

Legislative Assembly of Alberta

Title: **Wednesday, November 21, 2001**

1:30 p.m.

Date: 01/11/21

[The Speaker in the chair]

head: Prayers

THE SPEAKER: Good afternoon and welcome.

Let us pray. Dear God, author of all wisdom, knowledge, and understanding, we ask Thy guidance in order that truth and justice may prevail in all our judgments. Amen.

Please be seated.

head: Introduction of Visitors

MR. JONSON: Mr. Speaker, I'm pleased to introduce to you and through you to the Members of the Legislative Assembly Her Excellency Ambassador Garcia de Madero, ambassador of Mexico, and her husband, Mr. Manuel de Madero. This is the ambassador's first visit to Alberta since her recent appointment, and we are looking forward to a fruitful and beneficial working relationship with her. I also want to extend a special welcome to the Mexican consul general, who is accompanying the ambassador.

Mexico, Mr. Speaker, is a growing trade and investment partner for Alberta. Since NAFTA was introduced, the province's exports to Mexico have increased tenfold, and two-way trade totaled over \$750 million last year. Alberta and Mexico work together in many areas, including energy, agriculture, tourism, education, housing, and technology. This visit is a good opportunity to discuss ways to expand Alberta's relationship with Mexico, particularly given recent discussions about continental energy markets and forging stronger ties between Canada and Mexico.

Mr. Speaker, I would ask that our honoured guests rise and receive the traditional warm welcome of this Assembly.

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

MRS. O'NEILL: Thank you, Mr. Speaker. In recognition of national Family Violence Prevention Month I'm pleased to introduce to you and through you to members of this Assembly a former MLA, Ms Pamela Paul, who is seated in your gallery. I'd ask her to please rise and receive the warm welcome of this Assembly.

THE SPEAKER: The hon. Minister of Community Development.

MR. ZWOZDESKY: Thank you, Mr. Speaker. It's truly an honour and my very esteemed pleasure to introduce to you and through you to all members of this Assembly some very special guests who are seated in your gallery. They are, of course, members of and workers for the world-renowned Ukrainian Shumka Dancers of Edmonton.

Shumka has been described as a shining jewel in the crown of Canada, a cultural icon of Alberta, and a great cultural ambassador for our city of Edmonton. I've had the great pleasure of being associated with this outstanding troupe in many different capacities for over 38 consecutive years. While the entire group now numbers over 40, I am so pleased that at least 10 representatives are here today in conjunction with their announcement a few days ago to establish a professional touring component as they embark on an even greater and wider world stage to benefit their group, our province, and our country in this their greatest effort ever. My colleague from Redwater will comment further on Shumka later this afternoon.

I would ask each of them to rise individually as I introduce and

announce them to you: Andrea Stelmach, president, current dancer, and niece of the Minister of Transportation and MLA for Vegreville-Viking; Mr. Michael Sulyma, producer and former dancer; Mr. Dave Ganert, associate artistic director and current dancer. Another list of current dancers: David Hayduk, Larissa Opyr, Corinna Crockett, Tara Wood, Douglas Howell, Murray Howell, Mykola Gauk. Their artistic director is Mr. Gordon Gordey, who unfortunately had another commitment and could not join us.

I know that you are a great fan of theirs, Mr. Speaker, and I know that you and other members will want to join me in giving them the very traditional, very warm welcome of this Assembly.

head: Presenting Petitions

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

DR. TAFT: Thank you, Mr. Speaker. I stand to present a petition signed by over 50 Albertans urging the government to allocate additional funding to schools to allow teachers to better serve students and to allow an increase in teachers' salaries.

Thank you.

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

DR. PANNU: Thank you, Mr. Speaker. I rise to present a petition urging the Legislative Assembly to in turn

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.

Mr. Speaker, this brings the total signatures to this petition to 1,000 today. Thank you.

head: Reading and Receiving Petitions

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

DR. PANNU: Thank you, Mr. Speaker. I rise to request that the petition I presented yesterday be read and received.

Thank you.

THE CLERK:

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.

head: Introduction of Bills

THE SPEAKER: The hon. Member for Lac La Biche-St. Paul.

Bill 219

Fisheries (Alberta) Amendment Act, 2001 (No. 2)

MR. DANYLUK: Thank you, Mr. Speaker. I request leave to introduce a bill being the Fisheries (Alberta) Amendment Act, 2001 (No. 2).

This bill would enable the Ministry of Sustainable Resource Development to ensure that the province's fisheries resources are promoted through the active management of habitat, the control of pests, and through rationalization of fishing licences. Bill 219 will

establish guiding principles for the natural sustainability of Alberta's fisheries.

Thank you.

[Motion carried; Bill 219 read a first time]

head: Tabling Returns and Reports

THE SPEAKER: The hon. Minister of Revenue.

MR. MELCHIN: Thank you, Mr. Speaker. Today I have three tablings. The first is five copies of the Alberta heritage savings trust fund 2001-2002 second-quarter report, also the tabling of the first-quarter report for the Alberta heritage savings trust fund, and the annual report of the Alberta heritage savings trust fund for the 2001 year-end. The heritage savings trust fund is a \$12 billion fund. It has served Albertans well over the past 25-year history, and I'm pleased to table these reports today.

THE SPEAKER: The hon. Minister of Environment.

DR. TAYLOR: Thank you, Mr. Speaker. I wish to table the appropriate number of copies of the environmental protection security fund's annual report. The purpose of the fund is to hold security deposits as a means to ensure land reclamations on sites such as mines and oil development.

THE SPEAKER: The hon. Minister of Infrastructure.

MR. LUND: Thank you, Mr. Speaker. In keeping with this government's openness and accountability, I wish to table the proper number of copies of the answer to Written Question 1.

THE SPEAKER: The hon. Minister of Municipal Affairs.

MR. BOUTILIER: Thank you, Mr. Speaker. It's my pleasure to table the requisite number of copies of the Alberta Elevating Devices and Amusement Rides Safety Association annual report. I'm pleased to say that the Minister of Energy, in fact, was on many of those amusement rides between April 1 and March 31, 2001.

THE SPEAKER: The hon. Minister of Children's Services.

1:40

MS EVANS: Thank you, Mr. Speaker. Yesterday the hon. leader of the third party suggested that we were closing our beds for children who were in need of care from prostitution. We have in fact not closed any beds. The beds are identified here as having been transferred to another facility, and the adults that were primarily occupying the facility known as Crossroads have been assigned to beds in 62 other places.

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

MR. DUNFORD: Thank you, Mr. Speaker. I'm pleased to table with the Assembly the annual reports for the following authorized radiation health administration organizations: the Alberta Dental Association, the Alberta Veterinary Medical Association, College of Chiropractors of Alberta, and the annual report from the College of Physicians and Surgeons of Alberta.

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

MS KRYCZKA: Thank you, Mr. Speaker. I'm very pleased to table today five copies of the 2000-2001 Year in Review of the Seniors Advisory Council for Alberta. It's a review of activities of the council and their consultations with Alberta's seniors.

Thank you.

THE SPEAKER: The hon. Minister of Finance.

MRS. NELSON: Thank you, Mr. Speaker. This morning I provided the government's 2001-2002 quarterly budget report for the second quarter to all MLAs. We have also made this report public, as required by section 9 of the Government Accountability Act. I am now tabling this quarterly budget report as the amended consolidated fiscal plan. This revised plan is required by section 8 of the same act whenever a second set of estimates is tabled during the fiscal year.

I am also tabling the second-quarter activity report for the year 2001-2002. This document describes the major achievements of our government during the recent period.

THE SPEAKER: The hon. Minister of Health and Wellness.

MR. MAR: Thank you, Mr. Speaker. I have five tablings today including the Health Disciplines Board annual reports for the years 1998 and 1999, the Public Health Appeal Board annual report for the year 2000, the 2000 Mental Health Patient Advocate office annual report, and for the mastication exercises of members of the Assembly, the College of Dietitians of Alberta annual report for the year 2000-2001.

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

MS BLAKEMAN: Thank you very much, Mr. Speaker. I have four tablings today from constituents. The first tabling is a letter from Jean Thorburn, who points out that her rent has increased 36 percent in a little over four years and is asking for rent controls.

The second letter is from James Cribben, who also has concerns on the deregulation of electricity and its effect on renters and points out that he's experienced rent increases of \$100 or more per month.

My third tabling is a copy of a petition, which was not in order to be presented, from a number of people who are petitioning the Legislative Assembly to urge the government of Alberta "to put in a system of rent control."

The final letter is from a constituent who signs himself as Bernard, who's pointing out that his rent has increased from \$567 to \$695 in one year.

Thank you very much.

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 a letter from Ed and Sherry Horvath of Warburg to the minister of agriculture. Mr. and Mrs. Horvath would like to add their names to the list of people who see great danger to our environment, health, and rural farm sustainability if the government decides to allow numerous ILOs to establish themselves in Alberta.

My second tabling is the required number of copies of 45 requests from Albertans who want the government to support 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-Mill Woods.

DR. MASSEY: Thank you, Mr. Speaker. With permission I'd like to table requests from citizens in Dunvegan, Livingstone-Macleod, West Yellowhead, and Calgary-West urging 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 Albertans can attract and keep the best teachers for 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 a letter that I received from the Minister of Energy on November 13 of this year assuring me "that announcements about the Regulated Rate Option for 2002 are imminent."

I'd also like to table the required number of copies of 20 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 to "ensure that Alberta can attract and keep the best teachers for our children."

Thank you.

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

DR. TAFT: Thank you, Mr. Speaker. I rise today to table the required number of copies of 19 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," so that parents will no longer need to fund-raise for classroom basics, and "ensure that Alberta can attract and keep the best teachers."

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

DR. PANNU: Thank you, Mr. Speaker. I'm tabling five copies of an internal memo dated November 16, 2001, from a senior manager of the Ma'Mowe Capital region children's services authority. The memo lists 21 children's services delivery agencies whose contracts are being terminated and another five whose contracts will suffer contract reductions.

Thank you, Mr. Speaker.

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

MR. MASON: Thank you, Mr. Speaker. I'm tabling five copies of a budget 2001 document that sets out the government's four-year plan to cut corporate taxes by \$1 billion.

THE SPEAKER: The hon. Leader of the Official Opposition. I'm sorry, but I didn't notice you before.

DR. NICOL: Thank you, Mr. Speaker. I wish to table the appropriate number of copies of requests from Albertans mostly from across southern Alberta who are asking for support for Bill 218, which gives appropriate funding for the education system of Alberta.

Thank you.

head: Introduction of Guests

MR. McFARLAND: Mr. Speaker, it's my pleasure to introduce to you and through you to members of the Assembly today a lady that has run the constituency office in Little Bow since I first became elected. It's with pleasure that I would ask her to rise and receive the warm welcome of this Assembly. She's always greeted every

constituent with kindness, understanding, and in a really personable way. Mrs. Lois McLeod, please rise.

THE SPEAKER: The hon. Member for Highwood.

MR. TANNAS: Thank you, Mr. Speaker. Hon. members, would you please join me in congratulating Mr. Speaker today as he celebrates his 22nd year as a Member of the Legislative Assembly for the constituency of Barrhead-Westlock. Mr. Speaker was first elected to his seat in 1979. Well done, Mr. Speaker.

THE SPEAKER: That's right. I forgot about that.

The hon. Member for Red Deer-North.

MRS. JABLONSKI: Congratulations, Mr. Speaker.

I'm very pleased to introduce to you and through you to all members of the Assembly a young man I have known since he was born, our godson Brenden Mallette. Brenden is from St. Catharines, Ontario, and is a project co-ordinator with a marketing company from Ontario. Brenden was the co-ordinator for two very exciting projects in the past year. In February of this year Hockey Day in Canada held the longest game of outdoor shinny on the Bower ponds in Red Deer, Alberta, with Don Cherry and Ron McLean. Two central Alberta teams braved the cold and the snow to play for more than 19 hours to set a new official record for the *Guinness Book of Records*. Brenden co-ordinated this project. Brenden also had the very unique and once-in-a-lifetime experience of escorting the Stanley Cup on a national tour across Canada. Brendan is presently in Edmonton working on another marketing project. He's seated in the members' gallery, and I would ask him to rise and receive the traditional warm welcome of the Assembly.

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

MR. LOUGHEED: Thank you, Mr. Speaker. I'm pleased to introduce today to you and to the Assembly two classes from Fort Saskatchewan's James Mowat school. They're accompanied by their teachers, Ted Fellows and Mr. George Sebest, as well as parents Sandie Thomson, Wanda Brett, Michele Regush, Betty Adam, Charlene Folkinga, Cheryl Babichuk, Linda Morin, and Heidi Shannon. They're seated in both galleries. I'd ask them to rise and receive the traditional warm welcome of the Assembly.

1:50

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

MR. KNIGHT: Thank you, Mr. Speaker. I'm pleased to rise today to introduce to you and through you to all members of this Assembly four elected members and the CAO of the municipal district of Greenview No. 16: three new councillors, Roxanne Perron, Tom Burton, and Ed Tollefson; the reeve, Mr. Tony Yelenik, who entered politics directly from primary school; and Mr. Gordon Frank, the premiere municipal CAO in Alberta. I would ask them to rise in the members' gallery to receive the traditional warm welcome of this Assembly.

THE SPEAKER: The hon. Minister of Municipal Affairs.

MR. BOUTILIER: Thank you, Mr. Speaker. It's my pleasure today to introduce a sister board member, a new member, a trustee of the Catholic school board in Fort McMurray, Lisa Daviduck. She's here

today, and I'd ask her to rise in the members' gallery and receive the warm welcome of this Assembly.

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

MS CALAHASEN: Thank you. Today I'm very pleased to rise and introduce to you and to Members of the Legislative Assembly a really interesting delegation from my constituency. They've just been newly elected or acclaimed to the municipal district of Big Lakes. Present with us are Craig Bissell from Enilda, Randy Ehman from Gilwood south and Sunset House, Veronica Adruchi from Jossard, Joyce Dvornek from Gilwood north and Triangle, as well as Will Marx from High Prairie. They're seated in the members' gallery, Mr. Speaker, and I'd ask that they rise and receive the warm welcome of the Assembly.

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

MR. MASON: Thank you, Mr. Speaker. I'd like to introduce to you and through you to the Assembly students from Mount Royal school in my constituency. There are four adults – Mr. Woelfle, Mr. Newby, Miss Osetsky, and Miss Chris – as well as 19 students. Mount Royal is only one of two schools in Canada offering a micro-society program. The program provides students with an opportunity to run their own society, including government, law enforcement, and business ventures. I would call on the Assembly to give them the warm traditional welcome if they've arrived in the gallery at this point.

THE SPEAKER: The hon. Member for Wainwright.

MR. FISCHER: Thank you, Mr. Speaker. My Sedgewick school group is to arrive a little bit later, and I would like to ask if I could introduce them later.

THE SPEAKER: The hon. Member for Cardston-Taber-Warner.

MR. JACOBS: Thank you, Mr. Speaker. I rise today to introduce to you and through you the lady who manages my office in Taber, Alberta, Mrs. Angela Wolgen. Angela does a great job of helping and assisting me. Certainly I'm appreciative very much of her efforts, and I would like to tell my colleagues that the people in our constituency also appreciate her greatly. So I would ask her today to rise and please receive the warm welcome of this Assembly. She's seated in the public gallery.

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

DR. TAFT: Thank you, Mr. Speaker. I rise today to make two introductions. The first I make to you and through you to the members of the Assembly on behalf of the hon. Member for Edmonton-Glengarry is a group of 75 visitors from Bishop Greschuk school, and I would ask them to rise now. Their teachers are Mr. Esch, Mr. Tarulli, and Mrs. Madron, and the parent helpers are Mrs. Wilke, Mrs. Henriksen, and Mrs. Bennett. Would all members of the Assembly join me in giving them a warm welcome.

