

Legislative Assembly of Alberta

Title: **Tuesday, April 8, 2003**

1:30 p.m.

Date: 2003/04/08

[The Speaker in the chair]

head: **Prayers**

The Speaker: Good afternoon.

Let us pray. Our Father, we thank You for Your abundant blessings to our province and ourselves. We ask You to ensure to us Your guidance and the will to follow it. Amen.

Please be seated.

head: **Introduction of Visitors**

Mr. Mar: Mr. Speaker, it's a great pleasure for me to rise today and introduce to you and to members of the Assembly actually somebody who needs no introduction to you, sir. It is Mr. Sine Chadi, who is sitting in your gallery, an honorary member of the Mah Society. I would want to acknowledge his presence here today with some other guests that I understand are being introduced by others today. As you know, Mr. Chadi served in the 23rd Legislature of this Assembly as the Member of the Legislative Assembly for Edmonton-Roper. I'd ask that hon. members please give their ordinary and customary warm welcome to this member.

The Speaker: The hon. Member for Calgary-East.

Mr. Amery: Thank you, Mr. Speaker. It is indeed my pleasure to rise today and introduce to you and through you to members of the Assembly a visitor from the country of Lebanon. His Worship Mayor Nazir Tarabay is seated in your gallery. He is the mayor of the town of Lala in the Biqa region of Lebanon.

An Hon. Member: Moe Town.

Mr. Amery: Moe Town. That's right.

The town of Lala has very strong ties and deep roots in this province. As a matter of fact, some of Lala's sons and daughters have made Canada home since 1895, including my own grandfather, who came to Brandon, Manitoba, in 1898. Lala's community is estimated to be around 5,000 people, strong and committed Albertans located in Edmonton, Calgary, Lac La Biche, and Fort McMurray. I understand that the mayor is making a proposal to twin the town of Lala with the town of Lac La Biche, and I wish him well. The community is really honored to have Mr. Tarabay with us.

Also, along with Mr. Tarabay is Mr. Bill Tarrabain, his uncle. He's a well-known businessman in the city of Edmonton, and he has been living in Edmonton since 1951. Also we have Mr. Moe Assaf, another well-known Edmonton businessman. I'd ask the Assembly to give them the traditional warm welcome.

head: **Introduction of Guests**

The Speaker: The hon. Minister of Learning.

Dr. Oberg: Thank you very much, Mr. Speaker. It is an honour and privilege today to introduce to you and through you to the Legislative Assembly 22 guests from Rosemary, Alberta. They're led by the principal, Mr. David Blumell, and I will say that this is the 10th year in a row that I have introduced the school from Rosemary led by Mr. Blumell and I believe about the 15th year in a row that they have been here. Parent helpers are Wanda Doerksen, Carol Reid, Lori

Hall, Pam Norton, Rick Baerg, and Fern Nickel. I would ask them all to rise and receive the warm welcome of the Legislative Assembly.

The Speaker: The hon. Member for Edmonton-Rutherford.

Mr. McClelland: Thank you, Mr. Speaker. To you and through you to Members of the Legislative Assembly it's my great pleasure to introduce 75 students and their teachers and parent helpers representing St. Teresa's Catholic elementary school in Edmonton in the constituency of Edmonton-Rutherford. They are led by Mrs. Camille Kauhaahaa-Hamel, Mr. Charles Stuart, and teacher's aide Mrs. Debbie McDougall. The parent helpers are Mrs. Anne Lupushinsky, Mrs. Shannon Van Soest, Mrs. Jackie Wraight, Mrs. Lori Bredo, Mrs. Susan Garbutt, Mrs. Janice Kozicky, Mrs. Annette Fry, and Mrs. Karen Harasymchuk. I apologize for some of those names which may have been mangled, but that doesn't deter from the warm welcome of the Assembly to the students and teachers.

Thank you.

The Speaker: The hon. Member for Calgary-Egmont.

