not have enough tradespeople, we have holes in our workforce, and our economy suffers. When our economy suffers, the lives of Albertans suffer. This was one of the rationales behind Bill 207: to help all of Alberta, we would give a tax credit to some Albertans. But we obviously wouldn't be helping all of Alberta if we made it possible for some Albertans to abuse our tax system, so as a means of preserving the best of both worlds, fairness for workers and fairness for Albertans, the amendments to Bill 207 are excellent suggestions. These amendments make even better a bill that is already commendable and one that received considerable support from this Assembly in second reading.

Today, in addition to my earlier comments on the proposed amendments, I'd like to speak about how this bill helps preserve the Alberta advantage, especially in these global hard economic times. Alberta continually leads the country in economic growth. We do this by maintaining and growing our Alberta advantage. The Alberta

advantage creates a healthy economy, which contributes to a growing workforce and boosts wages.

Alberta had the strongest employment growth in Canada between 1994 and 2000, and more new jobs are being created every day. The tremendous growth in new jobs coupled with low unemployment levels suggests that we are heading towards a skill shortage in certain industries. Mr. Chairman, recent reports have indicated that nearly half of all occupational groups, including construction trades and various manufacturing workers, have unemployment rates of less than 3 percent. It is no secret that in a booming economy with numerous megaprojects under way or scheduled to begin, tradespeople are in great demand. Many local corporations have resorted to putting up help wanted billboards in an effort to attract specialized tradespeople.

Mr. Chairman, we need to ensure that these industries have enough skilled labour to meet their needs and keep our economy growing. We cannot afford to have our economic growth constrained by a shortage of skilled labour. Attracting tradespeople from other provinces has become standard practice in easing the growing shortages of tradespeople here in Alberta. While attracting new employees to Alberta is good for the province, we should also provide local Albertans with real incentives to enter the trades. Bill 207 does just that.

As stated in section 2(2) of the act, tools used in the performance of a tradesperson's occupation above a \$500 threshold can be deducted from the employee's employment income. This means that employees who are required to purchase tools in order to perform their jobs are credited the purchase cost of their tools for any amount over the \$500 threshold. This is money that they do not have to pay taxes on when tax season comes around. This provision is especially important for the young people of this province who are looking to begin their career in the trades or in a trade-related industry. Oftentimes these industries require employees to purchase their own tools in order to perform their jobs. These costs can be significant and therefore unaffordable to young people who are just starting out. Given the tremendous opportunities available in these industries, we should endeavour to make it easier for young Albertans to enter these fields.

Mr. Chairman, on April 1, 2001, the first stage of the province's four-year plan to cut corporate taxes kicked in. When our finances improve and this plan is fully implemented, large and small businesses will pay about half the tax that they do today. Alberta businesses enjoy the lowest taxes in Canada, and it's only going to get better. This is great news, and it speaks volumes about the Alberta advantage.

It is my belief that tradespeople are very similar to small businesses. Oftentimes these people work independently using their own tools and equipment. In fact, if they were to incorporate themselves as small businesses, they would be able to claim their tools as a business expense. In most cases, however, the incorporation process is impractical and expensive for a single employee. Bill 207 offers a simple and effective solution.

It provides tradespeople with a nonrefundable tax credit for tool purchases over \$500. This provision grants tradespeople some of the same advantages bestowed on small business operators, and in doing so, Bill 207 will encourage more people to enter the trades by sheltering them from the potentially significant tool expenses associated with entering or re-entering trade-related industries. In order to maintain and increase our Alberta advantage, Mr. Chairman, we need to ensure that these people are treated fairly. These people work hard for Alberta, and they contribute to our province through the work they do and the taxes they pay. This bill will increase incentives for people young and old to enter or re-enter the trades

profession by providing a nonrefundable tax credit for any amount over the \$500 threshold.

Mr. Chairman, Bill 207 is a positive step towards ensuring that Alberta has a strong and continued source of labour in the trade-related industries. It is for these reasons that I support Bill 207.

Mr. Chairman, I support the amendment and would like to see us vote on it now. Thank you.

THE DEPUTY CHAIRMAN: The committee has to rise and report by 3:30.

The hon. Government House Leader.

MR. HANCOCK: Thank you, Mr. Chairman. It being imminently close to 3:30 p.m., I'd move that we rise and report progress on Bill 207.

[Motion carried]

[Mr. Shariff in the chair]

THE ACTING SPEAKER: The hon. Member for Wetaskiwin-Camrose.

MR. JOHNSON: Thank you, Mr. Speaker. The Committee of the Whole has had under consideration a certain bill. The committee reports progress on Bill 207. I wish to table copies of all amendments considered by the Committee of the Whole on this date for the official records of the Assembly.

THE ACTING SPEAKER: Does the Assembly concur in the report?

HON. MEMBERS: Agreed.

THE ACTING SPEAKER: Opposed? Carried.

3:30

head: Motions Other than Government Motions

Delivery of Provincewide Health Services

508. Mrs. Gordon moved:

Be it resolved that the Legislative Assembly urge the government to prioritize restructuring of the parameters for delivering provincewide services such as renal dialysis and multiple sclerosis special therapy programs to focus more on patient need and outcome with emphasis given to service delivery closer to the patient's principal residence.

[Debate adjourned November 13: Mrs. Gordon speaking]

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

MRS. GORDON: Thank you, Mr. Speaker. To briefly recap, by allowing outlying regional health authorities to offer and administer some provincewide services such as renal dialysis, patients could and will receive treatment closer to home more comfortably and more conveniently. This motion would put the decision-making process for administering and offering these services in the hands of the regional health authorities actually delivering them.

The development initially of regional health authorities emphasized a shift towards community-based care. This motion further emphasizes the importance of allowing people to remain in their communities. I ask this Assembly to please vote for this motion. Help me help those people that need these services delivered in their communities.

Thank you.

THE ACTING SPEAKER: The hon. Member for Edmonton-Riverview.

DR. TAFT: Thank you, Mr. Speaker. As I address this motion, I try to look at all sides. I've consulted with a number of experts in the field and ended up with a range of thoughts and suggestions. My first concern when I read the motion, frankly, was with the wording of the motion. When I read a sentence that urges "the government to prioritize restructuring of the parameters for delivering . . . services" – I think I know the gist behind it from the hon. member's comments, but "restructuring the parameters for delivering services" is a remarkably vague statement. I would be more comfortable with the motion if it were to say specifically what kind of restructuring, what sorts of parameters we're talking about, and whether we want the priority raised or lowered. Obviously from the sponsoring member's comments, we want the priority raised. The vagueness, frankly, of the text of the motion was a concern for me.

In inquiring into the nature of the provincewide services and into how they're delivered, what makes them feasible, what makes them economical to deliver, and what keeps them safe, a number of things came to the surface. Clearly, a fundamental concern and one of the reasons that these are organized as provincewide services as opposed to local services is the need for a critical mass of patients requiring the service. In other words, a dialysis unit that only has one or two patients is not going to be economically feasible nor is it going to be optimally safe, simply because the staff working the system, working in the unit just won't have the necessary volume of patients to fully develop their skills.

One of the concerns with moving these services into smaller and smaller communities is that the critical mass of patients will not be there, and if we get into a smaller centre, there may only be a need for one or two patients to have kidney dialysis, for example, and then the cost of serving these patients becomes enormous and their safety really does become a concern. There are various evaluations, very good studies done on the safety performance on kidney dialysis, and there's no question that the way in which cases are managed and the way that the programs are administered has a direct impact not just on patient well-being but actually on the life or death of a patient. So moving these services into small communities is something that we should also be very concerned about.

I would also raise concerns about staffing and financing these kinds of facilities. If we have a very, very small unit in a small town, how do we staff it? How do we get the specialized technicians, the technical staff in the community? If it's a community of 1,000 or 2,000 or 3,000 people, there's not likely to be a kidney dialysis expert there. So then we need to look at incentives and ways of getting those staff to move and live in those communities, so the costs become high. In addition, if the person is practising in isolation, they may not be able to keep up their professional skills, so the quality diminishes. The entire feasibility of this from both equality of patient care and the cost to the taxpayer is something we really need to keep in mind.