My second introduction is one that gives me great pleasure to bring to you and through you to all members of the Assembly: Mr. Tim Shantz, who I believe is somewhere in one of the galleries today. Can you please rise, Mr. Shantz. Tim has a master of music from the University of Alberta and is a rapidly rising star in Canada's choral community as both a singer and a conductor. Tim has

toured nationally and internationally. He's a regular soloist with Pro Coro Canada and Ensemble de la Rue in Edmonton and has been a soloist with Spiritus Chamber Choir and VoiceScapes in Calgary. He will be a feature guest with the Alberta Baroque Ensemble at their concert in early December. As well, this year he's conducting the Richard Eaton Singers, one of the country's foremost large choirs. Please join me in extending him a warm welcome.

head: Oral Question Period

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

Provincial Fiscal Policies

DR. NICOL: Thank you, Mr. Speaker. Today the government released its second-quarter fiscal update. While this update projected a balanced budget for the government, it did not give any indication of the size and scope of the deficit that this government has downloaded onto the RHAs, the school boards, and children's authorities. My questions are to the Premier. How can the Premier claim that his budget is balanced when groups like RHAs, children's authorities, and school boards are running deficits?

MR. KLEIN: Mr. Speaker, the simple fact of the matter is that it is against the law in this province to incur or to run a deficit. If the hon. leader of the Liberal Party wants us to break that law and to borrow and borrow – I mean, we can spend as much money as the world demands. It's simple to borrow, and it's simple to raise taxes. All of those things are simple. What is hard and what is difficult is to challenge the boards, authorities, commissions, agencies, and government departments to find new and better and more effective and more efficient ways of doing things to curb expenditures. That's what's challenging.

THE SPEAKER: The hon. leader.

DR. NICOL: Thank you, Mr. Speaker. Again to the Premier: if you want to challenge these boards to make sure that they do what the law requires, why don't you do what the Auditor General has asked and include their budgets in your budget so that Albertans get a total picture of the position we stand in as a province?

MR. KLEIN: Mr. Speaker, in the spirit of accountability, that's why we have quarterly reports and we report to the Alberta public on a quarterly basis.

I'll have the hon. Minister of Finance report again publicly in this Legislature, as she did this morning, so that the hon. leader of the Liberal opposition gets a clear picture and all Albertans get a clear picture of what our finances are all about.

THE SPEAKER: The hon. minister.

MRS. NELSON: Thank you, Mr. Speaker. This morning when I released the second-quarter update, it was very important to assure Albertans that the situation in this province is still very, very positive. We will have the highest growth in our economy of any place in Canada, two times the national average. We have the highest consumer confidence of any place in this country, and we have the lowest unemployment rate of any place in this country.

All that being said, our government has a responsibility under the Fiscal Responsibility Act to meet the commitment we made to Albertans to have a balanced budget. That is exactly what we presented. In fact, the situation here is that because of the corrective

action that was taken in October as a result of our caucus and cabinet retreats, we are able to manage the global economic slowdown. In fact, I daresay we're the only jurisdiction in Canada that is able to go through this economic slowdown in a managed process. So we have struck the right balance, I believe.

In fact, when the hon. Leader of the Opposition referenced that we were going after areas such as health care, I would refer him to page 5 of the second-quarter update. Clearly, the budget for Health and Wellness, when we first entered the budget in April of this year, was for \$6,271,000,000. At the second-quarter reporting that budget had increased to \$6,390,000,000, so I'd ask him to read the reports before he sends out the wrong messages to Albertans. We clearly have, I believe, captured the priorities of Albertans. In this fiscal plan we're maintaining that balance and we're working under a prudent fiscal regime.

THE SPEAKER: The hon. leader.

2:00

DR. NICOL: Thank you, Mr. Speaker. To the Premier again. You talk about a clear picture. Would it not be a clear picture if you included all of these other agencies in your fiscal plan and in your fiscal reports so that they can see exactly where we stand as a province instead of just picking on your budget?

MR. KLEIN: Mr. Speaker, we're doing precisely that, and that is totally consistent with our policy of being open and accountable.

Relative to the picture itself, I'll have the hon. Minister of Finance respond.

MRS. NELSON: Well, thank you. Mr. Speaker, I'm a little perplexed by the hon. leader's question. We couldn't be more open and accountable if we tried. We've already filed these reports. We had a press conference this morning, which he attended. We filed them in the Assembly. We report on a quarterly basis. Just a month ago I went and made an interim update to Albertans to let them know what the situation was within the province to alleviate unnecessary fears that may be in their minds that our economy was not going to be positioned to be able to deal with the global situation.

In this province – let's go over it once again – we are probably the best suited in this whole country, in fact possibly in North America, to deal with a global economic slowdown. Why? Because of prudent management and a good fiscal regime that allows us to take corrective action throughout the year through the quarterly updates. That's exactly what we do. That's the contract we have with Albertans, and we're sticking with it, Mr. Speaker.

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

DR. NICOL: Thank you, Mr. Speaker. Then to the Provincial Treasurer: can you show me where in that second-quarter update the budgets are that show the balances for the health authorities, for the school boards, for the children's authorities? Where in that report do those things show?

MRS. NELSON: I think, Mr. Speaker, I indicated to the House yesterday that the minister of health and I met the night before with the new chairs of all of the regional health authorities that have recently been appointed and/or elected in the last civic election to go over the fiscal situation. We work as a team. The Health and Wellness minister and the Finance minister met with the regional health authority chairs and said: we are a team together to deal with

some of the pressure points that will be there in the frontline delivery of service. We also put out a message to them and said: when you're looking at some sort of a tightening within your system, please be sure to focus on non frontline delivery. Yesterday I believe the Premier filed in the House one of the first press releases to come forward, from the Calgary regional health authority, where they were able to identify \$30 million that could be saved from non frontline services; in other words, from administration.

We were encouraged – and I think this is important – by the new chairs and that they were prepared to work co-operatively with the Minister of Health and Wellness and with myself, and we will be there to help assist them. They are very positive that we are staying the course and dealing with the contract with Albertans to have a balanced budget and not put this province ever again into financial jeopardy.

DR. NICOL: Mr. Speaker, again to the Provincial Treasurer: where in that report does it show the balanced budget for Albertans when they're now having to wait longer to get medical services, when their health care system is not delivering, when their education system has been shortchanged? Where is that balance in that report?

MRS. NELSON: You know, Mr. Speaker, sometimes my son says to me: hello? Well, hello, Mr. Leader of the Opposition. This is not rocket science. I just indicated to you that there was a news release that was filed yesterday by the Calgary regional health authority, which they didn't have to do, and it clearly identified that they effectively were able to save \$30 million in administration without negatively affecting any of the frontline delivery of services. They are committed to doing that, and we believe them to be responsible people to run those health systems for the benefit of all Albertans.

Insofar as the other deliveries, you heard at great length yesterday from the Minister of Children's Services showing that the co-operation with the regional authorities is delivering to those in need, and they will be taken care of. Now, if the Leader of the Opposition can't accept that, that's just too bad.

THE SPEAKER: The hon. leader.

DR. NICOL: Thank you, Mr. Speaker. Back to the Premier on this one. Mr. Premier, will you commit that if the next quarterly updates show any kind of shortfall in revenues, you will transfer money out of the money that's waiting for debt repayment to sustain programs for this year and make the adjustments next year to replenish those dollars?

MR. KLEIN: Well, Mr. Speaker, the Minister of Finance is having so much fun with this that I'll ask her to respond.

MRS. NELSON: Okay. Mr. Speaker, let's be very clear. What the leader of the Liberal opposition is asking this government to do, in plain language, is to take the money that was allocated to debt retirement last year, pull it back – so effectively increasing the debt of the province – spend more, and put us into a deficit position. This is his idea of being fiscally responsible. It's the most irresponsible suggestion that I've ever heard come from that side. The answer is no.

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

Teacher Remuneration

MR. MacDONALD: Thank you, Mr. Speaker. Last night Edmonton public teachers voted over 99 percent in favour of job action. They

hold this government, not the local school board, accountable for the current impasse. My first question is to the Premier. Given that the Premier made a deal with the AUPE president that kept everyone happy, why won't the hon. Premier take any responsibility for making a deal with the teachers? Why don't you say, "Hello, Larry Booi"?

MR. KLEIN: Well, I will say hello. I'll say hello in this fashion, Mr. Speaker. I would remind the hon. member that this government took the unprecedented step of putting in as a line item in the budget a guaranteed 6 percent raise for teachers, a guaranteed minimum with the ability to negotiate with the individual school jurisdictions higher amounts if indeed those jurisdictions deemed it the right place to spend those extra dollars.

Mr. Speaker, I would remind the hon. member that while the Edmonton schoolteachers voted to seek a strike vote, by a proportionate amount in terms of percentage the Medicine Hat teachers voted exactly the opposite way.

THE SPEAKER: The hon. member.

MR. MacDONALD: Thank you, Mr. Speaker. Again to the Premier. In the second-quarter fiscal update that came out this morning, there is a line item that the Department of Learning spending has been reduced by \$42 million. Why can't all or part of that money be used to settle this dispute now?

MR. KLEIN: Mr. Speaker, relative to what we have put into education in this province, I will have the hon. Minister of Learning respond.

THE SPEAKER: The hon. minister.

DR. OBERG: Thank you very much, Mr. Speaker. As you know and as everyone in this Assembly knows, there was a request come to balance our budget by putting in 1 percent. What the Department of Learning did was arrive at the \$42 million without touching any school board programs, without touching any university programs. What we did is we touched administration. We looked at what we were doing. We decided to cut back. We withdrew from some initiatives that we had, and we found the \$42 million without cutting programs.

I think we need to put this into perspective. The hon. member here is assuming that the \$42 million would solve the problems that are out there with the teachers. Each 1 percent of an increase for teachers' salaries is worth \$23 million. Mr. Speaker, there's about 1 and a half or 1 and three-quarters percent there.

2:10

THE SPEAKER: The hon. member.

MR. MacDONALD: Thank you, Mr. Speaker. This question is to the Minister of Learning. Given that teachers' salaries have increased by 12 percent since 1995, which is less than the rate of inflation, why did the minister claim yesterday that their salaries have increased by 17 percent?

DR. OBERG: Because they have.

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

Children's Services Funding

MR. MASON: Thank you very much, Mr. Speaker. On April 1, just

one and a half months after the serious cuts are scheduled to take place to children's services, the next installment of this government's corporate tax cutting program will take effect and cost the Provincial Treasury \$275 million. My question is to the Minister of Finance.

AN HON. MEMBER: Are you sure you want to go there?

MR. MASON: I know she's on a roll today. Why does the Minister of Finance believe that frontline services to children are less important than cuts to corporations' taxes?

MRS. NELSON: Mr. Speaker, I don't.

MR. MASON: Then, Mr. Speaker, will the Minister of Finance find the money from corporate tax or anywhere else in her budget to restore the cuts to children's services?

MRS. NELSON: Mr. Speaker, I believe the Minister of Children's Services indicated in the House yesterday and on talk shows this morning that the frontline delivery for children in need is being met.

MR. MASON: Mr. Speaker, a second supplementary question: will the Minister of Finance admit that important social services are not properly supported by Alberta's tax base and have become dependent on up-and-down cycles in oil and gas prices?

MRS. NELSON: Mr. Speaker, what we do when we build a budget is we build a plan that has balance. We create a framework that tries to deal with all of the elements that have a part in a fiscal plan or picture for this province. Some of them deal with delivery of frontline social programs, others deal with taxation programs, and others deal with financing programs. The balance is there within this fiscal plan. I think it's quite clear. Insofar as this particular situation as it deals with the Children's Services budget, I'd ask the Minister of Children's Services to supplement my answer.

MS EVANS: Well, Mr. Speaker, quite simply, Children's Services is facing a serious social problem because families are abandoning children: a 13,000 caseload last year, 15,000 this year. It doesn't take much thinking to understand that it's not this government that's leaving children in difficulty; it's the people of Alberta.

Mr. Speaker, I have already identified that 31 percent in one region are 11 years of age and over, parent/teen conflict. Does that sound like we're abandoning children? We are taking those children on in government because people out there aren't doing their job. Let's pull together and get it done.

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

Long-term Care Accommodation Rates

MRS. O'NEILL: Thank you, Mr. Speaker. Last week the government announced an increase in the daily accommodation fees for those residents in long-term care facilities. My question, though, is to the Minister of Seniors. Can you assure this Assembly and indeed all Albertans that no senior who cannot pay the increased daily fee will be turned out of a long-term care facility?

THE SPEAKER: The hon. minister.

MR. WOLOSHYN: Thank you, Mr. Speaker. I'd like to point out that the long-term care accommodation charges in Alberta are the

lowest at the maximum end of any province in the country. Our current maximum is some \$860. One of the higher ones is in the \$4,700 range, in Nova Scotia. We also have an income-testing mechanism via the income tax for providing seniors' benefits, and that's not asset testing, I want to point out.

Getting right to the crux of the matter, these accommodation charges are roughly one-third of the total cost of being in these long-term care facilities, which are health driven. So the answer to the member's question – would any person, senior or otherwise, be denied accommodation to a long-term care centre based on their need? – is no. They will be accommodated regardless.

With respect to seniors specifically, which make up the vast majority – some 12,000 seniors are in there – we have made provision within our seniors' benefit plan to increase the support level to the seniors to minimize the impact of the increase on the accommodation charges.

THE SPEAKER: The hon. Member for Edmonton-Riverview, followed by the hon. Member of Calgary-West.

Aboriginal Children's Services

DR. TAFT: Thank you, Mr. Speaker. This government is living paycheque to paycheque. Yesterday the Minister of Children's Services indicated that she was cutting preventive social services for children even while the number of children requiring protection is, in her words, soaring. This month alone 21 agencies serving children in and around Edmonton have had their provincial contracts terminated. Most of these agencies serve native and Metis children. To the Premier: how can this Premier, who portrays himself as a defender of aboriginal interests, stand aside while his government pursues a policy that terminates so many services to aboriginal children?

MR. KLEIN: Mr. Speaker, that question is so unfair. [interjections] It is. My wife is totally committed as is the Minister of Aboriginal Affairs and Northern Development as is the Minister of Children's Services.

Relative to the specific question and what we're doing for Metis people and aboriginal people and children at risk generally, I'll have the hon. minister respond.

MS EVANS: Thank you, Mr. Premier. I have the list of reductions and the list of terminations of programs. Let's be clear that almost 40 percent of the children that are served by our department are aboriginal children, but there was no implied targeting of children at risk that were aboriginal children. Quite the opposite, Mr. Speaker, and I would take exception to anybody that would suggest there was a targeting of aboriginal children.

MS CALAHASEN: Well, Mr. Speaker, anytime that we have aboriginal programs or projects that are on the chopping block, it's a concern. However, we have to also look at the fiscal picture in terms of what we're doing and making sure that everyone in this government has to deal with the fiscal situation. My recommendation to the Minister of Children's Services, who has responded, is that she will be able to make sure that when the fiscal picture changes, we will continue to do the work that we've been doing in terms of aboriginal children and the needs that they have requested, which is very important.

THE SPEAKER: The hon. member.

DR. TAFT: Thank you, Mr. Speaker. This is to the Premier. Has this government done any assessment of the long-term cost increases

to the education, justice, and health care systems that will result from the cuts to preventive social services?

MR. KLEIN: Mr. Speaker, numerous studies and programs have been brought into effect relative to this specific issue, and I'll have the hon. Minister of Aboriginal Affairs and Northern Development and the Minister of Children's Services respond.

MS CALAHASEN: First of all, if you look at The Future: Meeting Priorities, Sharing Benefits, this fiscal update, as well as the second-quarter activity update, there are many projects and areas that we've been dealing with relative to making sure that the First Nations and the Metis people are going to be taken care of. Mr. Speaker, just to read a few. On page 2, Listening to Albertans, we participated in a First Nations Cultural Camp to increase their awareness of aboriginal traditions, spirituality and communities, and to promote culturally sensitive prosecutions. The camp was in direct response to a recommendation from the Justice Summit, "Increase sensitivity and cultural awareness."