Mr. Herard: Thank you, Mr. Speaker. I'm extremely honoured today to introduce to you and through you to the members of the Assembly a fantastic couple from Calgary-Egmont. Earl and Judy Morris have been volunteers extraordinaire in our community for at least the last 25 years that I've known them and have made a tremendous difference in all the communities that they've lived in. Judy is not only currently involved in youth justice initiatives, but she's also the president of the Calgary-Egmont PC Association. I'd like them to rise and receive the warm welcome of the Assembly.

The Speaker: The hon. Member for Edmonton-Gold Bar.

Mr. MacDonald: Thank you, Mr. Speaker. It's a pleasure to introduce to you and through you to all hon. Members of this Legislative Assembly 18 students from Hardisty junior high. The students are accompanied today by their teacher, Mrs. Sharon Lougheed, and parent helpers who have been gracious and kind with their time, Mrs. St. John and Mrs. Hauer. Now, Mrs. Sharon Lougheed follows with a great deal of interest and pride the political career of the hon. Member for Clover Bar-Fort Saskatchewan. The delegation is in the members' gallery, and I would now ask them to rise and receive the warm and traditional welcome of this Assembly.

Thank you.

The Speaker: The hon. Member for Calgary-Buffer.

Mr. Cenaiko: Thank you very much, Mr. Speaker. It's an honour for me to rise and introduce to you and through you to members of this Assembly a good friend, a constituent of Calgary-Buffer, and a volunteer during the election. Steve Moran is the manager of government relations for NOVA Chemicals, and I'd ask Steve to rise and receive the warm welcome of this Assembly.

The Speaker: The hon. Member for Edmonton-Mill Woods.

Dr. Massey: Thank you, Mr. Speaker. It's my pleasure to introduce to you and through you to members of the Assembly Ed Butler. Ed Butler is a longtime friend. He's also the principal of Parkdale school in Edmonton and has been losing a lot of sleep recently trying to cope with the demands of an inner-city school in the face of some rather devastating budget cut projections. He's hoping he'll have

some relief later this afternoon. With permission I'd ask Ed to stand and receive the traditional welcome of the House.

The Speaker: The hon. Member for Little Bow.

Mr. McFarland: Thank you, Mr. Speaker. So often members of the Assembly are here and they've left a lot of family members at home. Today I've spotted a couple of people that I would like to introduce to the Legislative Assembly. If it weren't for them where they are, probably a couple of our colleagues wouldn't be here where they are today. I would ask that Angie Goudreau, who is the wife of the Member for Dunvegan, and Jan Marz, who is the wife of the MLA for Olds-Didsbury-Three Hills, to please stand and receive a warm welcome.

The Speaker: The hon. Minister of Revenue.

Mr. Melchin: Thank you, Mr. Speaker. It gives me great pleasure to introduce to you and to members of this Assembly two good friends of mine who are in the members' gallery today, Don Severs and Carleen Severs. Don is part of the reason why I'm still here. He was my campaign manager for the last two times. He works with me in my constituency office. I'd ask that they please rise. They're great friends.

Thank you.

1:40 head: Oral Question Period

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

Education Funding

Dr. Nicol: Thanks, Mr. Speaker. When the Edmonton school board spoke out about its financial problems, the Minister of Learning sent in an audit team. The minister is blaming the school board for failing to budget for a teachers' salary increase of over 6 percent when according to his own press release from 2001 the additional funds were not exclusively for salaries but instead "local priorities such as enhanced literacy, class sizes." To the Minister of Learning: why does the minister now say that the money that he promised the classroom should be set aside for salaries?

Dr. Oberg: Mr. Speaker, as the Legislative Assembly I'm sure knows and can remember – and I would suggest to the hon. Leader of the Opposition to read *Hansard* from those times, read the press releases that were put out. What it stated is that 6 percent must go to teachers' salaries; there must be the minimum of 6 percent. The other 3 and a half percent and 3 percent: it would be up to the local school boards and the local teachers' associations to decide where those dollars would go. Take a look back in *Hansard*, and I think you'll find very much a consistency in that theme.

Dr. Nicol: Mr. Speaker, why doesn't the minister admit that he created this crisis by refusing to fund the salary settlement that his own arbitrator established?