On the other hand, I am drawn to support this motion because I know the spirit that's behind it is one of compassion for patients, for families, for friends of people who need these often lifesaving medical services. It is a genuinely heavy burden for people to bear if they're living in a small community and need to travel a long distance every few days for kidney dialysis or for proper assessment and treatment of conditions such as multiple sclerosis.

There may well be ways in which we can resolve the problems that arise from moving these facilities into smaller communities, and certainly we'll never know if we don't try. So on the basis of compassion I would in the end come down on the side of supporting

this motion, albeit on the understanding that there are very serious concerns about costs and quality. Certainly before any actual steps are taken to implement the motion, to extend these services into smaller communities, I could only support the actual steps being taken if I were convinced that a full evaluation of the cost-effectiveness and the quality of the service was done and the outcome of that evaluation was successful.

I support the hon. Member for Lacombe-Stettler. I think the spirit behind this is well intended, so I'm pleased to say: yes, I for one will be supporting this.

THE ACTING SPEAKER: The hon. Member for St. Albert.

MRS. O'NEILL: Thank you very much, Mr. Speaker. I rise to speak in support of Motion 508 for the simple reason that this motion encourages the Legislature to encourage the government, of course, to restrengthen the ties with the home community in the provision of health care.

I'd like to focus most specially on the multiple sclerosis special therapy programs that are mentioned in the motion. I do have a number of constituents who do suffer from the condition, and I do know that they receive treatment in our close neighbouring community of Edmonton and certainly service through the Capital health authority. However, I am aware through my colleague from Lacombe-Stettler that there are a number of individual citizens around this province who could very well benefit greatly for their greater comfort and strength and accommodation and also by all the broad range of services that are attendant upon the service being provided in their local community.

So I applaud the two major health authorities that do provide through provincewide services those renal dialysis clinics as well as the multiple sclerosis special therapy programs. They are doing a very good job. But this motion suggests that the local health authorities, the regional health authorities, would be able to determine the cost-effectiveness, whether there is the critical mass of users of these programs, and whether they would be able to provide in their overall plan this provision of health care as they acknowledge the boundaries of their revenues and the programs that they wish to offer.

3:40

The sheer strength of this motion is the fact that there are individuals receiving both of these treatments or programs who are in many cases to a degree debilitated in their swiftness of being able to travel and by the discomfort that comes to them as a result of seeking this service a distance from their own homes. If the regional health authorities were urged through this motion of this Legislature to look at their ability to provide both of these programs so that the recipients did not have to increase their discomfort by traveling far to receive the services, indeed I think it would be an opportunity for the regional health authorities to deliver close-to-home services to people who could benefit greatly from them being delivered close to home.

So I would again, as I say, encourage this Assembly to support this motion. It does provide the opportunity also for those who are specialists in the provision of both of these cares, who don't all reside in the two major urban centres of this province, to be able to work in that area in the provision of care.

I happened a couple of years ago to chair the Seniors' Service Awards Committee, and one of the nominees there was a woman who did a variety of good deeds and was engaged in a number of volunteer efforts in her community. One of them that stood out most specifically was the fact that she drove many of the members of her

community to a renal dialysis centre, but she also asked that they all be brought together and that they then have the ability to experience the efficiencies of numbers in one location. The testimonies, letters that were written appreciative of this woman's efforts were wonderful, but the common thread through all of them was that she recognized neighbours in her community who had a need, and she responded by making their lives much more comfortable and certainly making much better use of their time than spending such a long time traveling to get these services.

So I want to commend the Member for Lacombe-Stettler for bringing this forward. I know it is something that she is very well acquainted with, but I also know that there are a number of other citizens across this province who would benefit greatly by virtue of time, by virtue of less exhaustion and discomfort to their own lives by being able to access these programs and this service closer to home.

So I urge this Assembly to urge the provincial health authorities to have the opportunity to provide these services close to home to those who need it most. Thank you.

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

MRS. FRITZ: Thank you, Mr. Speaker. I'm rising today in the Assembly as well to speak to Motion 508, and I'm doing so knowing that my colleague from Lacombe-Stettler – truly we've seen it in the Assembly in the past – has a very deep understanding and what I believe is a strong sense of what is needed for change in the rural community, especially when it comes to creating optimal health and well-being for the residents, which is why I know I have confidence in Motion 508 and why I'm hoping that members of the Assembly will be supporting the motion. [interjection]

I know, too – and the hon. member would be interested in this – that my colleague has really researched this thoroughly, and as we heard earlier, it demonstrates the importance of delivering local health services to the community. Quite frankly, that simply makes good sense.

You know, Mr. Speaker, it deals with one of the most important challenges that we've heard that faces our government today, and that is the equitable delivery of quality health care services in the province as whole. We also know that with our aging population and the accelerated introduction of increasingly advanced health care technology, the challenge is only going to grow in the future, and it's really crucial to deal with concerns we have about health care delivery and to deal with them now. Certainly we've heard in the Assembly, as well, about the Mazankowski report that's going to be coming forward. I know that that, too, may deal with equitable delivery and delivery of services on a more local basis. But the problem continues to grow, and I think it's becoming more expensive and it's becoming a problem that's very complicated to solve. I know that our hon. Member for Lacombe-Stettler has tried to address this previously. Hopefully, as I said, the government will be urged to look at it more seriously in the future, based on this motion.

There are three key points in this motion, Mr. Speaker, that I'd like to make on health care delivery to areas that are outside of the large municipalities where acute, high-risk care is practised. It seems, from what I've heard from my hon. colleague from Lacombe-Stettler, that the delivery of provincewide services to many rural areas is done in a manner which is not always in the best interests of the patient. Although guidelines have been put in place in an attempt to try and make it an equitable process, functionally it simply hasn't been so. Guidelines need to be rewritten, and that's not a bad thing. They can be rewritten and they can be rewritten in a very practical, simple manner which would allow better access by

rural communities to services. The previous speaker mentioned about multiple sclerosis, but specifically I'm thinking in the area of renal dialysis, which is very much a part of the motion.

Yes, as one of the hon. colleagues mentioned earlier, the motion could have been rewritten or written in a different way, but I think that that's simply semantics. I believe that it's well crafted, and I'm pleased to hear that she did mention that you agree with the spirit and the intent of the motion and will be voting for it, because I don't believe that changing the guidelines is actually going to be a very costly thing to do. It's a very simple thing to do. Many reports have been written for our government that we've had before us in the Assembly in the past, and they've suggested that local health care close to home, in the community, is exactly what we need, Mr. Speaker.

Also, I wanted to talk a bit to the tremendous relief that access to local treatment can provide for patients that are sick with complications. When I think of complications, as we talk about renal dialysis, we know that renal failure is very chronic. It's a process that can be very time consuming, and over the course of time it can also become quite painful for patients. It really becomes essential to the patients' daily schedule and essential to their care. It can even, Mr. Speaker, be an emotional and financial burden to patients and their families.

So if we really are going to deliver true quality health care in our province, I agree with my hon. colleague proposing the motion that an even greater focus on local delivery of provincewide services is necessary for Alberta's rural areas. I'm not a rural MLA, Mr. Speaker, which is why, as I said earlier, I have confidence in the member who brought forward the motion, who understands the rural areas and the rural needs, but I do know a bit about the current regulations that are at work and the certain specialized health services that are delivered, and they're outside services.

My second point, Mr. Speaker, is that delivering specialized health services in rural areas may be more efficient than was previously considered. There are so many reports to our government in recent years that have emphasized that the local delivery of health care often saves money, human resources, and infrastructure, but the gains are made by allowing an increased role by the family and community members in caring for the sick. Mr. Speaker, the March 2000 report *Building Better Bridges* discussed the care in Alberta for people with developmental disabilities. It emphasized in its recommendations a focus on the benefits of community living. I was just talking earlier here in the Assembly to my colleague who happened to chair the writing of that report, my hon. colleague from Redwater. The report is *Healthy Aging: New Directions for Care*, and it actually became known as the Broda report. It was a fine, outstanding report, and we took great interest in that report as an Assembly, Mr. Speaker.