Mr. Speaker, there are a number of other areas that we've looked at. In fact, we've "consulted with the Grand Chiefs of Treaty 6, 7 and 8, and Alberta Assembly of First Nations Vice-Chiefs to address the Aboriginal Policy Framework and related activities." Also, Strengthening the Alberta Economy: we "led an initiative to create a coherent government approach to address Aboriginal participation in the Alberta economy." We've got quite a list here. As well, we've "promoted a northern Alberta-based pilot project related to career options through apprenticeship training."

2:20

Mr. Speaker, as we go through this list, you will see that throughout the whole government we have been dealing with issues that will address the concerns that have been brought forward by First Nations and Metis people, and we will continue to do that no matter what happens.

THE SPEAKER: I gather, hon. minister, that that document has already been tabled in the House.

MS CALAHASEN: Yes, it has.

THE SPEAKER: The hon. member.

DR. TAFT: Thank you, Mr. Speaker. Then to the Minister of Aboriginal Affairs and Northern Development: how does the minister defend a government whose policies place an accelerated paydown of the debt above the interests of aboriginal children?

MS CALAHASEN: Well, Mr. Speaker, hello? Again. If any government in this country has done anything to be able to deal with First Nations and Metis people, it is this province through the leadership of our Premier. Also, this is the first province that has an Aboriginal Affairs and Northern Development ministry specifically allocated to make sure that we address the issues of First Nations and Metis people. It's those concerns that we have to bring to the table, and as minister it's my duty to be able to bring them to the table so my colleagues understand the concerns that have been expressed by First Nations and Metis people.

We've done some wonderful things, Mr. Speaker. On the aboriginal policy framework we've got some wonderful partnerships that have been working for the economic benefit of aboriginal people, mostly to be able to address the poverty issue that has come forward as a result of some of the needs that have been expressed. Those are the areas we have to deal with. If we don't have an

economic base for First Nations and Metis people, we don't deal with the social concerns. So it's through the aboriginal policy framework as well as a number of the concerns that I've brought to my colleagues that we've been dealing with. I'd like to commend my colleagues on the work that they've been doing.

THE SPEAKER: The hon. Member for Calgary-West, followed by the hon. Member for Edmonton-McClung.

Cost of Living Indices

MS KRYCZKA: Thank you, Mr. Speaker. Alberta Economic Development has received many requests from businesses and municipalities for information that would help them make cost-of-living and wage adjustments for employees. As a result, the department recently released a price comparison survey for 10 Alberta communities that measures price differences on 266 specific goods and services regularly purchased by Alberta consumers living in cities and small- and medium-sized towns. Edmonton's costs were set at 100 with the indices for all other centres set relative to that measure. The shelter index, for example, ranges from a low of 90.7 in Lethbridge to a high of 152 in Fort McMurray.

THE SPEAKER: Hon. member, preambles are meant to be precise. Question.

MS KRYCZKA: My main question to the Minister of Economic Development: what other uses or applications do you see for the indices in this survey?

MR. NORRIS: I'll attempt to be a little more brief in my answer than in the preamble, Mr. Speaker, but I want to thank the member for the question. The surveys we do are at the behest of the business community and other business agencies to look at what kind of activity is going on in Alberta. This was one of those reports. We use them as a marketing and development tool to sell the message of how under this government Alberta has become the absolute best place in Canada to do business. We see the use of this . . . [interjections] When it's such a good climate . . .

THE SPEAKER: Hon. member, thank you very much, but there is a reason why I'm here. If we talk through the chair, we don't have those interruptions.

The hon. Member for Calgary-West.

MS KRYCZKA: Okay. My supplementary is to the Minister of Seniors. Acknowledging that the cost of basic goods and services such as shelter definitely varies throughout the province, what plans do you have to review the Alberta seniors' benefit program?

THE SPEAKER: The hon. minister.

MR. WOLOSHYN: Thank you, Mr. Speaker. As I indicated, we've looked at support to needy seniors through something called the seniors' benefits program, which was geared to the income tax that they pay.

Secondly, with respect to housing, the facilities that we manage are restricted to 30 percent of their gross income, which would equalize the housing wherever they are in the province. Yes, we are taking a careful look at the market-basket approach to determine cost of living across the province to see where we might be able to bring that into play without driving the cost of administration out of sight.

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

MS KRYCZKA: Yes. Thank you. My second supplemental is to the Minister of Human Resources and Employment. Have other provinces adopted the market-basket of goods and services approach, and have you considered implementing it for low-income Albertans?

MR. DUNFORD: Mr. Speaker, the market-basket measurement is currently under review and development by Statistics Canada. All jurisdictions in Canada, including the federal government, are planning to use it once it is ready. I believe the kickoff date is likely to be the fall of '02, but preliminary calculations are being made available to provinces as we speak.

THE SPEAKER: The hon. Member for Edmonton-Mill Woods, followed by the hon. Member for Calgary-Currie.

Children's Services

DR. MASSEY: Thank you, Mr. Speaker. For days the Minister of Children's Services has been telling the House that cuts will not be made to programs that directly affect children. Yesterday the minister seemed to backtrack, indicating that her responsibility was primarily child protection and other community agencies could now help to pay for other services. My questions are to the Minister of Children's Services. Given that most early prevention programs do not deal with child protection, will those programs now be cut permanently?

MS EVANS: Well, no, Mr. Speaker, they will not be cut permanently. Some are deferred. Let us again be clear about what we've got in our budget: \$647 million. I was asked to take a 1 percent reduction. Since that time, Treasury has added \$4 million back in for aboriginal programs that we get a refund for from the feds, and our Treasury has also recommended \$2 million from the national children's benefit.

Where we have family growth and caseloads in Alberta communities, we have squeezes on intervention programs. Deferral, delay, new partnerships, new strategies, administrative reductions: all of these are strategies so that we can in fact, number one, protect those children most in need and, number two, look after those children who have less risk at a different rate.

Mr. Speaker, we have had in some communities, such as region 15, no need at all to cut some of those programs because they are turning the corner on child welfare caseloads. They are doing family case conferencing with native communities. They're spending time with the extended community to make sure that the children are looked after. That's the very thing, the very transformation we need throughout Alberta: a genuine interest in communities, not in bashing each other for what we are or are not doing but in fact working together to get those children looked after in the streets where they live.

THE SPEAKER: The hon. member.

DR. MASSEY: Thank you, Mr. Speaker. My question to the same minister: is it fair to children to change the scope of the department's work three-quarters of the way through the fiscal year?

MS EVANS: You know, Mr. Speaker, it's the same thing when we use an adjective to describe children as poor. No child is poor. Children live in poor circumstances. Children have needs. We look after those with the greatest needs.

I gave a response today to the media that I will give in this House. If there are people that can illustrate that there are children who are seriously at risk because of any program that has been cut, then bring their names to me, because I will follow up on behalf of this government and make sure that no child is placed in a risk that would compromise their future safety and well-being.

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

Alberta Supernet

MR. LORD: Thank you, Mr. Speaker. This government has undertaken a number of important initiatives designed to promote a knowledge-based economy, one of the most important being the Supernet project. This high-speed, high-bandwidth project, bringing transfer rates of up to 5,500 pages per second on a regional network compared to maybe three pages per second on individual dial-up now, will create economic expansion through teleworking opportunities, for example, as well as bringing enhancements in a number of other quality of life issues such as telelearning, telehealth, and so on right across Alberta. However, there are a few questions that have arisen. My first question is to the Minister of Community Development. Now, considering that a large number of Alberta libraries are already using the Alberta public libraries electronic network, or APLEN for short, to interconnect their data resources, how will the Supernet project impact on APLEN?

2:30

THE SPEAKER: The hon. minister.

MR. ZWOZDESKY: Thank you, Mr. Speaker. I appreciate the question. First of all, to be clear, we already have about 280 or 290 public libraries connected with the APLEN system. Basically, APLEN, which is the Alberta public library electronic network, is a system to connect these public libraries through the Internet. In doing so, our public libraries across the province will have the ability to communicate better and faster with each other. They will be able to share resources, do interlibrary loans on a more expedient basis. They'll be able to be provided with access to the worldwide web, and so on.

Now, specifically with respect to provincial libraries, the intention of the Alberta Supernet is actually to enhance what's already there, the APLEN system, and this will be provided as an option for those libraries who wish to participate. When all is said and done, Mr. Speaker, the libraries that are connected through the Supernet will be able to access more information. That information will be of a higher quality, and critically to them, they'll be able to access it in a much more speedy fashion. So that's where we're going, and that's what we're looking at.

MR. LORD: My first supplemental, Mr. Speaker, is to the Minister of Innovation and Science. What is your department doing with regards to Supernet to specifically address rural Alberta libraries' needs?

MR. DOERKSEN: Mr. Speaker, just today I noticed three news releases, each announcing different web sites: one on workplace information, one on learning information with schools and universities, and another one with a LearnAlberta web site. Access to this information is important to all Albertans, and the Alberta Supernet will provide high-speed access to every library in our province. What better place in a community for people who need access to information to come, to plug into the network, and to find that

information for themselves. That is what Supernet brings. It brings opportunity to every Albertan to access this kind of information.

MR. LORD: Again, Mr. Speaker, to the Minister of Innovation and Science: could you give us a very brief update on the progress of the overall project?

MR. DOERKSEN: I am happy to do that. This is a three-year initiative which involves over 10,000 kilometres of fibre optics and 2,000 kilometres with wireless connectivity solutions. We are close to finalizing the build schedule. We've been negotiating with various players in this whole concept, Mr. Speaker, and we're moving ahead to make sure that this happens.

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

Commercial Fisheries

MS CARLSON: Thank you, Mr. Speaker. My question is to the Minister of Sustainable Resource Development. Does the minister support the Alberta Commercial Fishermen's Association's request for financial compensation for those who voluntarily leave the industry?

THE SPEAKER: The hon. minister.

MR. CARDINAL: Thank you very much, Mr. Speaker. It's a very appropriate question, with Bill 219 being introduced today. It is a very good question because it is a very important issue, I believe, to all Albertans. As you are aware, there is a lot of pressure on our lakes as far as fisheries because Alberta, for example, only has a thousand fish-bearing lakes. When you look at Saskatchewan at 94,000 and Ontario at 250,000 and our populations has grown by 35 percent in the past, you can see where the pressure is at. We are definitely seriously looking at the proposal submitted by the Commercial Fishermen's Association. What we need to do is develop a policy, which I will be taking forward through the process in the very near future, to look at how we may rationalize the commercial fishing industry. The demand is high, especially for walleye and pike, and the population is growing. There are over 800 commercial fishermen in Alberta, and the plan from the commercial fisheries is to ask us to try and reduce that to about 200, or a manageable level, with some form of compensation program in order to reduce that industry.

MS CARLSON: Mr. Speaker, my second question is to the Minister of Finance. Does this minister support compensation for people voluntarily leaving an industry that may no longer be economically viable?

THE SPEAKER: Hon. members, the purpose of question period is to ascertain government policy, not to seek opinions. Now, if this question can deal with government policy, go ahead, hon. minister, but simply an opinion, one is forbidden.

The hon. member.

MS CARLSON: Thank you, Mr. Speaker. I'll ask the Minister of Finance again. Does this minister support this minister's policy on providing compensation for fishermen who are leaving a commercially viable industry?

MRS. NELSON: Well, Mr. Speaker, it may come as a surprise to the

opposition, but we have a process in our government called standing policy committees where policies are vetted, debated around the table as a group, as a team that ran under the leadership of Premier Klein, and when we make a decision . . . [interjection] I'm sorry. The Premier. Our Premier. [interjections] Well, it was called Ralph's Team. I'm sorry; I can't help it.

THE SPEAKER: The hon. Member for Edmonton-Strathcona, followed by the hon. Member for Lac La Biche-St. Paul.

Children's Services Funding

(continued)

DR. PANNU: Thank you, Mr. Speaker. The government made a terrible miscalculation last year when it gave away billions of dollars of province of Alberta revenues by cutting corporate taxes in half over four years and reducing tax rates for the top 1 percent of taxpayers by over 40 percent. But corporations and the wealthy are not the ones paying the price for the government's miscalculation. Those paying the price are vulnerable children, including those who are victims of sexual exploitation. My first question is to the hon. Premier. How can the same Premier who a few years ago sponsored a flagship bill to protect children from being sexually exploited through prostitution turn around today and justify unilaterally axing 80 percent of the funding for the Crossroads outreach safe house in Edmonton? How can he?

MR. KLEIN: Mr. Speaker, certainly I'll have the hon. Minister of Children's Services respond, because the question posed by the hon. leader of the third party is not quite truthful. It's inaccurate to say the least. The Minister of Children's Services has become very innovative in her approach to this particular situation to protect the interests of the child and at the same time rationalize the delivery of service.

I'll have the hon. minister respond.

MS EVANS: Mr. Speaker, as I identified in the tabling earlier, there are five beds at Crossroads. Most of those beds were being occupied by adults whose needs will currently be addressed by our Minister of Human Resources and Employment if they are of a social services nature. The one bed that was for treatment of children who had been affected by sexual exploitation has been assumed for use at Catholic Social Services' protective safe house. About a month ago, with the Member for Edmonton-Mill Woods, we toured that safe house. There was plenty of capacity there at that time, and I am sure that throughout Alberta we have a keen interest in adding capacity. The capacity at Crossroads for children exploited by prostitution is not necessary.

THE SPEAKER: The hon. member.

DR. PANNU: Thank you, Mr. Speaker. My next question is to the minister of aboriginal affairs. Given that our own government's fiscal decisions have allowed the axe to fall disproportionately on frontline programs in the Ma'Mōwe Capital health region that are delivered by aboriginal agencies for the benefit of aboriginal children, how can we help the minister to fight more successfully to defend those programs within her own government?

MS CALAHASEN: Well, Mr. Speaker, as I indicated earlier, we are always concerned when we deal with the issue of programs or projects that would be on the chopping block. We are however

hopeful that with the fiscal situation improving, we will be able to get those programs back in place.

The other issue is that I think there are many other projects and programs that are available through the federal government as well as some of the people in the communities. There has been some capacity-building that has been occurring in the communities. It certainly would be very helpful to those projects to be able to talk to those people as well as to the foundations that are available for any help that's possible. In fact, anything that we can do to make sure that these programs and projects are going to be helpful for the students – we'd like to be aware of those to see what can be done to help them through the process. As was indicated, we have that possibility.

2:40

THE SPEAKER: The hon. member.

DR. PANNU: Thank you, Mr. Speaker. My second supplementary is to the Minister of Learning. How can the Minister of Learning defend a fiscal plan that's so patently unfair that over 99 percent of over 3,000 teachers who teach for the Edmonton public school board voted last night in favour of holding a strike vote? Are all of these teachers. . .

THE SPEAKER: Hon. leader, there has to be some continuity and symmetry with the questions involved.

The hon. Member for Lac La Biche-St. Paul, followed by the hon. Member for Edmonton-Centre.

Crop Insurance Review

MR. DANYLUK: Thank you very much, Mr. Speaker. There have been many challenges in the agriculture industry in the immediate past and present. Farmers are having to cope with low prices, drought, and higher input costs. The crop insurance that is presently in place does not seem to reflect the security necessary to adequately insure crops against the elements. I understand that there is a review in place examining the effectiveness of crop insurance. My question today is to the Minister of Agriculture, Food and Rural Development. Can you tell me the progress of this review?

MRS. McCLELLAN: Mr. Speaker, certainly there is no question, I'm sure, in anyone's mind in this Legislature how important the agriculture industry is to our province at \$16.8 billion. Quite a high amount of the processing sector comes from the crop sector, food and beverage processing. So indeed it's important that we work with the industry to have an insurance program that protects them from the risk that is there, primarily weather risk but also commodity price risk.

We've had a review that has been ongoing in different stages for about three years in this province, Mr. Speaker. Recognizing the importance of the industry and the need to move quickly, some changes were made this year, in this 2001 claim year. That was in areas of the index calculation, the creation of insurance for some different crops, which wasn't there, and a reintroduction of a harvesting allowance, which was important. One more important but maybe somewhat controversial program this year was the introduction of a pilot pasture insurance component.

THE SPEAKER: The hon. member.

MR. DANYLUK: Thank you very much, Mr. Speaker. My first supplemental question is also to the Minister of Agriculture, Food and Rural Development. Who was involved in the present review?

Was there industry input, and will there be any costs to the government on these crop insurance changes?

MRS. McCLELLAN: Mr. Speaker, the review was headed by Mr. Charlie Mayer. It included Mr. Eugene Dextrase, who is from the Alberta Grain Commission; Pat Durnin of Kathryn, also from the Grain Commission; and Dan Cutforth of Barons. Further to that and very importantly, consultations were held with producers through focus groups and general meetings throughout the province to ensure that we looked at the broad needs of the producers wherever they are in this province. We've recently completed focus groups again with producers in the various regions of the province, and we've said to producers: "This is our idea of how we could improve this program to more properly reflect the input costs that you incur to produce this crop. If you applied this program to your farm, would it indeed do the job?" This is somewhat novel, rather than doing it after the fact, and it's worked quite well.

MR. DANYLUK: My final question, Mr. Speaker: when does the minister expect the recommendations to be implemented?

MRS. McCLELLAN: Mr. Speaker, there are three critical factors that deal with how quickly you can deal with this. One, it's a tripartite program, which means that it is partnered a tripartite way between the federal government, the provincial government, and the producer. That negotiation has to occur on agreed upon changes, so that timing of getting the changes agreed upon.

The other complexity to this is, of course, cost. The member asked in his previous question about cost. Mr. Speaker, the costs of implementing the few changes we did this year in addition to the program cost was about \$9 million. I would suggest that if we were to implement the other changes that have been discussed with the focus groups, it would be considerably more than that. Because the federal government is a funder in this program – the province and the federal government produce over 60 percent of the premium in this program and the producer about 38 percent – it is critical that we have agreement from the federal government to ensure that this program can go ahead.

head: Recognitions

Shumka Dancers

MR. BRODA: Mr. Speaker, the award-winning Ukrainian Shumka Dancers have excelled in the preservation, promotion, and presentation of Ukrainian folk dance for 42 consecutive years. As Canada's oldest Ukrainian dance group they have thrilled audiences around the world and brought much acclaim to our province.

Mr. Speaker, one of our colleagues, the Minister of Community Development and MLA for Edmonton-Mill Creek, was a Shumka dancer for six years, a former president, and also the group music director for nearly 30 years. Last Saturday I joined him at a special gala fund-raiser for Shumka, where I also watched my niece's husband, Evan Zukiwsky, perform in their presentation of *Cinderella*. This fund-raiser officially launched Shumka on a new and exciting path. In response to public demand they announced the creation of a professional touring component from within their ranks. Volunteerism will remain an important part of their future direction, but a professional touring arm will result in this Alberta treasure being shared with even more international audiences.

We wish them every success as they embark on this exciting new direction.

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

Capital Regional Health Authority

MR. HUTTON: Thank you, Mr. Speaker. I'm pleased to stand today to recognize – and it's appropriate today after the Minister of Finance's comment: hello? – the Capital health region for receiving the highest accreditation status possible from the Canadian Council on Health Services. This accreditation is a credit to all health care professionals who work in our region. It clearly shows that Capital health is not only meeting the national standards for excellence in delivery of health care services but in many areas is helping to establish those standards for all Canadians through the new services, new ways of working together across the system.

Mr. Speaker, I would like to acknowledge Mr. Neil Wilkinson, chairman of the regional health authority board, and Mrs. Sheila Weatherill, CEO of Capital health, for their leadership and commitment to health care in this region.

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

Pembina Institute

MS CARLSON: Thank you, Mr. Speaker. I rise today to recognize the excellent research being done by the Pembina Institute. In particular, I would like to acknowledge the work being done by Mary Griffiths and Tom Marr-Laing on the detrimental environmental effects of coal-generated electricity.

The Pembina Institute has legitimate concerns backed by solid research about the damaging effects to Alberta's air and water quality that will come from the expansion of so-called cheap coal technology. By their calculations even if the province's economy remains strong and electricity demands continue to grow at 3 percent per year, there will be enough electricity from less polluting sources for at least a decade without adding the 2,200 megawatts of new coal plants being proposed. They believe that with emerging technology new methods of generating power will be economically viable in the very near future.

I agree that it is important to look for the best available technology. When we consider what makes one technology better than others, corporate profit and industrial expansion must not be the leading factors. Government standards must be set to protect humans, not dollars. If we are not careful, we will be dealing with long-term health and environmental impacts long after the money has all been spent.

Thank you.

THE SPEAKER: The hon. Member for Wainwright.

2:50 Shereen Ziegler, Miss Rodeo Canada 2002

MR. FISCHER: Thank you, Mr. Speaker. It gives me great pleasure today to recognize Miss Rodeo Canada 2002, Shereen Ziegler of Wainwright. For those members who don't follow the great sport of rodeo, she was crowned at this year's Canadian Finals Rodeo on November 9, having been chosen from a very strong field of candidates. Besides being a community volunteer and an excellent horse trainer, Shereen is a 4-H alumnus and a graduate of the agricultural production and business management program of Olds College.

Her responsibilities have already started. She represented Canada at the Regina Agribition, and she will represent our nation at the National Finals Rodeo in Las Vegas on December 5. Coming from a rural background Miss Ziegler will be an excellent spokesman not only for the great sport of rodeo but also for rural Alberta. She is a most deserving winner.

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

**Pamela Paul Endowment Fund
for the Prevention of Family Violence**

MRS. O'NEILL: Thank you, Mr. Speaker. As I indicated earlier, November is national Family Violence Prevention Month. Today I am pleased to recognize Pamela Paul, former member of this Legislature and a member of my constituency and a survivor of family violence. Pamela has spoken publicly nationally and internationally to draw attention to family violence. I would also add that as a further measure of her courage and strength Ms Paul is a survivor of a brain tumour.

Undaunted in her efforts to educate communities about family violence, Pamela has established the Pamela Paul endowment fund for the prevention of family violence under the auspices of the Edmonton Community Foundation. In the fund's early stages interest from donations will defray the expenses of groups or organizations that deliver presentations to schools on family violence issues.

I wish to congratulate Pam for her courageous survival roles and trust her endowment fund will grow and prosper to the detriment and elimination of violence within the family.

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

Teachers

MR. MacDONALD: Thank you, Mr. Speaker. Yesterday was National Child Day. This is a time for us to remember the commitments we have to the next generation of Albertans. The commitment of teachers to our children is stronger than ever. Today I would like to recognize the dedication of teachers across the province. Without their enormous efforts children everywhere would lose out.

Teachers are currently working in some of the toughest conditions seen in a long time. Classrooms are overcrowded. Many teachers pay for resources out of their own pockets. I would like to commend all the teachers who continue to make children their number one priority. Teachers across Alberta show their devotion to children every single day. They continue working long after the students have gone home. They come in on weekends to work. Sometimes they aren't finished marking papers and exams until late at night. A lot of teachers take time out of their summer to update their professional skills.

Teachers give students all the energy they've got. We cannot calculate or put into money the value of this gift to our province's youth.

Thank you.

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

Mai Ponath

MS KRYCZKA: Thank you, Mr. Speaker. Today I am truly honoured to recognize Mai Ponath, a truly amazing and upbeat Scottish Calgarian who succumbed to complications from open heart surgery on September 26, 2001. There is consolation in believing that Mai is now joined with Wee Jimmy, her dear friend and companion, who passed away in 1990.

Even at 79 Mai pursued her love for tai chi and swimming, especially in the ocean in Barbados, and I think that just maybe she still swam across Lake Windermere in early morning hours this summer. Mai was always a tireless volunteer. She loved her Beta Sigma Phi sorority, was a lifetime director of the Calgary-Elbow PC

Association, and recently volunteered in my Calgary-West provincial campaign.

Mai lived each day to the fullest, upbeat, with independence and with dignity. With her indomitable spirit she was always an inspiration to her beloved family and friends. The heavens can only be a brighter and happier place with Mai and her great big smile.

Thank you.

THE SPEAKER: Hon. Member for Edmonton-Highlands, did you rise on a point of order?

MR. MASON: No, Mr. Speaker.

head: Orders of the Day

head: Written Questions

THE SPEAKER: The hon. Government House Leader.

MR. HANCOCK: Thank you, Mr. Speaker. Proper notice having been given yesterday, it's my pleasure to move that written questions appearing on today's Order Paper do stand and retain their places with the exception of Written Question 5.

[Motion carried]

Health Care Premiums

Q5. Mr. Mason moved that the following question be accepted. Of the \$690 million the government receives annually for health care premiums, what portion is paid by government and government-funded agencies such as school boards, universities, colleges and technical institutes, regional health authorities, regional children's authorities, and other government boards and agencies on behalf of their employees?

THE SPEAKER: The hon. Minister of Health and Wellness.

MR. MAR: Thank you, Mr. Speaker. We accept Written Question 5.

[Written Question 5 carried]

head: Motions for Returns

THE SPEAKER: The hon. Government House Leader.

MR. HANCOCK: Thank you, Mr. Speaker. Proper notice having been given yesterday, it's my pleasure to move that motions for returns appearing on today's Order Paper do stand and retain their places with the exception of motions for returns 14, 15, 16, and 17.

[Motion carried]

Alberta Treasury Branches

M14. Ms Blakeman moved on behalf of Dr. Nicol that an order of the Assembly do issue for a return showing a copy of the April 30, 1997, document entitled Advice to the Provincial Treasurer re Alberta Treasury Branches as prepared by Alberta Treasury.

MRS. NELSON: Well, Mr. Speaker, sometimes you just get into deja vu all over again with the members opposite. This information was requested in December of 1997. In fact, it was requested

through a freedom of information request, and the then Treasury Department disclosed 55 out of 102 pages and partially or entirely withheld the rest on the basis, among other reasons, that the disclosure would be harmful to economic interests of the government and Alberta Treasury Branches.

Further to that, Mr. Speaker, the Information and Privacy Commissioner upheld Treasury's decision, and through order 98-019 on January 4, 1999, he stated:

After carefully reviewing the records, I find the disclosure of the information could reasonably be expected to harm the economic interest of the Government of Alberta or the ATB, and in particular, could reasonably be expected to result in financial loss under section 24(1)(c)(i) or prejudice their competitive position under section 24(1)(c)(ii).

The document requested in this motion is held properly under the Treasury and under the direction of the privacy commissioner. The members opposite know this, and I therefore would reject this motion and ask them to please refer back to their documents from the previous session so as not to ask the same questions again. So this would be rejected by the government.

[Motion for a Return 14 lost]

3:00

Alberta Treasury Branches

M15. Ms Blakeman moved on behalf of Dr. Nicol that an order of the Assembly do issue for a return showing a copy of the nine-page document sent by the president and CEO (chief executive officer) of the Alberta Treasury Branches to the Provincial Treasurer on December 23, 1997, relating to a change in status and/or privatization of the Alberta Treasury Branches.

MRS. NELSON: Well, Mr. Speaker, this is part of the same type of request that we talked about in Motion for a Return 14, and the document has been properly withheld under the 1997 FOIP request, as was confirmed again by the Information and Privacy Commissioner. I'd ask that the hon. members opposite please review their documents from the previous session, because we are obligated to follow that act and not put ourselves and other interests in jeopardy based on our own privacy act within this Legislature. So we would be negligent if we did indeed release those documents.

THE SPEAKER: The hon. Member for Edmonton-Centre to close debate.

MS BLAKEMAN: Well, I'm disappointed in the rigidity of the Treasurer opposite. Certainly we would be negligent if we didn't continue to pursue this information, and being as this is a request that's now four years old, it is perfectly reasonable that we request the information again. The minister keeps talking about a year ago. I'm pretty sure that 1999 was in fact two years ago and going on three years ago, so it's perfectly reasonable that we do request this information again, and we'll continue to request it. There's information there that the people of Alberta need to see. I'm disappointed that the Provincial Treasurer has turned down our request for this information.

Thank you.

[Motion for a Return 15 lost]

Alberta Treasury Branches

M16. Ms Blakeman moved on behalf of Dr. Nicol that an order of the Assembly do issue for a return showing a copy of the

memorandum and supporting documents entitled ATB (Alberta Treasury Branches) Options sent by the Deputy Provincial Treasurer to the president and CEO (chief executive officer) of the Alberta Treasury Branches on December 16, 1997.

MRS. NELSON: Mr. Speaker, once again the difficulty I have – and I refer back to when the hon. member on the previous motion talked about the disappointment of my office not releasing this data. We have a commissioner, the Information and Privacy Commissioner, who reviews requests for freedom of information and protection of privacy. It would be very difficult and negligent if this office ignored the ruling that came out of that position, because he is acting based on a piece of legislation that was put in place by this very Legislature and then became the law. Surely she is not suggesting that we ignore the very law that was passed in this House that resulted from an all-party committee coming forward with recommendations on freedom of information and privacy.

I will then again state the commissioner's instructions.

After carefully reviewing the records, I find the disclosure of the information could reasonably be expected to harm the economic interests of the Government of Alberta or the [Alberta Treasury Branches], and in particular, could reasonably be expected to result in financial loss under section 24(1)(c)(i) or prejudice their competitive position under 24(1)(c)(ii).

Surely this hon. member would not ask the government to place the province of Alberta or the Treasury Branches in that untenable position. I hope that she's thinking this through a lot clearer than that.

So, once again, Mr. Speaker, the government must reject this motion for a return.

THE SPEAKER: The hon. Member for Edmonton-Centre to close the debate.

MS BLAKEMAN: Thank you. I will make a correction to the Provincial Treasurer in that I'm disappointed in her rigidity, not as she previously quoted me for.

I think it's perfectly reasonable that we continue to ask for this information. Obviously it's of some concern to the government if they continue to be vexed by financial information that is four years old and counting. I think it's perfectly reasonable that we continue to ask for the information, and one of these days the government will be far enough away from it that they won't be afraid to let it out.

Thank you.

[Motion for a Return 16 lost]

Alberta Treasury Branches

M17. Ms Blakeman moved on behalf of Dr. Nicol that an order of the Assembly do issue for a return showing a copy of the document entitled Alberta Treasury Branches: Alternative Business Outcomes prepared by Alberta Treasury on December 22, 1997.

THE SPEAKER: The hon. Minister of Finance.

MRS. NELSON: Well, thank you once again, Mr. Speaker. I wanted to have clarification whether the hon. member meant my rigidity or frigidity. We weren't quite sure.

MR. SMITH: Perhaps it was virginity.

MRS. NELSON: No, not virginity. Frigidity. The Minister of Energy asked for further clarification, Mr. Speaker.

I want to assure the hon. member. I don't think we're getting across to her that there is a law in this province. The government cannot break the law. The law should not even be in question in this House, particularly by members opposite, as it was their members that sat on the committee that came forward with the recommendations to create the law. Now when they don't get what they want, they all of a sudden want it changed. If you're anxious to change that, then you would have to bring forward amendments to amend the law. We have a law in this province that we must follow. We all agreed to put an independent body in place to review those requests. We accept the answer that comes back from the Information and Privacy Commissioner. Sometimes you don't like the answer. Well, that's unfortunate, but that's the way the law is written. It's there for the purpose of making sure that there is not any interference in the rulings that come forward, that we have to abide by his or her ruling.

Again, on this motion for a return, it pertains to the same package of information that was reviewed under the FOIP request. I've already read his answer twice, Mr. Speaker. It's obviously not sinking in. Therefore we must again reject this motion for a return.

THE SPEAKER: The hon. Member for Edmonton-Centre to close the debate.

MS BLAKEMAN: Thank you. The Treasurer has given me far more information about her personal life than I know what to do with. I would never, ever claim to say . . .

THE SPEAKER: Please, hon. member. Let's deal with the issue. But the chair would have to agree with the hon. Member for Edmonton-Centre that perhaps the House received more information than it really required.

Please proceed.