We have to realize, too, that the number one suggestion – and my colleague just reminded me of that, as I said earlier – is that a long-term policy should be to encourage patients to receive care that they need at home rather than at facilities. We say it so often as MLAs, and really it's something that we should be putting into practice in a far more forthright way than we do. That's why it's so critical that this motion be passed, because it emphasizes once again the benefits and goes back to that of making health care delivery local.

3:50

I'm not suggesting that making provincewide services more frequently available on a local basis would inherently save costs, but I definitely believe that there is the potential. It's an idea that needs to be evaluated. In fact, if it does become more costly, even that has to be balanced with the real benefits of what my colleague has put forward here. At the very least it cannot be assumed that promoting

local delivery of services will increase costs, but it seems to be the justification of our current regulations, which cause many patients outside of large municipalities great inconvenience and expense. Mr. Speaker, localizing health service delivery will certainly improve the quality of life for patients and their families as a whole, as we mentioned earlier.

Now, renal dialysis. I don't know if members here understand the importance of why that service is delivered on a daily basis, but having renal dialysis as a local-based service will create comfort, as we said earlier, to the patient and the family, because it's a process that introduces tremendous physical and emotional complications for the patient. The service places immense strain on friends and loved ones, but understandably the burden tends to be alleviated when the process is done closer to home and in a familiar setting. If patients do not have to confront the challenges of new people in a new city when they are in times of vulnerability, their health care experience is that much better. For the sake of patient-centred quality health care delivery, if the option of local delivery exists, it should be strongly encouraged. Mr. Speaker, I believe that the current regulations for determining the location of provincewide services such as renal dialysis should be changed.

Our colleague mentioned earlier, as well, that the Capital and Calgary regional health authorities seem to have too much influence in determining the priorities of the rural health authorities. That's because they're essential decision-makers when it regards the type of delivery of services offered and where. Part of having equal access to health care involves having equal access to localized health services. Hopefully, the regional health authorities do read the debates in *Hansard*. Perhaps the hon. Member for Lacombe-Stettler will be sending the debate from *Hansard* and they'll see really why you brought forward this motion, hon. member. Perhaps they'll include even the RHAs that are rural based in some of that decision-making.

Finally, Mr. Speaker, local health care delivery allows patients to confront challenges of health concerns, and this would allow for a patient-centred approach to health care. In my opinion, this is an admirable goal for health care in the province, and I commend my colleague for bringing it forward, because it will ensure a level of care delivery in Alberta that we can all be proud of.

Hon. member, I wish you well with this motion. As I said, I hope that you do take it out to the community and out to the regional health authorities, and good for you for bringing it forward.

Thank you, Mr. Speaker.

THE ACTING SPEAKER: The hon. Minister of Learning.

DR. OBERG: Thank you very much, Mr. Speaker. It's a great honour and privilege to be able to speak to this motion today. The hon. member that has brought this motion forward has certainly brought it forward for all the right reasons. Being a rural MLA, she sees what happens in rural Alberta. For those of you who haven't seen a dialysis patient, when they have to come every two or three days into the city and that city is two or three hours away and the patient is a chronically debilitated patient, I think there is a significant amount of problems.

I believe, Mr. Speaker, as the previous speaker has said, that there needs to be much more of a focus on bringing the service to the community, bringing the service to the client's own home. We see, for example, with the renal unit at the University of Alberta and at the Foothills hospital in Calgary, that we have such technology now as having dialysis units in motor homes. So the technology is certainly there, but what we have to do is find a better way to bring this technology to the patient's home, whether it's a hometown or

home itself. I don't think there's any doubt that patients do better when they're at home with people they love, in surroundings they're familiar with. Mr. Speaker, I believe that dialysis is certainly a critical component of this.

I think that the second part of the motion is extremely important as well and in many ways may even be more important. With multiple sclerosis we're seeing an incredible number of people that have this disease. There are more and more that are being diagnosed each and every day. We have to find a cure for this disease, and the only way that we're going to find a cure is to catch people early. You cannot expect a young, healthy, active person who has some episodes of multiple sclerosis to take time off from their schedule once, twice, three times a week to go into the city and have this treatment when they're actually living in the country. So, Mr. Speaker, what the hon. member is saying, quite simply, is that there should be a way that these programs can be outreach programs to these individuals. These individuals are not debilitated. However, they do need to be involved in the treatment so that they do not become debilitated down the road. I think it's extremely unfair to expect these individuals to drive to the large urban cities when it causes them all sorts of problems.

So, Mr. Speaker, I'd just really like to commend the hon. member for bringing this motion forward, for addressing an issue that, albeit the numbers may not be incredibly high in the rural areas purely from the demographics of it, is a very difficult issue. It's a very important issue. We have to remember that a third of our population lives outside Edmonton and Calgary. These people, as it has already been said, deserve access to this type of health care as well.

Again, Mr. Speaker, to the hon. member, thank you for bringing this motion forward. I would certainly urge all Members of the Legislative Assembly to support this. Thank you.

THE ACTING SPEAKER: The hon. Member for Whitecourt-St. Anne.

MR. VANDERBURG: Thank you, Mr. Speaker. I'm very pleased to stand today to speak to Motion 508. This motion seeks "to prioritize restructuring of the parameters for delivering provincewide services such as renal dialysis." The motion also seeks to change the focus of these programs to reflect patient need and outcome, with the emphasis on service delivery provided "closer to the patient's principal residence." As I know, when you have a sick member of your family, you appreciate it, sir. Motion 508 would encourage looking at ways to provide outlying regional health authorities the ability to administer and offer these programs outside of the direct influence of the Capital and Calgary regional health authorities. The restructuring would effectively put the decision-making back into the hands of the individual regional authorities, who are ultimately responsible for the care and services delivered to the patients in their regions.

[The Speaker in the chair]

In 1994 the Regional Health Authorities Act established 17 RHAs to replace the more than 200 separate health wards and administrations. The establishment of RHAs greatly reduced administration costs and allowed more money to be directed to the provision of services for Albertans. The restructuring allowed for a more complete integration when delivering a broad spectrum of health services. Mr. Speaker, under this system the Capital regional health authority and the Calgary regional health authority do have broader mandates than the other 15 RHAs. In order to provide the expertise and facilities necessary to offer more specialized, capital-intensive

programs, this was a practical and necessary consequence. The Capital and Calgary RHAs are responsible for a number of province-wide programs such as transplant procedures and other sophisticated surgical procedures. Having these procedures offered in two major urban locations ensures that these services maintain continuity, effectiveness, and cost-efficiencies. In fact, recent studies have illustrated that the move to specialized centres of excellence for specific health care services enables patients to receive an even higher quality of specialized care.

However, Mr. Speaker, the Regional Health Authorities Act also emphasizes a shift from institutional to community-based care. Having decisions made at the community level about care and services that are provided to local residents is seen as a core benefit of this system. The caregivers in each region can best determine the services that their region requires. Mr. Speaker, Motion 508 is a reaffirmation of this stated goal.

4:00

Each RHA should be able to provide comparable levels of service to patients in their region and have the services available as close as possible to the patient's principal residence provided there's a level of demonstrated need which justifies the provision of these services. Because it's often not possible for smaller communities to have an adequate number of staple patients, the provincewide service program was created for certain costly specialized procedures administered strictly by the Capital and Calgary RHAs. The existing range of facilities, infrastructure, and expertise needed to provide these high cost services is readily available in these two centres.

Certain provincewide services such as renal dialysis are offered through a system of satellite service programs throughout the province. Yet even though these services are offered outside the Capital and Calgary regional areas, the Capital and Calgary RHAs still administer the programs and make the final decisions, not our local RHAs. In order to set up a satellite program, an area must meet the criteria developed specifically for that program by the two main health authorities. Based on these criteria, the Capital and Calgary RHAs decide where and how these services should be offered in the other 15 RHAs throughout the province. In other words, Mr. Speaker, the decision-making process for the development of a satellite operation is the sole responsibility of the Capital health region for the north of the province and the Calgary health authority for the south of the province.

Motion 508 will urge the government to allow provincewide services such as renal dialysis to be directly administered by individual RHAs providing strict program requirements can be met. By restructuring the current system for delivering provincewide services, programs such as renal dialysis and even multiple sclerosis therapy can be more focused on patient need.

Regional health authorities were created to administer and deliver health care services to the people in their regions. It is my belief that we should allow individual regional health authorities to determine their client needs and requirements as they are best positioned to serve the people of their region. Our ultimate goal should be to provide efficient, effective, and high-quality health care to each and every Albertan. The best way to accomplish this is by enabling the individual RHAs to determine if there is sufficient need to justify delivering certain services.

Motion 508 is not advocating the provision of all services in each and every community or region. The geographical expanse of the province makes this very difficult, and the requirement of specialized skills and facilities makes this prohibitively expensive and inefficient. However, Mr. Speaker, each local region should not be required to access these services through the Capital and Calgary

health authorities. For services such as renal dialysis it may be more effective to remove this additional administrative layer and enable the other 15 RHAs to administer and provide these services themselves. We should at least investigate this possibility.

As is currently the case, the Minister of Health and Wellness will ultimately retain the final say as to whether the application makes sense from an economic and program provision standpoint. This ensures that service duplication and effectiveness do not creep into the system. The motion will, however, move the decision-making and administration into the hands of the individual RHA.

Intuitively there are numerous benefits to having care decisions made in local communities. Empowering the local caregivers provides the decision-making authority to those who best understand the situation. Additionally, having services provided in the local community allows people to remain in or near their hometowns while receiving care.

Albertans in all corners of this province receive and require professional health care services. We should endeavour to provide all people with care and services in their local communities whenever it is practical and feasible as the benefits of receiving care in a local community setting are numerous. Financially it is less of a burden on the individual if you are able to receive care near your own home. Travel costs and time costs are much less when long, extended trips are avoided. Physically the ability to receive care in the local community lessens the travel strain that accompanies long journeys. Mentally and emotionally we are all more relaxed and comfortable in our own homes and communities, and the stress associated with spending extended periods away from home cannot be ignored.

Mr. Speaker, the benefit of receiving health and medical care in the community is not simply an abstract idea. This fact was borne out by numerous studies, and community care provisions are often included in recommendations in health reports. Alberta Health and Wellness has developed a document entitled Strategic Directions and Future Actions: Healthy Aging and Continuing Care in Alberta, which is based on the results of a stakeholder analysis, public response, and departmental analysis. These strategic directions are designed to shift the provision of health care services towards a new vision for continuing care.

The strategic directions outlined in the report reflect the implementation of the recommendations of the Broda report. The visions and principles section of this report outlines a society where all Albertans have choices in the care they receive and where they receive it. People will age in place and age in their own community. Communities and services will be designed in a way to make this vision a reality. Motion 508 speaks to this vision by making it easier for rural RHAs to directly administer satellite services such as renal dialysis. Patients are more comfortable in or near their homes, and transportation difficulties are reduced when care is provided in the local or a nearby community. Having care facilities near the patient's principal dwelling reduces the mental and physical stress on people who do not need further complications.

Once again, let me reiterate: this motion is not advocating the provision of all services in all locations. What it is advocating is investigating methods to allow all RHAs the opportunity to determine which services are required in their communities. Once these services have been identified, the individual RHA can make arguments directly . . .

THE SPEAKER: Hon. member, I hesitate to interrupt, but under Standing Order 8(4) I must now say the following: on the motion as proposed by the hon. Member for Lacombe-Stettler, will all those in favour of the motion please say aye.

[The voice vote indicated that the motion carried]

[Several members rose calling for a division. The division bell was rung at 4:07 p.m.]

[Ten minutes having elapsed, the Assembly divided]

For the motion:

Ady	Graydon	McClelland
Amery	Haley	Nelson
Blakeman	Hancock	Nicol
Bonner	Hlady	Oberg
Boutilier	Horner	O'Neill
Broda	Jablonski	Ouellette
Calahasen	Jacobs	Rathgeber
Cao	Klapstein	Renner
Carlson	Knight	Shariff
Cenaiko	Lord	Strang
Danyluk	Lougheed	Taft
DeLong	Lund	Tannas
Doerksen	Magnus	Taylor
Dunford	Marz	VanderBurg
Forsyth	Maskell	Vandermeer
Fritz	Massey	Yankowsky
Gordon	Masyk	Zwozdesky
Goudreau	McClellan	

Totals:	For – 53	Against – 0
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[Motion Other than Government Motion 508 carried]

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

4:20

Private Health Care Contracts

509. Dr. Taft moved:

Be it resolved that the Legislative Assembly urge the government to require regional health authorities to collect and publicly release information on private health care providers whom they contract with, including details regarding services provided, public funding received, and charges to individuals.

DR. TAFT: Thank you, Mr. Speaker. The background to this motion is such that the Health Care Protection Act, better known as Bill 11, allows for increased contracting out by regional health authorities to profit-driven health care providers. While the act and regulations make some accommodation for information on the operations of the profit-driven providers and require that some information be made public, they don't go nearly far enough.

The health care protection regulations do specify that the profit-driven health care operator provide a report to the regional health authority on a monthly basis regarding inpatient and outpatient information. The regulations also require that the profit-driven health care provider must provide information on ownership of the surgical facility to the minister. The minister is also required by regulation to publish this information. However, how it is published and where is up to the minister, plus the minister is also allowed to omit certain details if releasing the information could be considered a threat to the safety of a person.

Anyone who has gone to the web sites of the regional health authorities or who has otherwise examined the information released by the regional health authorities on their contracts with for-profit providers will soon realize how frustrating it is to get any meaning from these particular documents or from this information. They all

say virtually the same thing and the same phrases. Aside from a few useful bits of information such as the value of the contract, they give very little information for the public to assess the value of the contracts or to judge whether or not the public funds are being well expended.

I'd like to move directly to some reasons and some examples of why we believe more information is required to be released to the public. I'm going to quote various pieces of correspondence, some within the Calgary health region and some otherwise. The first one is actually written by the regional clinical department head of the CRHA to the CEO of the CRHA, and in it, among other things, he raises concerns that "patients are unfairly taken advantage of through enhanced service charges." In all credit to the government this precedes the legislation known as Bill 11, but it does raise for us and for the public the concern that we all need to have more information on the contracts with these for-profit facilities.

He actually goes on to give great detail that raised concerns. He talks about "2 well documented cases"

of ophthalmologists charging patients for medically indicated cataracts by bumping them up the list if they want to pay \$2,400.00 per eye and have the procedure called a refractive lensectomy as opposed to a cataract removal.

He goes on to express his concerns that this is "unethical, immoral" and "against the Canada Health Act." Without full public ability to examine the nature of the relationships between the for-profit providers of services and the RHAs, concerns such as this will arise unless we think that the concerns will automatically be dealt with through standard procedures.

I will also go on to quote the same senior physician, who says, "Regulatory bodies such as the Alberta College [of Physicians and Surgeons], AMA and the CHRA have so far failed to protect the patient from entrepreneurial capitalism." That's one example of the sort of issue that arises when these contracts are not fully open to public examination.

Within the current system in the Calgary health region there are five different for-profit clinics that provide eye surgery. They are the same five clinics that have provided eye surgery for the last several years, and all of them – no new ones, just those same five – have had their contracts renewed for another two or three years. The total value of the contracts – and this is available publicly – in this current year is just over \$5 million. But, again, public access to information is crucial. There is a concern that these five groups, these five private clinics, are operating as an oligopoly, controlling the eye surgery service in Calgary. There is virtually no opportunity in Calgary to have eye surgery done in the public system.

Again, I'm going to refer to correspondence that was written by an ophthalmologist to the minister of health last year. He compares the efficiencies in the public system with the efficiencies and the costs in the for-profit system: "Currently the Active Treatment Center Operating Theatre at the Royal Alexandra Hospital outperforms efficiency at any private center in the Nation." Then he goes on to raise issues about how public funds are being spent. This is a quote from an ophthalmologist:

The current cost allotment of \$515 per cataract to private facilities allows significant profit taking by parties with vested private interest. Through the Regional Eye Care Centre the average running cost per case is approximately \$150 . . . for instrumentation and equipment plus \$200 [for the lens implant].