MS BLAKEMAN: Thank you very much, Mr. Speaker. I think it's important and I acknowledge and recognize that the government asked for protection from the freedom of information and protection of privacy minister and received it in this instance, but we must all remember that classified information that's classified at one point is not classified forever. That is information that will eventually be released. There's nothing in that FOIP Act and there's nothing in the ruling from the freedom of information and protection of privacy commissioner that says that information will be so forever. So thank you very much for reading the document three times. I heard you the first time. We're going to keep asking.

Thank you.

[Motion for a Return 17 lost]

3:10

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

head: Committee of the Whole

[Mr. Tannas in the chair]

THE CHAIRMAN: I call the Committee of the Whole to order.

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

THE CHAIRMAN: We have an amendment, amendment A1, that we're on at this moment. Are there any further comments to be made with regard to amendment A1? The hon. Provincial Treasurer.

MRS. NELSON: Mr. Chairman, just for clarification. I'm presuming that on the notice of amendment there's an A and a B. Are we dealing with just the A first or A and B together?

THE CHAIRMAN: The chair does not recollect what was proposed at the time. It's my understanding of the document that they were together, so we would be speaking to and voting on A and B of amendment A1.

MRS. NELSON: Okay. Thank you very much for the clarification, Mr. Chairman.

I'm very pleased to rise in the House and speak to Bill 207, the Alberta Personal Income Tax Amendment Act, 2001, as proposed by the Member for Clover Bar-Fort Saskatchewan. I'd like to congratulate the member for bringing this proposal forward and for continuing to represent his constituents with dedication and commitment. I'd also like to thank the Member for Vermilion-Lloydminster for proposing amendments that improve the bill and enable us to consider its merits.

All that being said, Mr. Chairman, I can't support the amendment or the bill at this time, and I can't offer my support to the amendment and the bill for several reasons that I would like to outline very briefly. Before I go into that, I'd again like to comment on the thoughts expressed by the Member for Clover Bar-Fort Saskatchewan in committee yesterday. I firmly agree with him that tradespeople are indeed an important part of our growing economy, and I support the spirit and the intent of this bill in that it aims to benefit the hardworking people of our province, the same people that are playing an important role in building our future. I have no fault with that aim at all. In fact, the member rather eloquently expressed appreciation for tradespeople in the province, and I certainly share that sentiment with him. This bill also reflects a philosophy that I hold near and dear, and that is that keeping taxes lower and lowering them if possible is an important goal, a goal that this government remains committed to. That being said, there are some distinct reasons why I can't support the bill or the amendment.

First off, Alberta follows a broad-based low-rate approach to taxes. This means low taxes for everyone rather than incentives for certain tax filers. This is an approach that Alberta supports, and I am reluctant to really deviate from that. Put simply, tax credits for some taxpayers mean higher tax rates for others. In fact, the Alberta Tax Review Committee examined the question of special tax credits in depth. They recommended to our government against adding new tax credits to Alberta's personal income tax system. Once we start targeting certain groups with credits, we have to make up that shortfall elsewhere, so even with the amendment, this would be the case, Mr. Chairman. That means we would be picking winners in a sense, and that is something that our government does not do. This proposed credit is really a grant, a grant delivered through the tax system. That is the reality, and Albertans are firmly opposed to grants.

Mr. Chairman, I've looked across the country to see what has been happening. If we pass this bill even with this amendment, we would likely encourage interest groups to bring forward other targeted tax credits, credits that benefit a narrow group of taxpayers and even erode the principle of broad-based low tax rates further. Each time a concession is made to a particular sector, it becomes harder to say no to another sector.

Ontario is an example of a province that has followed a path of targeted incentives. The province has introduced a number of tax credits including an innovation credit, a book publishing tax credit, a computer animation tax credit, a television and film tax credit, an interactive digital media tax credit, a sound recording tax credit, a

co-operative education tax credit, a workplace accessibility tax credit, an equity and education tax credit, a property and sales tax credit. The problem is that these are one-off systems.

In the province of Quebec I think they have the all-time record for one-off tax credit systems. They have, of course, the tax credit for child care expenses, which the federal government already has. They have another one. They have a tax credit for adoption expenses, which the federal government has. They have another one. They have a tax credit for on-the-job training periods, a tax credit for job creation in the clothing and footwear industry, a tax credit for contributions to labour-sponsored funds, a tax credit for scientific and research experimental development, a tax credit for the taxi business, a tax holiday for foreign researchers, a tax holiday for the Quebec seamen, a tax exemption for employees with the International Financial Centre, a tax holiday for foreign specialists working in information technology development centres, tax exemptions for certain foreign specialists working in Montreal foreign trade zones at Mirabel, tax exemptions concerning the Montreal foreign trade zone at Mirabel for corporations, tax exemptions regarding income earned from the administration and management of new investment funds, research and development tax credits, tax credits for technology adaptation services, tax credits for design, tax credits for Quebec film and television production, tax credit for Quebec film and television production services, tax credit for shipbuilding or conversion, tax credit for railway companies, and on and on it goes.

The difficulty, Mr. Chairman, is that once you start the one-off, where does it end? So when we bring in this amendment, albeit it is narrowing the focus of the bill, the difficulty is that it doesn't deal with the issue of: how do you stay focused on having an overall lowest tax system that all Albertans can enjoy within this province?

Today in the province of Ontario, with this grouping of tax credits their finance minister is having to go back and all of a sudden realize, "We can't afford this." So once he put the tax credits in place, he now has to go back and pick which ones are no longer going to be able to continue. You start off by focusing on, "Let's give a special credit here and one there," and now you have to go back and say, "Well, we're going to pick that one to pull back and not that one," because they're going into the same fiscal situation in reality that we're faced with in the province of Alberta.

Now, in the province of Quebec their problem is even tenfold what Ontario's is. They aren't in the same sort of fiscal responsibility mode as Ontario and the province of Alberta are, so they're just borrowing from their savings plans at this point to try and keep this litany of tax credits in place. But the day comes, when you're running a debt that's \$110 billion and growing, when something has to give. So they'll have to go back and identify which of these one-off tax credit programs won't be able to exist. Fiscal reality eventually sets in. Choices have to be made between delivering core programs and one-off programs, even with this amendment that has been put forward, Mr. Chairman.

So while I think it would be great to have lower taxes and I'm a major promoter of that, I would hope that not only would we not accept the amendment but that we would not accept this bill. I'd rather see us review it in an overall tax policy as opposed to one-off. So, Mr. Chairman, I can't support the amendment, and I really would encourage the House not to support the bill. I'd rather have us go back and review this in a broader scheme of tax so that we can put credits that go back right across the province to all Albertans, instead of focusing on one group.

Those are my comments. Thank you very much.

3:20

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

MR. LOUGHEED: Thank you, Mr. Chairman. I appreciate the comments of the minister. I listened quite attentively and did not find a great deal of reference to the amendment, which we are currently on. I thought for sure you would have intervened but didn't see it happen.

At any rate, Mr. Chairman, these amendments were carefully considered with the help of the department in charge of such things. The suggestion was made that this amendment would help to strengthen the bill and would help to prevent any sort of opportunity for somebody who wished to defraud the government, to not pay their taxes, to illegally beat the system, to get around the whole intent of the bill and somehow maximize their deductions by defrauding the government and not paying their fair share. So on the advice of the department I suggested that we would be glad to accept this amendment and that we would move it forward and help to strengthen the bill and protect it, because as I understand it, there is in the tax system some difficulty with trying to keep track of these kinds of things in the section that it falls into.

By introducing this limit to the amount of deduction, we'll be able to capture all of the individuals that are currently journeymen and most of the individuals who are apprentices, who in some cases perhaps even pay \$10,000 in their first year or two for the different tools required in their trade. Unfortunately, we can't broaden it beyond that; \$5,000 seems to be an appropriate limit. It will, as I say, capture virtually all the tradesmen, and it will also capture most of the apprentices.

Perhaps later in the debate we can talk further about the special credits that Ontario or perhaps Quebec have and the difficulties there. Suffice it to say, Mr. Chairman, that the tax credits that were mentioned are really interesting, mostly going to corporations that set up some kind of project of some sort, whereas this particular bill speaks more to the individual. The individual has to buy some kinds of tools in order to carry out his trade. In fact, if the person worked in his garage in the back alley, he could fully deduct all those tools, but if he goes to work for some garage downtown and he has to buy his own tools, he's unable to make that deduction.

This is a simple kind of approach. When somebody expends dollars to earn an income and he's required to do so to earn that money, then it seems appropriate to allow those deductions to occur, just like any businessperson is able to do. Perhaps later on we'll have members speaking to the inability of these mechanics to incorporate themselves and set themselves up as a little company, like they might be able to do if they were a dentist or a lawyer or a doctor or something along those lines.

That would conclude my comments, Mr. Chairman, but I would urge the Assembly to accept the amendment.

[The voice vote indicated that the motion carried]

[Several members rose calling for a division. The division bell was rung at 3:26 p.m.]

[Ten minutes having elapsed, the committee divided]

[Mr. Tannas in the chair]

For the motion:

Blakeman	Goudreau	Marz
Boutilier	Hancock	Maskell
Calahasen	Hlady	Mason
Cao	Horne	Massey
Cardinal	Hutton	Oberg
Cenaiko	Jablonski	O'Neill

Coutts	Jonson	Ouellette
Danyluk	Klapstein	Pham
DeLong	Knight	Rathgeber
Doerksen	Kryczka	Snelgrove
Dunford	Lord	Strang
Fischer	Lougheed	Taft
Fritz	Lukaszuk	VanderBurg
Gordon	Magnus	Yankowsky

Against the motion:

Amery	Herard	Nelson
Graydon	Melchin	Vandermeer
Haley		

Totals: For – 42 Against – 7

[Motion on amendment A1 carried]

THE CHAIRMAN: Are there any further comments, questions, or amendments to be offered with respect to this bill? The hon. Member for Dunvegan.

3:40

MR. GOUDREAU: Thank you, Mr. Chairman. It's my pleasure to stand and speak to the Committee of the Whole today in favour of Bill 207, the Alberta Personal Income Tax (Tools Deduction) Amendment Act, 2001, as proposed by the Member for Clover Bar-Fort Saskatchewan.

Mr. Chairman, I believe it is important to support this bill as it is an incentive for people, especially our younger generation, to join the trades industry. As we all know, the province is experiencing a shortage of workers in the trades. There have been reports that we may have to look to workers from other provinces to try to find people to fill our booming industry. Bill 207 will be another added incentive for workers to come to our province or for young Albertans to step into it.

Statistics have shown that demand for employees in the trades industry is monstrous. In June the unemployment rate for the industry, which was stipulated as trades, transport, and equipment operating and related occupations, was only 3.8 percent. This rate was far below the overall unemployment rate of 5.7 percent. This low rate is a telltale sign of how busy this industry is and how we must take steps to ensure it stays that way.

Section 2(2) of Bill 207 lays out a formula by which a tradesperson would be eligible for a tax credit on the very expensive tools necessary to work in their industry. I believe this tax credit will attract many more people to the industry as well as being an attractive benefit for the workers already contributing to our vast infrastructure by building our highways and ensuring that our homes and commercial buildings have the heat and plumbing they require.

Mr. Chairman, in 1998 the Alberta Tax Review Committee provided recommendations which sought to enhance Alberta's control over its tax system. In the government's move to remove the burden that was faced by Alberta taxpayers, many changes were made to increase the Alberta advantage. However, a tax credit for tools was not included. Bill 207 now introduces this important amendment. We know how important the tradesperson is to our province, and Bill 207 will ensure they know that they are appreciated and recognized.

Bill 207 allows the province, which already has extensively reduced taxes as a means of spurring economic growth, to introduce another mechanism of tax relief to Alberta workers who must regularly purchase, repair, and replace expensive tools. This

government does not need to be reminded about the benefits of lower taxes. We have been promoting lower taxes for many years. We know that they put money back into the pockets of those who have worked to earn it. We know that lower taxes provide incentive for investment and growth. Albertans know how they want to spend their own money, and they do not need the government telling them how. This tax credit will ensure that there is money put back into the wallets of tradespeople in Alberta. We know the benefits, so let us now act on that knowledge.

Mr. Chairman, many apprentices and new tradespeople must have their own set of tools to begin working. This creates an initial barrier for new workers who do not have the money to invest in tools. Business owners often ask workers to buy expensive tools because it is very difficult to keep track of what workers need and what they don't need and who is using what. The amendment to the act will help these employers and their employees by providing some assistance with the high cost of tools. The burden of purchasing tools can be very, very large. Providing a nonrefundable tax credit for the benefit of tradespeople would remove that substantial initial barrier to entering this important and exciting career field.

There are approximately 50 accredited trades in Alberta. Electricians, mechanics, forestry workers, and oil field technicians are some of the tradespeople who are required to purchase a starter set of tools and then constantly upgrade them to remain competitive. For instance, if I was working in the oil industry as a battery operator for oil well sites and I had to buy my own tools, the cost would be astronomical. Some of the preliminary tools I would need are wrench sets – and those are both metric and fractional – hex-key sets, socket sets, bolt cutters, screwdrivers, pipe wrenches, and pairs of steel-toed boots. All of these tools would cost me in excess of \$700. The pipe wrenches alone may cost up to \$350.

People who are starting out in this industry need this tax credit, Mr. Chairman. I only gave the example of a battery operator, but imagine what the costs are for mechanics, when a good socket set alone could run over \$200. This is only one of the many tools that are required. With initial costs like this, is it any wonder we are having difficulties attracting young Albertans to a career in the trades? We need Bill 207 to lend a helping hand to those just starting out.

Another example is one of a plumber. This is, again, another incredibly expensive trade. The number of different tools that you need is immense. The price of these tools could be up in the thousands and thousands of dollars, and this makes it extremely difficult for those who are trying to start out in the business. Bill 207 would be an immense help for those in this industry.

Mr. Chairman, Bill 207 also ensures that the government of Alberta will not be taken advantage of by dishonest people. With the new cap of \$5,000 as outlined in the amendment to section 2, skilled workers who are using this tax credit will only be allowed to claim the capped amount. This will guard against people claiming tools purchased for other people that aren't actually used for work purposes. With Bill 207 we will attract skilled workers from across Canada, and we will be encouraging young Albertans to enter a booming industry that could very well face a worker shortage if action is not taken.

I want to emphasize that we are not alone in this crusade. As I have already mentioned, the federal government is spearheading an initiative to help the trade worker in Canada. We can now show our support for this industry by encouraging Bill 207. I encourage the committee to support Bill 207.

Thank you, Mr. Chairman.

THE CHAIRMAN: The hon. Member for St. Albert.

MRS. O'NEILL: Thank you very much, Mr. Chairman. It's my pleasure to be speaking today on Bill 207, the Alberta Personal Income Tax (Tools Deduction) Amendment Act, 2001. I feel that implementing this tax credit lifts pressure off tradespeople who will in turn create efficient workers. I would like to briefly revisit some important advantages of Bill 207. If we follow the logic behind this bill, we'll be able to gauge the effectiveness of this tax credit for trade tools.

First of all, this Assembly needs no lecture about the benefits of general lower tax rates. We know that lower taxes put money back in the hands of those who have worked hard to earn it. We know that we can trust Albertans with their own money and that they don't need government to tell them how to spend it. We know that lower taxes provide a positive incentive for strong investment and growth. That is why over the past few years this government has brought in policies such as the Alberta Personal Income Tax Act, which will give Albertans the most competitive income tax regime in the country. However, there are a growing number of Albertans that need incentive and opportunity to advance in their profession.

The trades professions, Mr. Chairman, are important careers that have a rare amount of independence and responsibility. This bill recognizes the importance of tradespeople, and it provides a means to improve the efficiencies of these occupations. Trades careers have a large amount of individual decision-making compared to other service careers. Tradespeople will determine how they will attack their assigned projects and to some extent what types and how much material will be used. Most importantly, tradespeople very often determine what tools they are going to use at their tasks.

Employers are increasingly placing the responsibility on the employees to purchase a personal set of tools because it alleviates their burden of purchasing, replacing, and repairing expensive tools. With trades increasing with technology, it is easier and more economical for the employer not to have responsibility for many sets of expensive tools that would be best cared for in the hands of the person who personally owns them.