In other words, he is providing information that suggests that we are paying significantly more for these eye surgeries to be done in the for-profit clinics in Calgary than we'd need to pay if they were done in the public system. How is the public ever going to be able to fully examine that issue and compare the efficiencies of one system to the other without more extensive disclosure of information?

THE SPEAKER: Excuse me, hon. member. I hate to interrupt, but the time limit for consideration of this business has now left us for today.

4:30

head: Government Bills and Orders

head: Second Reading

Bill 29

Alberta Municipal Financing Corporation Amendment Act, 2001

THE SPEAKER: The hon. Member for Calgary-North Hill.

MR. MAGNUS: Well, thank you, Mr. Speaker. It's a pleasure today to rise and speak to Bill 29, the Alberta Municipal Financing Corporation Amendment Act. I'm pleased to support this amendment because it makes sense. It's a simple change that will benefit Albertans.

The AMFC Act is legislation that oversees the Alberta Municipal Financing Corporation, or AMFC. The mission of AMFC is to provide local authorities within the province with funding for capital projects at the lowest possible cost consistent with the viability of the AMFC. AMFC is a nonprofit Crown organization which has both elected board members and provincially appointed board members. Like all good legislation, this amendment is prudent and realistic. It makes a modest change that allows regional airport authorities to become shareholders in AMFC thereby giving them access to financing for capital projects at competitive rates.

Three corporations have been incorporated under the Alberta Regional Airports Authorities Act: the Edmonton Regional Airports Authority, the Calgary Airport Authority, and the Red Deer Airport Authority. The Calgary Airport Authority has requested that it be allowed to become a shareholder of AMFC thereby allowing it to borrow from AMFC. It is not a big stretch for AMFC. As I mentioned earlier, airport authorities are very similar in nature to the current shareholders. Organizations such as villages, municipalities, water commissions are not for profit, and they all serve the interests of Albertans.

It's important to point out that both Calgary and Edmonton airport authorities are in full support of this amendment. They see this as an initiative that will help them provide better, cheaper service to Albertans, and I encourage my colleagues in this Assembly to support this proposed legislation. It is an opportunity that we in government have to make legislation that is truly win/win. Albertans win through improved airport service, and the airport authorities win because they can finance their projects more cheaply, all of this at minimal risk to the province.

By that I mean that the airport authorities, like all other AMFC shareholders, will have to apply and qualify for AMFC financing. If they have a solid plan and have demonstrated their ability to pay, they will be given access to this financing. This will be of great benefit to the airport authorities. Accessing financing through AMFC will significantly reduce their ongoing interest costs as well as related administrative expenses.

Earlier I mentioned that there is little or no risk to the province. Borrowing money through AMFC does not affect Alberta's bottom line. AMFC's interest costs are offset by interest revenue received from the borrowers. In terms of the province's credit rating I'm told that loaning money through AMFC does not have an impact on those ratings that we are so proud of these days. When the rating agencies decide on our provincial credit rating, they factor in total taxpayer-supported debt.

Regional airport authorities will have to present a solid long-term business plan in order to access the financing, and being an AMFC

shareholder does not mean easy access to cash. It's like any other major financial transaction. There are checks and balances built into the process, and the process is transparent. Risk to taxpayers is minimal. Consider the \$140 million in equity that AMFC currently possesses, and AMFC has a solid balance sheet that helps to minimize risk to taxpayers.

Mr. Speaker, I ask members of this Assembly to join me in supporting this amendment for very simple reasons. I ask that they consider the mission of AMFC, which is to provide local authorities within the province with funding for capital projects at the least possible cost consistent with the viability of AMFC. Airport authorities like municipalities, water commissions, school boards, and health authorities fit in with the mission. This amendment will help airport authorities continue with aggressive plans to expand or upgrade. Improved airport infrastructure does enhance the Alberta economy, and granting bodies incorporated under the Regional Airports Authorities Act the right to become shareholders in AMFC poses little risk to Alberta taxpayers.

This is a prudent and reasonable amendment and one that I think all members of this Assembly should support, and I will move second reading.

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

MS CARLSON: Thank you, Mr. Speaker. I'm happy to have an opportunity to put my comments on the record on Bill 29, the Alberta Municipal Financing Corporation Amendment Act, 2001. In principle we're quite happy to support including regional airport authorities in the groups that can borrow and hold shares in the Alberta Municipal Financing Corporation. Initially we thought there may be some concerns about this bill coming forward from Calgary, who is looking for some money soon, and thought perhaps that might give an unfair advantage over some of the other authorities who have just recently undertaken expansions and had to access dollars at higher interest rates.

In our review with those municipalities who won't be in line to access these cheaper dollars in the short term, nobody had any concerns with it at all. In fact, all the airport authorities that we talked to were very supportive of this particular amendment and felt that even though they weren't able to access the dollars immediately, certainly there would be long-term benefits to them, and they were very happy to be involved with the Alberta Municipal Financing Corporation.

We agree with the Member for Calgary-North Hill, who talks about regional airports being an important part of Alberta's infrastructure. Certainly they are. They are a part of the Alberta advantage. It's particularly incumbent upon us, I think, to ensure that we have access to all major centres in this province and that that access is up to date and meets the needs of people and users of the system whenever possible. We would agree that it is prudent management to be able to have these different authorities access these dollars, so we're happy to support this.

I have to say that it is our practice when we get these bills or hear about these bills to send them out to a variety of stakeholder groups, consult with them, get their feedback, and so on. Interestingly enough, when we did that with this particular bill – we sent the bill out to the Alberta Municipal Financing Corporation and asked for feedback from them. What we were told was that they were unable to give us any comments on the bill unless we first gave our questions to the office of the Minister of Finance. I'm wondering if the Minister of Finance could address the reason why we would have to access her, put any questions through her office before they could talk to us.

You know, most of the time we support government bills in this Assembly, and inquiries made out to organizations are for the purposes of sound and reasonable consultation. We're happy to support bills when stakeholder groups support them. We're happy to bring forward suggestions or amendments or promote debate when there are issues that stakeholder groups don't always agree with the government on. But we're not very happy when we consult with stakeholder groups and they tell us that we have to talk to particular ministers' offices before they will talk to us. I'm sure that that's not the intent of that particular minister in this case, but if it is, we would like to put the reasons for that on the record, Mr. Speaker. It seems like an unusual way to do business in this province. I think that we have shown that we are respectful of the process, and we believe that people should be free and available to talk to opposition members. Whether they want to talk to us on an embargo basis or on the record is their business, and we respect that, but we don't want to have to go through ministers' offices in order to get feedback from particular groups.

We will be supporting this particular bill. I'm hoping the minister will respond to my comments. We expect to see quite speedy passage of this bill through this Legislature.

Thank you, Mr. Speaker.

MRS. NELSON: Mr. Speaker, just for clarification as the hon. member opposite has raised a concern, if she would speak to me afterwards as to where that information came from, I can guarantee her that I will rectify it immediately. I expect that there is open access to these agencies. Questions that are asked by any members, no matter which side of the House they're on, should be answered. They don't have to come through my office; that's for sure. So I'd just like to clarify that on the record.

THE SPEAKER: The hon. Member for Calgary-North Hill to close the debate.

MR. MAGNUS: Thank you, Mr. Speaker. The debate is closed.

I would just like to point out that somebody said, "Can we all borrow money from AMFC?" I said, "You have to be nonprofit," and he said, "I've never made a nickel in my life." So he thinks he can borrow from them. Just as an aside.

[Motion carried; Bill 29 read a second time]

THE SPEAKER: Hon. members, might we revert briefly to Introduction of Guests?

[Unanimous consent granted]

head: Introduction of Guests

(reversion)

THE SPEAKER: The hon. Minister of Transportation.

MR. STELMACH: Thank you, Mr. Speaker. It's my pleasure this afternoon to introduce to you and through you to members of this Assembly a special visitor from the state of California, a former Albertan who has lived in California for a number of years, a land developer looking to do some further business in the province of Alberta. Seated in the members' gallery is Mr. Ken Mariash, and I would ask him to rise and receive the traditional warm welcome of this Assembly.