In most cases tools are first acquired during the process of training in whatever specific trade someone might be pursuing, be it construction, plumbing, or welding. Especially in large shops tools are often owned by the worker for two reasons. First of all, personal ownership automatically encourages workers to look after tools to the best of their abilities. If they don't look after their tools, then the quality of the finished product suffers. The other important reason why tools are often owned by the worker is the difficulty for an employer to loan out tools to workers and have them returned as employees move from one task to the next. Availability is an issue, as is time.

3:50

In a sense all tradespeople, whether they own their own businesses or not, are entrepreneurs. Their skills and their tools are what they own and bring to the market. They are given a task and use self-direction and initiative to get the job done. It makes sense, then, that this government should recognize tradespeople as entrepreneurs and encourage them to fulfill their potential with self-initiative. The nonrefundable tax credit on tool ownership does just that. Like in other small businesses tax credits recognize the importance of having the best resources possible and the high cost of industry-specific tools.

Bill 207 would treat tools bought by tradespeople the same way it treats new tires purchased by a trucking company for its fleet. Just as with the owner of the new tires, the tradesperson, the owner of new tools for work, would now be eligible for a work-related tax credit. This credit would serve as an incentive to do more work and to do it better.

Alberta continually leads the country in economic growth, and

new jobs are being created every day. Many of these new jobs are in construction and numerous trade-related industries. These industries are expanding, and a staggering number of projects are being developed all across Alberta. As a result, demand for skilled labour is increasing at an alarming rate. Alberta needs to ensure that there are enough skilled tradespeople to meet the demands of our growing economy. In order to meet this increasing demand, we need to provide incentives for people to enter these industries. This is what Bill 207 seeks to accomplish.

Mr. Chairman, providing a nonrefundable tax credit for the benefit of trade journeymen and apprentices would remove a sizable barrier that many people face when considering the possibility of entering trades. From electricians to heavy-duty mechanics to employees in forestry and the natural resource industries, these people are required to have a basic set of tools when they enter the industry and to continue to upgrade them as they progress in their craft. These tools are expensive but are required to do these jobs on a daily basis. Many of these industries are pillars of Alberta business, and we cannot afford to ignore the issues faced by their employees. The economic prosperity of our province relies upon the strength of these companies and the employees that make them successful.

This bill is necessary because of the often excessive price of tools for most journeyman tradespeople and apprentices. We are all aware that the prices of these tools make it difficult for tradespeople who buy their own to enjoy Alberta's tax relief initiatives like other Albertans do. Passing Bill 207 would give them the opportunity to perform much-needed and appreciated jobs.

Mr. Chairman, I am reminded of the fact that when I proposed my bill earlier in this session, it was in response to young persons who wanted to go into the trades as apprentices and who found that it was very difficult for them to finance not only the insurance on their cars or their trucks, which were sometimes old clunkers, but also to finance their tools and their tuition and their living circumstances. That's why Bill 207 is so important.

I believe that this is an important bill which will spur greater economic growth in this province by introducing another mechanism of tax relief to hardworking Albertans who must regularly purchase, repair, and replace expensive tools. The creation of a tax credit for the benefit of trade journeymen would recognize the continued growth in our trade-heavy employment sector. However, various trade sectors continue to grow, which will require more workers. I have a concern that this initial cost for tools is such a barrier that it would deter new generations of workers into trades. I believe Bill 207 would provide just the incentive we need for a new generation to choose a trade as a career.

I'm somewhat relieved to hear that apprenticeship levels have been increasing over the last decade, specifically in the early training. We heard that last evening when I had the opportunity to speak with those who administer and teach at the Northern Alberta Institute of Technology, but I think there is still work to be done to increase these levels.

The chances for placement are substantially increased for those who have acquired tools of their own. This is often an unattainable expectation to have for new apprentices and workers but is becoming more the norm in the trade industry. As trades specialize more and more and as technology increases, there is a greater need for each employee to have their own tools and equipment necessary to do their respective job. Mr. Chairman, I fear that because employers have required those who work for them to purchase their own tools, the growth potential for new generations of trades workers in our province could be weakened. Bill 207 would help Alberta's chances to stop the widening shortage of workers in this sector.

I'd also like to say that I believe we have a responsibility here in

this Legislature to enable our young Albertans and Albertans in many industries, including the various trades, to facilitate their advancement in their particular trade and not to put up barriers.

Mr. Chairman, the value of stimulating new generations of tradespeople in our province cannot be overlooked. I believe that Bill 207 is an investment in the growth of future apprenticeship trade workers in this province. I know, because I have heard from several young people in the trades and in apprenticeship programs in my constituency.

To wrap up the importance of the tax credit reward proposed in Bill 207, I would like to compare the importance of this bill to building a home. In order to build a home that will last for a long time, it must rest on a stable foundation. The basement cannot be made from cheap Turkish cement and a fine sand or the walls will chip and crumble under the pressure from the house above. The concrete for the foundation must be heavy in order to withstand years of pressure. The tar and thick sealant necessary to prevent moisture from seeping in from the ground around the basement cannot be worn and dry or it will further weaken the foundation. The two-by-fours and two-by-sixes used to frame the house must not be rotten and twisted but rather fresh and straight in order to hold up the walls. The windows must also have a tight seal to keep Alberta's biting winter air from blowing in. In other words, the hardware and supplies used to build the home must be of a high level of quality in order to do the job right and ensure that the home lasts for a long time.

Tools for Alberta's various trade industries work the same way. In order to do an effective job to the best of their abilities, tradespeople must have quality tools to work with. Furthermore, just as better supplies make a better home, better tools help tradespeople do a better job.

As the cornerstones of Alberta's business expand, we must give Alberta's hardworking, dedicated trade industries the opportunity to do their very best. Let's carry out Bill 207.

Thank you.

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

DR. TAFT: Thank you, Mr. Chairman. I'm pleased to join in the debate on Bill 207 and pleased to say that I agree with my dear friend the Provincial Treasurer on her concerns with the bill. I agree with you.

4:00

There are several issues that I would like to raise with the bill. The first has to do, actually, with apprentice training and the impact of this bill potentially on demand for apprentice training or the training for trades. Certainly a great number of people work in trades who are not designated as journeymen. They may be accomplished carpenters or other workers, but they carry out their work without a formal designation as a tradesperson. Clearly, this particular bill would give a great incentive to people to achieve that designation, which in itself is not a bad thing, but I'm wondering about the impact on training for trades especially when apprentice training funding is basically frozen at current levels and technical institutions are not opening up their training opportunities for new apprentices, to expand the number of apprentices. So I'm concerned that we might see a surge of people seeking to complete their formal training as journeymen and actually jamming up the training system for new students.

I'm also concerned, as the Treasurer raised, with the precedent that this sets. It's certainly the continuation of a trend that this sets. I know there are a great number of tax credits both with the federal

system and with the provincial system, and they apply to all kinds of people, so if we just add one more tax credit, it could be argued: well, it's no big deal. On the other hand, I think we need to ask ourselves: where does this lead; is it, in fact, a slippery slope? And certainly it is one more step in that direction. Are we going to allow teachers to begin to deduct the costs of pencils or paper or computers? Are we going to allow nurses to deduct the costs of their uniforms and so on. The logic accumulates and each one of those is a complexity to the tax system and a cost to the tax base. If this were a tax break to assist people who are raising children, that would be a different kind of issue. I could certainly see that. But as a tax break or tax credit for tools I'm less enthusiastic.

I'm also concerned about the complexity this adds to the tax system, the need for more paperwork. All of us struggle, I think, to figure out the tax system at the end of the year, and I think there are full marks for moving the tax system to a simpler rather than a more difficult process.

I also wonder, as somebody that tries to keep an eye on the economic situation, if there's any – in fact, I'm sure there is a risk of an inflationary effect from this particular tax credit. We will almost immediately see the price of higher quality tools used by tradespeople rise because the retailers will fully realize that there's an incentive for tradespeople to consume more. I think there will then be an inflationary effect as a result of this bill that is at least worth considering.

Beyond that – and I'm sure this is where the Treasurer and I would see eye to eye – there is a cost to the tax base. This is in effect a tax expenditure, and at a time when government revenues appear to be tight, I don't think there's room for having an additional tax expenditure. I'm wondering how we can afford this kind of a tax expenditure when we're cutting elsewhere. You know, is a tax deduction for tools a higher priority than children's services, for example? Is it a higher priority than hospitals? That's what this amounts to. The money that will be forgone through this bill will have to be taken directly out of somewhere else. It seems that common targets these days are things like health care, children, and education.

Given that, there's just no moral way in which I can support providing a tax expenditure and eating into the provincial revenues at the time when we are actually cutting services elsewhere. So I will be opposing this bill on that basis.

Thank you very much.

THE CHAIRMAN: The hon. Member for Edmonton-Castle Downs.

MR. LUKASZUK: Mr. Chairman, thank you. Unlike the previous speaker, the member of the Liberal opposition, I can't speak against Bill 207, as I must support the working people of my constituency.

Mr. Chairman, Alberta's economy has been growing at an astounding pace in recent years. Our industrial capacity is greater than ever because of innovation, hard work, and one of the best environments for business in the world. Low taxes have attracted extraordinary investment into the province, and Alberta companies are creating jobs faster than they ever have before. We need to explore new strategies to attract even more skilled workers into the province, and I believe that this bill could aid us in reaching that goal.

Mr. Chairman, I'd like to take a moment to speak to the amendment, which I fully support in making a good bill an even better bill. It's important to establish an upper limit, I believe. Although I can say without reservation that tradespeople deserve tax credits for their enormous expenditure on tools of their trade, it is equally important that this bill not open a loophole in the tax law that someone could

drive a truck through. Although I trust the tradespeople of Alberta . . .

THE CHAIRMAN: Hon. member, the amendment has already been passed, so you can reflect briefly on it but hopefully not talk upon it. It's already been decided by the committee. That's all.

MR. LUKASZUK: Mr. Chairman, that was clearly the intention, but I appreciate your comments.

Low taxes are what make Alberta a far more functional, versatile, and resilient economy than most of the world. High taxes, on the other hand, would force an economy into inefficient rigidity. The higher the tax the greater the incentive for cheating, the higher the tax the less incentive there is for growth and innovation, and the higher the tax the less businesses are able to survive the occasional and inevitable downturn in the business cycle.

One particular aspect of low taxes, that of having a functional economy that operates fairly and aboveboard, is a particular Alberta advantage. It is unfortunate, Mr. Chairman, but true that high taxes force a great deal of the economy underground, including construction and other trades. If half of the profit from a job goes to taxes, it presents an opportunity for two individuals to agree to not report the contract to tax collecting agencies and split the difference in costs savings between them. Incidents of this type of underground market transactions have increased proportionally to the taxes that are levied against legitimate activity.

If we provide an incentive such as the tax credit proposed through section 2 of Bill 207, a greater amount of reported income will result. After all, if a tradesperson wishes to claim the tax credit, they must demonstrate at least as much income as the value of the tools they wish to deduct. This tax would stimulate two objectives: it would offset the high startup costs associated with the trades and also get new tradespeople into the habit of working in the mainstream economy as compared to the underground economy.

Mr. Chairman, the unreported transaction of tradespersons is by its nature very difficult to calculate. However, it has been well established that there are two ways to reduce the incidence of underground trading in the economy. One method is to increase penalties and enforcement for the, quote, unquote, for-cash transaction, and the other method is to reduce the cost of doing business in the regular economy through a tax cut. The first method requires bigger government. The other requires smaller mechanisms to calculate tax breaks but will then provide an income to government through the greater amount of reported economic activity. It has been borne out in countless countries and provinces that if taxes are low, more income is reported. The aphorism "you can catch more flies with honey than vinegar" seems to apply, and Bill 207 would sweeten the pot for tradespeople substantially.

4:10

When we examine the trade-off of costs and benefits in providing a tax credit for tradespeople in Alberta, I would say that the benefits are great and the costs are small. In fact, I would estimate that a great deal of cost would be offset by the economic growth that this strategy could produce.

Mr. Chairman, by helping tradespeople we help all Albertans. Tradespeople are the real producers in our economy. Without tradespeople in Alberta there would be no buildings for lawyers, professors, or accountants to work in, and no electric lights in hospitals for our doctors to operate under. The well-laid plans of an engineer or an architect would never get off the ground without the help of tradespeople. The trades are the key to accomplishing

anything anywhere. [some applause] Mr. Chairman, I am glad to excite that many members with those statements.

The sweat of the trades has been the lubricant of a great economy, and we need to recognize that these individuals provide an essential role. Just imagine our world without skilled contributors such as tradespeople. There is no doubt that these workers contribute far more than just their tax dollars to the well-being of Albertans. Their accomplishments stand the test of time, serving society after they have retired. The building in which we stand is unmistakably an example of that.

Anything that we can do to bring more highly skilled workers into our province should be considered very seriously. We are competing in an increasingly large market for skilled labour, and if Alberta is to maintain its advantage, we must develop the potential of our skilled workers to their fullest. This tax credit, Mr. Chairman, could result in there being a greater number of skilled tradespeople in Alberta than other provinces. I see nothing wrong with that. The trades are the backbone of the economy, and their contributions are not only valuable but integral to the continued growth and the prosperity of all sectors of Alberta's economy.

Mr. Chairman, as our friends in the opposition would I'm sure agree, we already recognize doctors, nurses, and teachers as the backbone of our society and provide them with more after-tax income than any other province. We also know that to recruit and retain skilled workers we have to provide financial incentives above and beyond other provinces. Bill 207 would make a statement that Alberta values our carpenters, electricians, mechanics, stonemasons, steelworkers, welders, and countless other professionals that would benefit from this tax credit above other professionals. This is because trades create real wealth, immeasurable by each and every member of our society.

Economic spin-offs from a highly trained workforce benefit all of society, and therefore there should be some recognition of this in our tax structure to encourage training in these trades. Real wealth, Mr. Chairman, is something you can touch and use, something that improves your quality of life just by being there. Tradespeople optimize what it means to create real wealth in society. Their labour can be seen for years, even decades after they have left the jobsite and goes on contributing to our lives at a value far beyond what can be turned off with a light switch or as large as the Legislature, but each represents assets that allow the rest of the society to function.

A tax credit for carpenters could result in us all having a greater number of buildings in which we could work or live, while a tax credit for electricians provides light switches so that we all may see better. A tax credit for mechanics would keep our cars running, while a tax credit for welders would help resource companies build pipelines to ship their products to the markets. Having more tradespeople operating in this province would provide greater productivity and productive capacity to create tangible wealth, and the whole society would prosper from the abundance of working capital that the tradespeople provide. All we have to do is formulate a strategy to bring them to the Alberta advantage to a greater degree, and Bill 207 accomplishes that.

Mr. Chairman, the Alberta advantage has become very clear in recent months. While economies are discussing how to manage an economic downturn, Alberta is in the enviable position of having to manage its amazing growth. Even with the downturn in oil and gas prices we have maintained a strong economic performance and can say without boast or undue optimism that the Alberta advantage will outperform the majority of other world economies by a comfortable margin and all other economies in Canada. We are recognized as an economy that thrives on innovation and diversification, supporting a high quality of life and opportunity to excel in countless sectors.

However, we must give serious consideration to how to best manage our growth and how to ensure that we have the skilled labour resources to build homes for new Albertans and construct workshops and factories for expanding industry.

Ultimately I support Bill 207 because it helps out the little guy, the hardworking tradesperson who is just starting out as an employee. This bill could provide the right kind of incentive for young Albertans to choose a career in the trades and to grow with Alberta's industry. Everyone wants a high-paying job, but if the start-up costs are prohibitive, what then? Bill 207 provides a step in the right direction to offsetting some of the high start-up costs for employee tradespeople and might even attract a greater number of young men and women seeking to start a career in the trades. This bill provides us with an opportunity to strike a new balance and a competitiveness in the labour market by attracting the right kind of workers to an economy that aims to create real wealth for all Albertans.

Mr. Chairman, I urge all of my colleagues to support this strategy for growth and a higher level of competitiveness for the entire economy of Alberta. Thank you.