4:40

head: Government Bills and Orders

head: Second Reading

(continued)

Bill 28
Agricultural Operation Practices
Amendment Act, 2001

[Adjourned debate November 15: Mr. Lund]

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

MS CARLSON: Thank you, Mr. Speaker. I'm happy to address Bill 28, the Agricultural Operation Practices Amendment Act, 2001. It's nice to see this bill in the Legislature. Many of us have been looking for this legislation to come forward for at least the last five years, as long as I can remember. This is one of those bills that crosses the boundaries of several ministries. Certainly I've had a keen interest in it from an environmental perspective for a number of years. It has an economic development perspective to it and certainly agriculture.

For the few years that we've been talking about this issue back and forth in this Legislature, we had some concerns originally that the bill wouldn't come forward with all the environmental issues identified if Agriculture was in charge of the process. I'd have to say that I don't think that that turned out to be true, Mr. Speaker. The government often doesn't go far enough in the areas that we would like them to go, but it certainly seems to me that the concerns that were brought forward from people in the environmental community and people at large who have environmental concerns on this issue were fairly dealt with, that there was a great deal of discussion around those issues, and that they got incorporated into the debate and the outcomes in a fair and reasonable fashion. So I would like to applaud the minister and her department on how it was handled and those associated ministries who worked in collaboration on this issue, an issue that can be intensely volatile in this province as people bring forward the kinds of issues that they have.

It doesn't mean that I like all of the outcomes that we see in this particular bill, and over the course of time both here at second reading, when I talk to it in terms of the principles of the bill, and then in committee, when we get down to some of the details, I'll be outlining the kinds of concerns that I have with regard to the legislation and with regard to outstanding issues around intensive livestock operations in the province as a whole, Mr. Speaker. Certainly the process seemed to work reasonably well, better than most of those that I have been associated with in my years in this Assembly. Perhaps with the exception of the climate change work that was done, this has been one of the best processes for collaboration and consultation that I've seen.

So in terms of the bill, what does it talk about? It talks about regulations for siting approval, authorization, and registration of confined feeding operations and for the manure management of seasonal feeding and breeding operations. It talks about the NRCB now administering the registration, authorization, and approvals and being responsible for compliance. It talks about the NRCB rulings being final and paramount to the land use planning of the municipality. It talks about the grievance applications as written submissions to the complaint, who may rule on the appropriateness of the complaint, or refer the complaint to a three-member practice review committee appointed by the minister. So a fairly comprehensive review of the changes to this particular legislation.

The question that needs to be asked, Mr. Speaker, before we talk about bills on intensive livestock and before we talk about changing the name of what we call intensive livestock operations in this province is whether or not this is really an industry that we want to

go forward with with what many people would say is reckless abandon. Intensive livestock is an industry that does bring money to the province. It provides some jobs. It gives us certainly export potential. But it comes at quite a high cost. It wasn't part of the process to talk about whether or not this industry should be expanded in this province as it stands. It's too bad that it wasn't, Mr. Speaker, because I would have liked to have seen that kind of a discussion happen.

We currently have some very good operators in this province on the intensive livestock side, but there is nothing that you can really do to minimize the amount of manure and the subsequent side effects of having that degree of manure in the province. So before we talked about changes to the regulations, I would have liked to have seen some debate on whether or not we want to increase this kind of industry in our province.

I fully understand how important this kind of industry can be to some regions in the province, rural regions who are facing increased kinds of pressures on them. I know that at the AAMDC conference last week I sat with some old friends from Coronation, and I asked them what they thought about this bill. What they had to say was that they wished they had the water in order to be able to be concerned about having intensive livestock operations in their region. The question was: why? Certainly because of the money that flows through the community and the increased number of jobs. Now, we know that there really are relatively few actual jobs created in an operation, but there's a great flow-through of dollars not only in terms of adding an economic development resource there in the community but the trucking and the other associated spin-off economic results that come with an operation like that. They would have liked to have had that up for consideration.

I asked them then what they thought the resulting issues were in terms of environmental concerns, and their concerns were very local in nature. Siting, they said, wouldn't be a problem because it's a sparsely populated area. They didn't think that anybody would have an issue with the air quality, which is the smell, which is the biggest concern that neighbours have about this issue. They felt that the manure could be used, as it is in many regions, for a variety of uses, and properly handled, there wouldn't be any problems.

Groundwater contamination didn't hit their radar screen at all. They simply didn't think it would be an issue and were surprised that it might be. We know, Mr. Speaker, that it is an issue, that particularly in relation to heavy metal issues we're looking at some long-term, outstanding, potential problems that could be significant in nature on this.

From a cumulative impact perspective they didn't have any concerns, which exactly pinpoints one of the key problems that we've had with this piece of legislation, and that is that the issues become very regional in nature and that we don't really have anybody taking a look at the wider umbrella issues that come with an operation like this which are on the cumulative impact side. I know we had some discussion about this in question period earlier in this session, and I'll go into more detail about that when we get into committee.

Certainly somebody needs to take responsibility. If we're going to increase the number of operations in this province – I expect it is the intent of the government and the ministry to promote and open up the boundaries for these kinds of operations – then we need to know clearly who it is that's going to be in charge of monitoring cumulative impacts on our communities, on our province, and on our neighbouring provinces on these issues. The minister referred briefly in her response to a question about what's being done on the soil and water side. I don't think that was a comprehensive answer. I would expect more detail from her either in debate on this bill or

at some point in writing as we move forward on it. She really didn't have an answer for the air issues.

4:50

It's more than just smell, Mr. Speaker. There are noxious gases associated with this and long-term kinds of problems associated with this. Cumulative impact is going to be a very important and very deciding factor when we talk about where this bill goes in the long run. So we expect, in fact we demand that this government address those outstanding issues. I would expect that the Minister of Environment would have the responsibility for this and that he will be taking a leadership role as we move forward on this bill. Those are some of the global kinds of issues I have in terms of the principle of this.

We have a starting point here that addresses some of the outstanding issues that we've been talking about, but one that we hadn't anticipated prior to this bill being brought to the floor of the Legislature was that they would change the name of intensive livestock operations. We now see this new jargon coming forward calling these operations confined feeding operations. Mr. Speaker, I have a real problem with that because I don't think that accurately describes what it is this bill promotes and supports. We're talking about intensive operations where you have many animals in a very small, yes, confined space, a very small space. Intensive, I think, is a proper descriptor of what happens in those locations. It gives some credibility to the magnitude of the operations. It is a descriptor in terms of feeding, accessing, and monitoring these operations that we don't get with confined feeding operations.

You know, my grandmother had a chicken coop. That was a confined feeding operation. You don't have anything like the kinds of issues resulting from the backyard chicken coop in the farmyard as you do for intensive livestock operations. It's to me a completely different ball game. Intensive livestock operations are an industry that is more like a manufacturing plant than it is a farming operation. So I think that that kind of distinction needs to be made, Mr. Speaker, and I would ask the minister why it is that they wanted to change this terminology.

We just got people really well aware of what intensive livestock operations meant, and people understand that concept. They can identify with what the parameters of an intensive livestock operation are, either for or against, whatever, but they understand. There's a complete understanding of what that is. To go to confined feeding operations, which is a much more general term, I think does not adequately describe what it is we are talking about. Perhaps that's where the ministry was going with this. They didn't want communities to grasp immediately what the ramifications of this kind of an operation could be. I hope that wasn't the intent. I hope that a very good, reasonable, and logical explanation for the name change can be given to us.

There is at this stage, in urban areas particularly, a negative connotation to intensive livestock operations, and maybe that's what they were trying to get away from from a marketing perspective. But a confined feeding operation really doesn't speak to density issues, which are the issues that cause the problems with these operations. So that really is the significant difference here, and I would expect the minister to be able to address that for us and give us some explanation.