THE CHAIRMAN: The hon. Member for Wainwright.

MR. FISCHER: Thank you, Mr. Chairman. It is my honour to speak in favour of Bill 207, the Alberta Personal Income Tax (Tools Deduction) Amendment Act. There have been a lot of speakers on this today, and it reminds me a little bit of Elizabeth Taylor's fifth husband: he knew what he was there for, but he knew there was a high risk of repetition.

The tools deduction amendment act could be very, very important to rural Alberta. I do know that we have people in this province that have worked hard and done a lot of things right. We've had a friendly tax environment. We have an expanded economy, and it has benefited us all. But there is one thing that I believe we have been lacking with this Alberta advantage that we have built, and this is in the area of rural Alberta. Many of our small communities have been lacking skilled workers in all of our trades. Mr. Chairman, I want to give a few examples.

4:20

Certainly when a farmer or anyone in the agriculture service industry that's out fighting against the weather and trying to get their work done breaks down and has to hire a technician or a service agent that's got to travel for 150 kilometres or more to come and get them going again, it is very, very frustrating. I do believe that this tax credit proposal of Bill 207 could help alleviate some of those problems. Now, when we think of all of the machines and the machinery that need repairing and need service, we have to have highly professional technicians that do this, especially now with all the electrical and computerized components that are on the machinery. So I would like very much to support this bill in that regard.

I do believe that the \$5,000 may not be high enough, because I do know that when my young fellow went to NAIT to take diesel mechanics, he had \$2,500 spent one morning before I even got up, and I get up at 5:30 in the morning. It is very, very costly for that, and of course employers do not provide tools for a lot of professions.

Mr. Chairman, what I'd like to say is that I'd like to support this bill. I do think that we could not proclaim it for a while, until the financial situation got turned around, and then it would be a great asset to our industries.

Thank you.

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

MRS. FRITZ: Thank you, Mr. Chairman. Might we have unanimous consent to introduce guests that are in the Assembly today?

THE CHAIRMAN: May we have unanimous consent to revert briefly to Introduction of Guests?

[Unanimous consent granted]

head: Introduction of Guests

(*reversion*)

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

MRS. FRITZ: Thank you, Mr. Chairman. I'm pleased to introduce to the Assembly staff that are here from the Stollery children's hospital. They are here today to see if the debate on Bill 209, which is the Highway Traffic (Bicycle Safety Helmet) Amendment Act, comes forward, because they've actually had a lot of participation in the bill. We're pleased to see you with us here today, and I would ask that Mrs. Jackie Petruk, the executive director; Kathy Nykolyshyn; Lori Balch; and Laurie McCaffery rise and receive the warm welcome of the Assembly.

Bill 207

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

THE CHAIRMAN: The hon. Member for Lac La Biche-St. Paul.

MR. DANYLUK: Thank you very much, Mr. Chairman. It indeed gives me pleasure to stand and speak to Bill 207. I think what happens is we don't put enough emphasis and enough importance on the trades, and I would also like to suggest that to support the trades in the province is very important to all of us. We have to also understand the burdens that are faced by these young individuals who are coming into the trades. The high cost of equipment – the purchase, the rental, the maintenance, and the insurance of portable tools – is one avenue where there is an opportunity for a deduction. This opportunity for a deduction is not for individuals who go to a job that don't need, if you want to call it, extra expense or extra equipment to be able to perform their jobs. In most of the jobs that are performed by trades, they all do need their own tools.

I would also suggest that this is not a gift that is given, that there is a lot of credibility behind this bill. The individuals that would be able to have some opportunity to be involved in the opportunities of this bill need receipts, and they need a certificate from their employer stating where the tools were purchased, also ensuring that it's going to be used on the jobsite. I think that that adds a lot of credibility that this is not just a gift to some individual group.

I would also say that with the discussion of a \$5,000 cap in that amount to the tradesman is also accountability so that you don't end up in a situation where you can earn X amount of money and claim it all in tools in the first year, that you do have basically a cap.

I would also like to say that I do believe that it encourages young people to be able to get into the trades. When you are a young tradesman or, first of all, let's say, a high school student coming out of high school and looking for a vocation and knowing that there is some opportunity to be able to have deductions on some of the equipment that you may purchase, it may be a turning point in your decision. I stress again that we really do need the tradesmen. I mean, when was the last time one of you had the opportunity to look under the hood of your car and try to figure out what's happening?

MRS. NELSON: On Saturday.

MR. DANYLUK: On Saturday? And how was it? We're not supposed to discuss. I'm sorry, sir. I will carry on.

All we have to do, Mr. Chairman, is look around these halls and look at the work that tradesmen have done and we have been enjoying for many years.

Also, Mr. Chairman, I would like to say that in Alberta the tradespersons play an important role in Alberta's economy, and it would be disastrous to experience a tradesperson labour shortage, as we presently are. If this bill helps in any way to encourage young Albertans to enter the trades and fuel the economy and if it assists with the current shortage of tradesmen and encourages youngsters to enter the trades, then I believe this bill has a very positive advantage.

Thank you.

THE CHAIRMAN: The hon. Member for Red Deer-North.

MRS. JABLONSKI: Thank you, Mr. Chairman, for the opportunity today to rise and speak to Bill 207. It is always an honour for me to speak in the Assembly to the business before hon. members, but today it is even more of an honour to speak to a bill that will see taxes lowered for hardworking Albertans.

Mr. Chairman, I would like to begin today by focusing my comments on section 2(2) of the bill, which outlines the formula by which the tools deduction will be calculated for tradespeople. I would like to commend the hon. Member for Clover Bar-Fort Saskatchewan for developing a formula that is both fair and simple. One of the guiding principles of the 1998 Alberta Tax Review Committee's report entitled *Future Direction for Personal Income Taxes in Alberta* is the idea of simplicity and transparency. In fact, the report indicated that the need for simplicity was a primary consideration for the committee. Submissions to the committee repeatedly stressed the need to keep the tax system simple. Too many Canadians and Albertans are confused by the complexity of the current system, and too few understand how their taxes are determined.

Well, the formula developed by the hon. member conforms to the spirit of the recommendations made by this committee and the new tax policy as adopted by the government through the Alberta Income Tax Act. It is simple, easy to understand, and easy to calculate. Some individuals have argued that this bill would increase administrative costs associated with the collection of taxes, that somehow this new deduction would be difficult to monitor. Mr. Chairman, that is simply not the case. I would like to point out that administrative costs are already being incurred in ensuring that filings with the government are accurate and honest. This new deduction would not unnecessarily add to the work of officials within the Department of Finance.

Secondly, Mr. Chairman, tradespeople, like all Albertans who make deduction claims, keep receipts. This is neither cumbersome nor an outrageous expectation. It is done on a daily basis by tax-conscious Albertans, who must do these sorts of things when paying taxes to our Liberal friends in Ottawa.

4:30

Other opponents of this tax deduction also point out that this law fails to recognize other occupations, that somehow by recognizing the tradespeople of this province in this manner, we would be ignoring the plight of other sectors of the Alberta workforce. Again, Mr. Chairman, this is not the case. This bill will benefit not an industry but rather an entire sector of our economy: plumbers, welders, carpenters, electricians, mechanics, journeymen tradespeople.

Basically, anyone who uses tools on a daily basis will benefit from this bill, and I wish to point out that most other occupations do not require at least \$500 in materials to facilitate work.

Finally, Bill 207 is important for Alberta because it will help us to address the growing gap between the success of our economy and our ability to supply qualified workers and tradesmen to fuel that success. One only need look through the paper to find the documented success of our markets. I appreciate, Mr. Chairman, that we are in the midst of difficult times these days, but Alberta more than any other province is well positioned to ride out the cycle. According to the Centre for Spatial Economics, Alberta's economy will not fall victim to an oil field bust in the next decade. Investment in our oil and gas sector will be strong with approximately \$42 billion being invested in the Wood Buffalo-Cold Lake region over the next 10 years. Alberta's gross domestic product will grow an average of 3 percent from 2001 to 2006 with employment up 2 percent a year and population growth up 1 percent in each of those years. Unemployment will remain at 5 percent or less. Mr. Chairman, the potential is here for tremendous growth, especially when you consider that the projects planned in the Wood Buffalo-Cold Lake region were planned to proceed based on oil being sold at \$17 or \$18 per barrel.

We don't need to look 10 years down the road to see the impact of growth on our economy. Alberta Finance reports that in August building permits were up 8.3 percent in Alberta. Who, Mr. Chairman, will fill these requests? The point of all this is that Alberta will need a skilled workforce to make these projects happen. Not only that, but we need a skilled workforce of tradesmen and apprentices who will be able to fuel Alberta's economy well into the future. We have seen over the last decade how specialized labour shortages can affect our province. For years now it seems as though with such a robust economy we have had to constantly play catch-up, trying to find skilled tradesmen and journeymen to facilitate growth.

Bill 207 will help our current workforce and encourage our young people to seriously consider entering the trades. The price of tools can be burdensome to a young person thinking about entering the trades. We talk a good game about encouraging our youth to consider other options than universities. Now is the time for us to back that talk with action. I appreciate that now is not one of the best times to be amending Alberta's tax code, but it's the proper time to seize the initiative to ensure that Alberta's workforce is where it needs to be. Tax relief is an achievement for all Albertans that want government tax policy to be fair and not penalize them for making good choices, good choices such as going into the trades as apprentices and journeymen. This province, Mr. Chairman, is no stranger to the benefits of tax relief.

We have an opportunity to encourage young Albertans to seriously look at the trades. We have an opportunity for adults to go back to classes and update their skills. We have an opportunity to provide the necessary support to current journeymen and workers across the province who fuel the engine of Alberta's good times. Bill 207 is not only responsible but is also reasonable with sections such as 2(2) and the basic level needed for tax relief.

Mr. Chairman, I encourage members of the Assembly to support Bill 207 and provide the tradespeople of this province with the support necessary to move this province ahead. Thank you.

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

MR. HUTTON: Thank you very much, Mr. Chairman, for allowing me to speak in support of Bill 207, the Alberta Personal Income Tax (Tools Deduction) Amendment Act, 2001. I am the representative for the citizens of Edmonton-Glenora. I grew up in the west end of

the riding when it was the town of Jasper Place. My father was a mechanic. My next-door neighbour was an electrician. The people across the street: there was a heavy-duty mechanic and a sheet metal worker. When I went door-knocking in January and February, I met with the people of the west end of my riding. These people are the next generation of the hardworking Albertans that we call the Alberta advantage.

When we examine the trade-offs and the costs and benefits in providing a tax credit to tradespeople in Alberta, I would say that the benefits are great and the costs are small. In fact, I would estimate that a great deal of the costs would be offset by the economic growth and strategy that it would produce.

I was at NAIT last night, Mr. Chairman, and I toured the facility, seeing the expansion of people that were moving into the trades in this province. We are seeing an incredible increase not only in our economy with the GDP, but we're seeing people going into the trades that are working 24 hours seven days a week, 365 days a year for the people of Alberta. Those are the blue-collar, severely normal Albertans that are out there, and they need assistance, that little bit of a leg up starting out in the apprenticeship program. I know that the tools my father had to purchase when he was working in his trade were not supplied by his employer. He had to set aside some moneys to buy a large number of tools that he required to work on cars and trucks at the dealership that he worked at for 25 years before his death.

The citizens of Glenora, whom I represent, would see this as a great bill for this government to pass, and I wholeheartedly support Bill 207, Mr. Chairman. By helping tradespeople, we help Albertans. Tradespeople are the real producers in our economy. Without tradespeople in Alberta there would be no buildings for lawyers, professors, or accountants to work in, and no electric lights in hospitals for our doctors to operate under, no Legislature lights.

MR. LUKASZUK: Or in the Annex for the Liberals.

MR. HUTTON: Or in the Annex for the Liberals, for that matter.

What we are looking at, Mr. Chairman, is the Alberta advantage. This fits in the tax policies of this government. This encourages young Albertans to enter the trades and fuel this economy. The engine of growth for this economy is the small operators, and that includes the blue-collar tradespeople.

I support Bill 207 for the constituents in my riding and the lower middle-income people that reside there. I hope that my colleagues in the House today that have stood up before me will continue to champion Bill 207 and that we will see this passed so that the citizens of Alberta that are moving into the apprenticeship programs can buy the proper tools so that they can do the jobs that will help this province's growth in the next decade or several decades.

I thank you for your time, Mr. Chairman.

THE CHAIRMAN: The hon. Member of Olds-Didsbury-Three Hills, followed by the hon. Member for Whitecourt-St. Anne.

MR. MARZ: Thank you, Mr. Chairman. It's nice to see how many people are so enthusiastic about the passage of this bill and how many people are so eager to speak on it. I'm certainly one that fits into the group that's eager to support this bill, and I commend the Member for Clover Bar-Fort Saskatchewan for bringing forth a bill that I feel has been long overdue.

I spent about 17 years as a quasi-employer, as a county councillor that employed a number of mechanics. I became acutely aware of how expensive tools can be and how quickly they have to be replaced due to a number of factors such as wear-out, surprisingly

enough, loss, and actually adding to your tool collection to adapt to new types of equipment that is out there that you have to work on. So there are a lot of new tools that have to be purchased, and your collection can become in the thousands of dollars after a short period of time.

I also believe that this bill as amended provides the adequate limits to prevent any abuse of the system. The \$5,000 cap instituted through the amendment would keep it to a limit that wouldn't allow people to purchase tools and pass them on through the black market, if that's a concern, and buy tools for someone else.

4:40

I believe it's ironic that the employers of the same tradespeople that Bill 207 refers to can deduct the cost of the tools that they provide to service their customers. The employers provide a certain amount of tools, say, in a garage or service station, but the mechanics that they hire have to provide the rest themselves. The employers can not only deduct the cost of those tools that they provide, but they also deduct the cost of the employment of the tradespeople themselves. So it seems to be an unlevel playing field.

I appreciate the comments of the Provincial Treasurer. It is a difficult time to introduce new tax deductions due to the downturn in our economy, but as I said before, I believe this is long overdue. We've got a labour shortage in this province. The minister of human resources has referred to this several times in the course of this sitting and over the past couple of years. We're on the move in this province, and the trades is one area where there is a shortage. Not passing this bill just creates a disincentive to young people entering the trades. I believe Bill 207 to some degree reduces that disincentive, providing a little bit of tax relief for the purchase of those tools.

Mr. Chairman, as I stated at the outset, I believe that this bill is long overdue. I'm encouraged by the number of people that have spoken to it. To speak any longer would become repetitious of things that have already been said, but I'd also add my encouragement to all members of this Assembly to support this bill.

Thank you.

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

DR. TAFT: Thank you, Mr. Chairman. I rise just to ask an open question to the sponsor of the bill or anyone else. Has there been a cost analysis done for this bill?

THE CHAIRMAN: The hon. Member for Whitecourt-St. Anne.

MR. VANDERBURG: Thank you, and I'll answer the question for the hon. member. No, there hasn't been.

I thank the Member for Clover Bar-Fort Saskatchewan for taking the bold initiative to introduce this bill to recognize the extraordinary expenses that Alberta tradespeople have. Just briefly, Mr. Chairman, I do want to congratulate the Member for Vermilion-Lloydminster for making the amendment. That reflects accurately the intention of this bill, and that is to provide a tool credit.

I'm a licensed tradesman and proud of it. I think there's only one other member in this Assembly. Many of my past co-workers and now my constituents have encouraged me to support and speak to this bill. Both owners and employees at our thousands of shops and jobsites across this province will finally get the recognition for their contribution to the growth of our vibrant province. The absence of the tool credit places many trades at a disadvantage when competing for the future work in our bubbling economy. I believe, colleagues, that by supporting this bill, we can again strengthen the Alberta advantage, as we've heard many others talk about earlier. It fits with

the low-tax philosophy of our government while leaving more cash in the pockets of Albertans. This tool credit may even encourage young Albertans to enter the trades and further fuel our economy. I'd thought that this credit coupled with further encouragement might even have some retired tradespeople put their coveralls back on. I thought maybe even the Member for Grande Prairie-Smoky might consider that with this credit.

This province is very short of good tradespeople, and anything to keep and encourage a healthy, vibrant source of trained Albertans should be supported. I am proud to stand in this Assembly to support Bill 207.

Thank you.

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

MR. KNIGHT: Thank you, Mr. Chairman. In accordance with my responsibility to represent my constituents, I am pleased to rise today to speak in favour of Bill 207. As some members may be aware, I have a background in the trades apprenticeship program in the province of Alberta. I received trade qualification in this program in the mid-1970s, and for 25 years I have indentured many young, productive Albertans as apprentices. These Albertans have gone forward in many cases as successful business owners themselves employing and indenturing apprentices to raise the number of qualified tradespersons in our province.

The technological advances in many trades have made it necessary for those involved to purchase expensive tools and test equipment on an ongoing basis to keep pace with requirements of their trade. A young lady, a constituent of mine, has expressed her concern in the following letter.

As per correspondence below, could you please provide any information as to the progress of Bill 207. Is there yet a chance of the bill going to third reading and being brought into law? For what it's worth, you have my support, and that of my boyfriend, in pushing to finally get some relief from the price of these tools. He is apprenticing as a heavy-duty mechanic and absolutely loves it; he is intent on being successful, and we will therefore deal with the cost as best we can regardless of the political outcome. We are not extravagant people – he is making do with a number of borrowed tools, and most of the new ones have been purchased either from Sears or Canadian Tire. Eventually he will need more specialized tools, some of which are apparently eight or nine-hundred dollars each. And if you cheap out on the toolbox . . . you can expect it to break within 6 months. A quality toolbox that will bear up under the weight is at least \$3,000.

Your success would take an enormous amount of financial stress (and therefore household stress) from us. Please accept our encouragement in continuing to push for Bill 207. Thanks very much for your time.

So, Mr. Chairman, you can see that we do have support in our communities and that constituents are interested in this endeavour. In addition to this, I have also tabled in this House an additional number of letters in support of this legislation.

On another point, it's been suggested that individuals could incorporate as business entities and get relief with respect to tax exemptions for capital costs. This, Mr. Chairman, is not an option for persons working as employees or contractors of a company. Revenue Canada requires such businesses to have more than one source of revenue. Single-source revenue businesses may be deemed to be avoidance schemes.

Mr. Chairman, Bill 207 has support from a broad range of tradespeople and is a credible means to put much-needed resources back in the hands of young individuals and families who will continue to strengthen the Alberta advantage. This bill will

encourage Albertans to join or in many cases to stay in the trades and is anticipated to benefit Alberta over the long haul.

Thank you very much, Mr. Chairman.

4:50

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

MR. LOUGHEED: Thank you, Mr. Chairman. Our time is close to running out here. I just would like to make a final comment and first of all to express my appreciation on behalf of the constituents of Clover Bar-Fort Saskatchewan and also other Albertans who are interested in this particular bill to those who have voiced support for it.

Mr. Chairman, when I have been campaigning and have been out in the community, anytime I come across a person who wishes to talk about taxes and things like that, I often mention to them that this bill is before the Legislature. Other members have expressed the same, that when they are talking with their constituents and they talk about this bill, there's one thing – it's never failed that I have the same reaction from all people, and that is that this bill just makes sense. It makes sense because they understand that businesspeople can deduct expenses to produce revenue, and as employees they are unable to incorporate, as has been mentioned by one of the speakers, and are unable to have many of the kinds of tax advantage schemes that all sorts of other people are able to take advantage of. In order to contribute to the economy of Alberta, in order to move ahead in their trades and have the best tools to work with that they can possibly afford, it's only appropriate that they don't pay for that with after-tax dollars.

This bill, Mr. Chairman and fellow Members of the Legislative Assembly, will help to do that, and I urge your support for Bill 207. Thank you.

[The clauses of Bill 207 as amended agreed to]

[Title and preamble agreed to]

THE CHAIRMAN: Shall the bill be reported? Are you agreed?

SOME HON. MEMBERS: Agreed.

THE CHAIRMAN: Opposed?

SOME HON. MEMBERS: No.

THE CHAIRMAN: Carried.

[Several members rose calling for a division. The division bell was rung at 4:53 p.m.]

[Ten minutes having elapsed, the committee divided]

[Mr. Tannas in the chair]

For the motion:

Amery	Gordon	Mason
Boutilier	Hancock	Massey
Calahasen	Hlady	Nicol
Cao	Hutton	O'Neill
Cardinal	Jablonski	Ouellette
Cenaiko	Klapstein	Pham
Coutts	Knight	Rathgeber

Doerksen	Kryczka	Smith
Ducharme	Lougheed	Snelgrove
Dunford	Lukaszuk	Strang
Forsyth	Marz	VanderBurg
Fritz	Maskell	Yankowsky
Against the motion:		
Blakeman	Haley	Nelson
DeLong	Herard	Taft
Graydon	Magnus	Vandermeer
Totals:	For – 36	Against – 9

[Motion to report Bill 207 carried]

THE CHAIRMAN: The bill shall be reported when the committee rises.

Bill 208 Alberta Official Song Act

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

MR. CAO: Thank you, Mr. Chairman. First, I would like to thank the hon. colleagues in the House for having passed the bill at second reading. Secondly, my appreciation goes to a large number of Albertans across our province who have shown support for the idea and sent in their works on the Alberta theme song. For example, 93-year-old Emily Waggot of Edmonton came to my office the other day and gave me her lyrics. Her attending family member told me later that the Alberta song idea has kept this senior lady energized and lively like never before. Her lyrics go like this:

Alberta has lots of sunshine,
A friendly welcome there,
With lots of cities, that are so pretty,
Also has plenty of rivers, lakes, streams,
There're strong mountains, forests, hills and plains.
A delight to see.
Animals, people, birds, fish, wild flowers grow,
Trees of fruit that one can eat,
Mean so much to me.
We're proud of our Alberta,
Would like the world to see.

So that is from a 93-year-old lady.

Mr. Chairman, the recent horrific events of terror and their repercussions are now constantly on our mind. Sometimes it seems there is little room for respite from these events. However, there are still many good things going on in our lives. We have our families. We have our Alberta communities. We have a province of hard-working and innovative citizens. We have nurses and doctors, engineers and scientists, law enforcement officers, firemen, artists, teachers, and legislators too, among the best in the world helping to shape the future of our province. We have beautiful mountains, lakes, prairies, and wildlife. In fact, some good things may have been catalyzed by this event. I believe we have a renewed sense of community. I believe we have a greater impetus to give and to be with our families and loved ones. We have a new and bold perspective with which to seek to build our futures. This is something that should be recognized and celebrated to help us to move on with our lives.

That is why I believe that introducing an official song in our province, showing our proud community and the many great opportunities in our province, is more timely than ever. Now is the time to remind ourselves of our proud past and the great potential of

the future. Now is the time to rejuvenate our confidence. Now is the time to celebrate, and now is the time for Alberta to sing.

5:10

Mr. Chairman, I wish to address three major points today about the Alberta official song. First, I want to expand on how the bill proposes to seek out and adopt an official song for our province. Secondly, I want to talk about the value of music, how it can help develop the sense of identity and how it can motivate and inspire. I want to emphasize the qualities of music that make having an official song such a good idea. Finally, I wish to address the concerns that members of this Assembly may have that adopting this official song will seal Alberta's regionalism sentiment.

Mr. Chairman, this bill would establish a nonpartisan committee of this Legislature to solicit submissions of songs that could be adopted as an official song for our province. The bill is specific in citing that the membership of this committee should come from all political parties. This detail is included to reaffirm the objective of the bill: an effort to unite Alberta, an effort to find commonality that links all Albertans no matter what their background. Also on this committee will be members of Alberta's music community, hopefully including a wide variety of academic music experts, music industry specialists, and experienced musicians. These members will compose the majority of the committee and will back up the MLAs in whatever musical expertise they may not have.

This Alberta official song committee will seek submissions for songs and lyrics in any way it chooses. It may be performance; there may be subcommittees traveling across the province. The only certain rule is that the submissions must be open to all Albertans, giving everyone a chance to let the Alberta pride shine. When the committee has ultimately agreed on one selection, this song will be brought forward to the Legislature to be adopted as Alberta's official song.

I think it is important to note that the Alberta official song committee will not necessarily seek a new song. Already several well-known tunes exist relating to Alberta. Many less well-known songs that have already been written may surface in the selection process. The point of the committee will not necessarily be to seek the original work but to seek the work that could appropriately be deemed Alberta's official song. So, Mr. Chairman, that is how the bill works, plain and simple: no frills, no whistles, just a clear, open process to selecting an official song for our province.

Now, Mr. Chairman, I wish to elaborate on the value of music and why Alberta needs an official song. Billy Joel, an American rock and roller who has inspired generations of fans from the 1970s to today, once said: I think music in itself is feeling; it's an explosive expression of humanity; it's something we are all touched by, and no matter what culture we're from, everyone loves music.

You don't need to be a rock fan to understand what he meant. The power of music is enormous. When we hear music, it resonates inside us. I don't think any of us could explain quite how, but it evokes emotion. It helps us understand things in a way different than talking about something or seeing something. When a group of friends sing a song together, it is a symbol, a confirmation of action, that these friends have something in common, that they are truly bound by something greater than themselves. A song is a rallying point for people of a state, a province, or a sports club. Songs stir the dormant passion inside all of us, lighting up our sense of pride. This is why we ought to have a song for this province, so that at moments when we desire most to be united and inspired, we will have something to help fill this need. At sporting events and formal functions we will be uplifted by a mighty, invisible power, the power of music. I think ordinary Albertans understand this power of an

official song. That is why they have responded so enthusiastically to the idea of this bill.

Since last spring when Bill 208 went through its second reading, I know our offices have been flooded with the interest of Albertans living across the province. Schools and choirs have called to see if they can submit a song as a group. Chat groups have been set up on the Internet to look for possibilities. Recommendations for songs from a wide variety of musical tastes have been pouring in, from country and western to reggae. People have sent lyrics, CDs, and tapes, beaming with pride about what they have written, in the hope it will be considered to become a permanent symbol of Alberta. Clearly, Mr. Chairman, the response to even the idea of the song has been enormous. It has been overwhelmingly positive. For me it just proves why Bill 208 ought to be passed by this Legislature. The notion of a song has sparked the interest and enthusiasm of Albertans. Their spirit has been uplifted, and that is the main objective of this bill.

Alberta will not be the only province with a song if we adopt one in 2005. In fact, Newfoundland has had an official tune since 1979 as well. Almost all states of the U.S.A. proudly boast of having an official song. Some even have two or three. Rather than contributing to regionalism, these songs have promoted their identity within a nation. The same would be the case for Alberta. Moreover, by having the song adopted during Alberta's 2005 centennial anniversary, as Bill 208 stipulates, we are emphasizing the very innocent and celebratory nature of the song. In my opinion, in fact, I would like to see all provinces eventually adopt a provincial song. Perhaps Canada as a country is too young to have felt its provinces deserved a song, or perhaps Canadian provinces have traditionally been more shy than our friends in the south to sing out loud about how good it is to be here. In either case, these are not reasons why all Canadian provinces and Alberta in particular should not adopt songs now.

At 100 years of age Alberta is definitely mature enough to have had many important achievements, people, passions, and dreams to sing about. Well, yes, boasting is a bad thing to do, just like our mothers always said, but in the form of boasting like this, it is good fun. Hopefully in adopting a song, Alberta will be setting the trend, like we usually do, for the other provinces to follow. The decision to co-ordinate the adoption of the official song with the 2005 centennial serves to emphasize the celebratory nature of the song. Alberta is reaching a century of achievements, of extraordinary growth and development. Albertans have worked hard over that century to build a strong and dynamic province, to build a strong and dynamic country. This is something to be proud of, something truly worth celebrating.

Over the next three years the government will be encouraging and supporting Albertans as they plan to develop projects and events celebrating the centennial. The centennial legacy will provide funding for communities to build and renovate facilities to celebrate in. The centennial celebration program also provides support for rodeos, parades, and other events. In addition to this legacy and celebration project, the province will be involved in putting on a number of provincewide events and mementos. This might include the production of coins and flags in special edition. In this context, Mr. Chairman, you can see that adopting an official song will be as good as or better than a lot of other celebrations. The celebration of 2005 as our anniversary would stir pride in Alberta, but this pride would be in the context of a greater Canadian pride, which Albertans hold dear to their hearts. In selecting the song in the centennial, the uplifting, celebratory nature of the song would be rightfully emphasized, limiting room for misinterpretation. If we are going to choose an official song for Alberta, 2005 is the year to do it.

5:20

Mr. Chairman, I have outlined to you and my colleagues today that Bill 208 proposes to solicit and adopt an official song for our province. I have spoken about the tremendous potential the song has to help stir Albertans and how Albertans have already responded to this opportunity.

Before I conclude, I would like to share with you and the members here some of the musical lyrics from many Albertans received by my office. Our Premier's office and many of our colleagues' constituency offices have received and passed on to me a large number of Albertans' work on the Alberta song theme.

For example, Pat McIntyre of Spruce Grove wrote: "My parents and I have lived in Alberta all our lives. My Alberta song reflects how we feel about Alberta." The sample of her lyrics goes as follows:

Land that stretches out far as the eye can see,
No other place in the world I'd rather be.
Majestic mountains, gently rolling hills,
The call of the loon in a lake so still,
Patchwork of farmers' fields displayed for all to see.
Making me feel at home, making me free.
Alberta is where I want to be.
It's a great place to raise a family.
The pioneering spirit is still alive.
With each other's help we can all thrive.

Jack Sanderson of Peace River wrote, "My dad and his parents came here in 1906 from England, first settled in Stettler." His lyrics go:

Alberta, Alberta, the land of the rose,
Where from under the ground,
Our black oil flows.
With cattle and grain our fields abound.
Alberta, Alberta, we'll make you great.
Alberta, Alberta, you'll become first rate.
You'll be the envy of Canada to see.
Alberta, Alberta, for you and for me.

As the last but not the least example, I received from 97-year-old John Peets of Edmonton via the Hon. Lieutenant Governor, Lois Hole, and our Premier's office:

Alberta! You are where it's at
With mountains high, and prairies flat
With valleys deep, and lakes and streams
So beautiful, their luster gleams . . .
Alberta! You are where it's at:
It's where I like to hang my hat.
It is the place that's home to me
And fills my soul with ecstasy
Alberta's mine, I love you so
From the top of head to tip of toe
Your name enralls me mightily
It's where I always want to be
It throbs with life, and I like best
To sing its praises with great zest.

Mr. Chairman, having an official song is an excellent idea for Alberta, and it's something Albertans support. After passing through second reading, the idea of an Alberta song is known across Alberta.

Hon. colleagues of the House, passing Bill 208 will give our 25th Legislature a landmark for the Alberta song for our centennial. Your passing of Bill 208 and its song selection will give Albertans of all ages, of all walks of life, from all corners a celebrating spirit for a bright future. Now is the time for Alberta to search for an official song.

My hon. colleagues of the House, many Albertans and I are looking forward to your support passing Bill 208. For that, I thank you.

THE CHAIRMAN: The hon. Government House Leader.

MR. HANCOCK: Thank you, Mr. Chairman. Given the hour, I would move that the committee rise and report . . .

THE CHAIRMAN: Report progress on Bill 208?

MR. HANCOCK: Thank you. I would move that we report our business when the committee rises.

[Motion carried]

[The Deputy Speaker in the chair]

MR. KLAPSTEIN: Mr. Speaker, the Committee of the Whole has had under consideration certain bills. The committee reports Bill 207 with some amendments. The committee reports progress on Bill

208. 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 DEPUTY SPEAKER: Does the Assembly concur in this report?

HON. MEMBERS: Agreed.

THE DEPUTY SPEAKER: Opposed? So ordered.
The hon. Government House Leader.

MR. HANCOCK: Thank you, Mr. Speaker. I move that we adjourn until 8 this evening.

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