We've been looking for a long time for a change in the approval process, Mr. Speaker, because as we traveled around the province and talked to different operators in different municipalities, there were a significant number of issues that came forward. Municipalities often were ill prepared to be able to handle the issues that arise out of intensive livestock operations: zoning issues, regulation

issues, the kind of money and time that gets spent in the public hearing process. There were all kinds of problems throughout the province on this. One, they didn't have the expertise in many cases to be able to properly address the issues. They didn't have the infrastructure in place to be able to properly address the issues. They didn't like the fact that they had to deal with neighbours hating neighbours on this issue and the subsequent results for them from a political fashion of them having to make decisions, some of which often felt arbitrary to both people who were concerned about the operations and those who were interested in expanding or moving into a region with a new operation.

From the operators' perspective, what they were looking for was a level playing field across the province. They didn't care what the rules were going to be particularly. They just wanted to know that the rules were going to be consistent for every operator so that if one region required a million or half a million dollars in infrastructure to be built on their location, it was the same for everyone in the province. Somebody down the road couldn't set up an operation for a small investment of \$50,000 or \$100,000, because if it isn't a level playing field, then those who have to find additional resources have a much longer payoff time before they can start making a profit. They didn't care if it was a huge investment at the front end as long as it would be the same for all the operators in the province, and that gave them an equal opportunity to make some money. It would be determined, then, by them being good operators, which is how we like to see the economics of all business investments play out in Alberta, not where one region has any kind of an advantage over another, that most things being equal, we're going to be taking a look at the same kinds of rules and regulations and enforcement issues and the same kind of infrastructure dollars.

So that's what operators were asking for. They wanted the rules to be consistent, the rules to be put in place and not be subject to change at what they felt sometimes were the whims of municipalities or lobby groups of people who didn't want them in the region, some consistency in the application of the rules.

I know that the minister and the committee undertook those concerns and worked on them in terms of coming up with some solutions. So we see now the NRCB being the umbrella group who will administer the registration, authorization, and approval processes. We haven't seen the proposed regulations yet. I think we are going to see those before this is passed. [interjection] Yeah. The minister is saying yes. We're happy to see those in a draft fashion. We know they can't be passed until the legislation is passed, but we're very happy to see those in a draft fashion, hopefully in time for us to make some comments about them in committee or in third reading. That'll be excellent. The minister is saying yes, so I look forward to that opportunity.

So in general terms, having the NRCB do the overview of these registrations and authorizations is good. Of course, every time you change the rules, there's going to be a downside to those rules as well, and there are some pitfalls with having the NRCB be the organization that actually administers this. We will go into some detail about what those pitfalls are, and hopefully the minister will be able to point out to us how they expect to remedy those kinds of concerns. So I'm looking forward to speaking about that kind of detail.

5:00

Some local communities didn't have the ability to actually come forward with regulations and their concerns to deal with those. What local communities do need in this kind of bill, Mr. Speaker, is a huge say in siting concerns. We think there has to be a process that can be put into place on this bill where local municipalities will

have a heavily weighted say in the kinds of zoning concerns that they have for these regulations. The current rules as they stand with the NRCB do not address this.

Thank you, Mr. Speaker.

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

DR. TAFT: Thank you, Mr. Speaker. There are half a dozen or so significant points I'd like to raise at this stage of the debate. This is, as we all appreciate, a difficult bill. It's a difficult issue. I've been going out of my way to speak to farmers whom I know to get their opinions, and their opinions are as divided as I suppose all of ours will be on this. There is a sense in which the current situation we all understand is not sustainable. We do need a better way to handle these kinds of developments, but whether or not this particular bill addresses those is certainly open for debate, and it's a debate we will hammer away on here.

The first concern I had – and there's been mention of it here already, and I think all of us can see this concern. Certainly it comes through to me from people I've spoken to. At some point these operations are no longer agricultural operations. At some point these livestock operations become industrial operations, and they have more to do with a factory than with a farm. You know, I think of grain farmers selling their barley to a brewery if it's a good crop. It's much more what we're up against here with grain farmers selling their barley to an intensive livestock operation. The ILO is much more like a brewery than it is like a farm.

[Mr. Shariff in the chair]

There's a basic principle, then, that has to be sorted out here. At what point are we not talking about agriculture anymore and are talking about industry? It's a difficult line to establish, but there's definitely a difference here. Then the implications of sorting that out play out through, for example, zoning, tax systems, and so on. My sense is that this bill should be establishing a threshold at which these operations are no longer agricultural, at which they are industrial and should be treated in that regard.

It also raises the question about our long-term trends with agriculture in Alberta and across Canada and throughout the world, but we'll stick to Alberta since that keeps us plenty busy. The nature of the family farm is something we're concerned about. The future of the family farm is something we're concerned about. Given that these are industrial operations often owned by major corporations that aren't even based in Canada, it takes the direction of family farming and shifts it substantially.

Is this a long-term trend we want to encourage in agriculture? Maybe it is, because these facilities do provide a very good market in some cases for our grain growers. The demand for barley, for example, in southern Alberta is excellent. The price paid for barley by intensive livestock operations in southern Alberta is very high. So if we're looking at it from that perspective, maybe this is the way to go. On the other hand, there is a threat here to the whole operation of the family farm, the local cattle producer, the local hog producer. Certainly there's evidence from some jurisdictions such as Manitoba that as these big hog operations get established, the number of local smaller hog operations actually diminishes. So there are principles here around the balance between agriculture and industry and the nature of how we should sort that out and whether this bill is actually really about an industrial operation.

A second area of concern actually simply has to do with the titling of the bill and the shifting of the designation of these operations. Just when the term "intensive livestock operation" comes to be

reasonably well known by people in the province, we shift to "confined feeding operation," which is a much vaguer term and one that's going to take years for the public to understand. It's going to cause no end of confusion. There's a principle there, I think, about integrity of language in legislation.

MS BLAKEMAN: Is it meant to confuse?

DR. TAFT: It does make you wonder whether or not it is actually meant to confuse. I've wondered if we might end up with something like a non hospital livestock operation or something like that.

Another principle that is of profound importance to all of us here, I think, is the question of local control. It's a good idea in this bill to have provincewide standards implemented and enforced by a provincewide agency that will have sufficient resources to look after them. I don't think any of us will dispute that, but my understanding of the legislation is that it at the same time diminishes the opportunities for local control. I know that's a real concern for people I've spoken to in rural areas, including farmers.

There are environmental concerns that we need to be probing here, and certainly as the debate goes along, we will be. When we're talking about millions of hogs in Alberta – 5 million, 6 million, 8 million, 10 million, or even potentially 12 million hogs – again, there's a scale of development that takes us into a whole different category than what exists now and raises concerns over environmental issues – water, air, and soil – and health not just of the animals in question but of the humans who are consuming that product. So we are needing to bring forward a different set of principles and a different set of considerations when we get into this scale of operation.

Questions come up around the use of antibiotics, for example, in feed. The application, of course, of manure on soil, all kinds of . . .

MR. DUNFORD: Nutrients.

DR. TAFT: Well, one person's manure is another person's nutrients, I guess. I don't know.

I mean, in some ways we're talking here about an environmental impact that's the equivalent of a major new city. If we're talking about 10 million or 12 million hogs in Alberta in the next decade, we're talking about the equivalent perhaps of a major urban city, far larger than either Edmonton or Calgary. Are we really ready to cross that threshold? Are we wanting our province to go in that direction?

So those are some of my opening comments. As the debate on this bill proceeds, I will be developing and exploring those further, bringing more evidence to the table. It's a genuine dilemma that we're in here. As much effort as has gone into it by the hon. Member for Leduc and undoubtedly many other people here, I am concerned that we are entering into a new era, a new level, a new quantum of operation in our agricultural industry in Alberta that we may not be wise to enter into.

Thank you, Mr. Speaker.

5:10

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

DR. PANNU: Thank you, Mr. Speaker. I know there has been debate during second reading, that's been going on for some time. There's been good debate. I think the debate draws attention to some of the positive things about the bill and some serious negatives that need to be seriously addressed. Can they be addressed if we rush this bill through the Legislature is a real question. All these

questions have just been raised, and a day or so ago my caucus colleague, the Member for Edmonton-Highlands, raised some very substantial and important questions. Some others have been raised right here. I've been listening to the Member for Edmonton-Riverview, in particular, his reservations and concerns. I think those reservations and concerns are shared by a very large number of Albertans and merit serious attention by us.

I would caution the House against fast-tracking this bill given the fact that there are so many concerns that are not confined just to a few of us in the Legislature but have been expressed to us through a large number of letters, e-mails, phone calls from Albertans all over the place. Certainly, as I said, the Member for Edmonton-Riverview eloquently put some of these before us just a few minutes ago.

The positives about the bill are the provincial standards that have been brought in with respect to some of the environmental matters. I think those are very positive steps, but the negative side outweighs, in my view, the positive features of the bill. The most negative part is the removal from local authorities, municipal and county authorities, the power to approve and permit the siting of these farms. There's no reason why we can't have both provincial standards that are enforceable and let the democracy at the local level work and leave this power with the people who'll be most directly affected by these operations.

A second point I think needs to be reiterated here. This has to do with the industrial nature of these operations. The title of the bill, Bill 28, Agricultural Operation Practices Amendment Act, 2001, frankly I think is quite inappropriate if not misleading. These operations really cross the line of agricultural activity and practice to industrialization of some agricultural products here; in this case, hogs and other animals. When you look at the size that's being proposed – the Premier the other day during his *scrum* referred to the fact that the experts have told the government that there's room in this province for raising as many as 12 million hogs, and we're only talking about hogs at this point. When you think about the amount of waste that would be produced by these, I think according to some estimates it could be the equivalent of 30 million people producing the waste. That's the other side of the story.

The whole question of the disposal of that waste, the whole question of production of the waste in the first place, is not appropriately addressed here in my view. The kind of arrangements, infrastructure, the processing of that waste and its disposal, these are matters that require serious attention.

There are questions, of course, raised by the AAMDC, the Alberta Association of Municipal Districts and Counties. I have a resolution before me that's proposed. I don't know if it's been passed or not, but I want to just read this resolution which indicates the kind of concerns that the AAMDC has.

Therefore be it resolved that the Alberta Association of Municipal Districts and Counties urge the Government of Alberta to fully compensate municipal governments for any costs incurred by affected municipalities when providing assistance to the NRCB in relation to Intensive Livestock Operations.

Regardless of what the status of that motion is at this moment in time, the point made here in the motion is what I want to draw the attention of the House to, that there are financial implications for those very local counties and municipal authorities from which we are taking away the power to issue permits and have a say on the siting of these.

The other concerns. The industrial nature of these operations also raises the question of taxation. The taxation formula that's used is used for ordinary agricultural land, and if these operations are industrial operations, which is indeed the case, then that matter must

be addressed and is not addressed in the bill. A related point: industrial operations come under the labour standards code.

I'm not against pursuing economic development in rural areas so long as it meets certain standards, so long as local say and democracy in voice as well as environmental standards are met. Economic development is necessary, but I just want to remind the House that a single-minded pursuit of economic development at the cost of some other places is a dangerous pursuit. I don't need to talk about some historical incidents in other places and other times. The worst case scenario is, of course, in the former so-called eastern bloc, where the exclusive, single-minded pursuit of economic development led to environmental disasters completely. We need to be careful. We want to have economic development, we want to have wealth, we want to have revenues generated from these activities but not at a risk, not at a cost, not without asking those tough questions that we must ask. Those questions are not asked in this bill; they're not certainly addressed in this bill.

One other point, Mr. Speaker. I just came across a study which is a joint study done by the government of Canada and the government of Alberta. It was published in 1998. It's called *Agricultural Impacts on Water Quality in Alberta: An Initial Assessment*. There were 14 members of this working group, nine of which came from the government of Alberta, representing three different departments: the department of agriculture, the department of environmental protection, and the Department of Health and Wellness. Three different departments were represented on this working group in the joint study with the federal government. I just want to quote from the key study findings. Let me just read from this document. Again, let me repeat the title of it: *Agricultural Impacts on Water Quality in Alberta: An Initial Assessment*. It's a joint federal/Alberta study. It says:

Although nutrients and bacteria occur naturally in the environment, their concentrations in shallow groundwater and in surface waters in agricultural areas tended to be high, often exceeding water quality guidelines. Pesticides were detected frequently, sometimes in concentrations which exceeded guidelines.

Only rarely were agricultural contaminants found in any of the 448 deep groundwater wells monitored throughout the province. Where detections occurred, poor well design and poor maintenance were considered the major [sources], not primary agricultural activity.

But the punch line, I guess, is the next paragraph, and it's printed in bold letters. It says:

The risk of water quality degradation by agriculture is highest in those areas of the province which use greater amounts of fertilizer and herbicides, and have greater livestock densities.

Greater livestock densities. And that's the whole question. These are operations that are intensive livestock operations. This will put in one place, in confined places, huge numbers of animals, thereby creating precisely the kinds of conditions under which contamination takes place, and this is a study done by this government itself. I think that's a matter that needs attention, and therefore this bill, in my view, should not be rushed through, Mr. Speaker.

5:20

Should this bill be approved, intensive livestock operations will join a very short list of developments that are exempt from the requirement to obtain a municipal development permit. The only other developments that are currently exempt from the requirement to obtain a municipal development permit are roads and highways, oil and gas wells, and pipelines. The fact that oil and gas drilling and pipelines have been exempt from municipal permitting has contributed to their virtually uncontrolled proliferation throughout the province. With no municipal permits required for intensive livestock operations, will the same things happen with the ILOs? That's a question that I think was raised by the hon. Member for

Edmonton-Riverview as well. The vast majority of the groups and individuals who made submissions to the Klapstein committee wanted local approval for ILOs. The vast majority of letters, phone calls, and e-mails that the New Democrats have received from the public also want local control.

There are other matters not addressed in Bill 28. I mentioned the issue of finances there, and I would just not add to it.

Fast-tracking this bill through this Legislature, that will unilaterally take away significant decision-making authority from municipal governments, is not the right way to go. The AAMDC has really made this point quite clear. Imagine if the shoe were on the other foot. Imagine the outrage that would erupt on the government benches if the federal government unilaterally took away the power and authority from this provincial government, yet the provincial government is doing exactly this to municipalities through Bill 28. For example, we still don't know what kind of size threshold will kick in with the rules set in Bill 28. All of these vital details will be left to the regulations.

There are other policy details not addressed in Bill 28 that should have been. For example, the ILOs, that have generated virtually all of the controversy in rural Alberta, have been megafedlots and mega hog factories. These corporate-style operations should also be required to meet, as I said, the employment standards, labour standards, and should be taxed as industrial operations. That's why, Mr. Speaker, I'm putting forward the following motion for the House. I move that the motion for second reading of Bill 28, Agricultural Operation Practices Amendment Act, 2001, be amended by deleting all the words after "that" and substituting the following: "Bill 28, Agricultural Operation Practices Amendment Act, 2001, be not now read a second time but that it be read a second time this day six months hence."

Mr. Speaker, it took us three years to get to this point, and now the government thinks all of the . . .

THE ACTING SPEAKER: Hon. member, has the motion been circulated to our colleagues? [interjection] Okay; we should allow a minute or so for members to receive the motion.

Hon. Member for Edmonton-Strathcona, you may proceed.

DR. PANNU: Thank you, Mr. Speaker. As I was saying, it took us three years to get to this point, and now the government thinks all of the details can be worked out and legislation approved by the Legislature and proclaimed by the cabinet in short order, in a few days. Many groups and individuals have asked for more time to fully consider the consequences of Bill 28. The government has provided no evidence that there is broad support within rural Alberta for making these changes. A six-month delay would allow the government to bring this bill back in the spring session. I therefore urge all members to support this amendment.

Thank you, Mr. Speaker.

[Motion on amendment lost]

[Motion carried; Bill 28 read a second time]

THE ACTING SPEAKER: The hon. Government House Leader.

MR. HANCOCK: Thank you, Mr. Speaker. I would move that we adjourn until 8 o'clock p.m., at which time we return in Committee of the Whole.

[Motion carried; the Assembly adjourned at 5:26 p.m.]