Dr. Oberg: Well, Mr. Speaker, there are about three or four questions in that one question. First of all, when you talk about our own arbitrator, there was one arbitrator that was appointed by government, there was one appointed by the ATA, and there was one appointed by the School Boards Association in the binding arbitration that had been asked for by the participants. Included in that settlement was approximately \$260 million that was the cost of the

teachers' settlement. There has been \$298 million provided to the school boards. With direct respect to the Edmonton public school board there was \$38.6 million utilized for teachers' salaries, and they received \$41 million over that time frame.

Dr. Nicol: To the minister. When the arbitration process recommended that salary increase, then he gave the money, saying that there should be money left for classroom size and literacy. Where does that extra dollar come from when it's not there based on the arbitrated settlement?

Dr. Oberg: Well, Mr. Speaker, that is a very good question, because what has happened is that we budgeted for a huge amount of dollars to go to the school boards. There's roughly \$290 million that went in in a period of two years, a large amount of dollars. The arbitration settlement came in and, in essence, took the majority of those dollars to be utilized for teachers' salaries, and that's what arbitration settlements are about. It's sitting down and looking at both sides and coming up with an agreement. That's what happened. I would remind the hon. Leader of the Opposition that there is a budget coming in today and for him to wait until later on this afternoon.

Dr. Nicol: Still to the Minister of Learning: is it the policy of this minister to audit all school boards in financial difficulty or only those boards that speak out about underfunding?

Dr. Oberg: Well, Mr. Speaker, if the hon. member remembers, approximately two months ago Edmonton public came in with a 13 and a half million dollar deficit in a press release. Thirteen and a half million dollars is a very significant amount. I don't think anyone in this Assembly, anyone in the gallery, or anyone in Alberta would expect me to sign a cheque saying: here is 13 and a half million dollars; no questions asked. What we did is we went in and took a look, and as I reported yesterday, we found some very interesting things. Some mistakes were made, some dollars were spent where they probably shouldn't be spent. In direct response to the question, any school board that wants help to take a look at their budget, we certainly will. We are stretched thin in our own department – it was an internal review that was done by my own department staff – but we will certainly help to the best of our ability.

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

Dr. Nicol: Mr. Speaker, I was just going to bring him down, and you're cutting me off.

Will the minister's audit of the Edmonton public school board provide any comfort to Edmonton students and parents when the school board is still predicting teacher layoffs for next year?

Dr. Oberg: Well, Mr. Speaker, absolutely. What we represented here in this audit is that we found ways to get their deficit down to \$5 million, in essence, without touching their actual budget. They are only expected to come up with \$1.6 million, and \$1.6 million, obviously, is a lot of money, but when you have close to a \$600 million budget, there should be no reason why they can't find \$1.6 million. All the other money has been provided. We have taken a very close look at their books. We have decided that \$5 million can be carried forward over the next three years, so again \$1.67 million that they can make payments on over the next three years. I see absolutely no reason in looking at this audit why Edmonton public can't live within their financial means. I believe that they owe it to the taxpayers of this province and the taxpayers of Edmonton to come in with a balanced budget.

Dr. Nicol: Mr. Speaker, doesn't the fact that he's forcing them to reduce that deficit in the next year in effect mean bigger cuts next year as well?

Dr. Oberg: Mr. Speaker, again I will remind the hon. Leader of the Opposition that we're talking about \$1.6 million. The majority of school boards in this province have an average of 10 days of operating surplus that they set aside for rainy day funds. The Edmonton public school system at \$1.67 million would be I believe — and my math may or may not be correct on this one — a little over a day of operating surplus. That is something that they should be able to do. We certainly will be monitoring them. We will be looking at them, and more importantly we will continue to work with them because it is in no one's best interest to have a school board who is going to be running deficits of taxpayers' — taxpayers' — dollars.

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

Workplace Safety

Mr. MacDonald: Thank you, Mr. Speaker. In the year 2002, unfortunately, it has been reported that 101 Albertans were killed in work site accidents. To the Minister of Human Resources and Employment: how many of these workplace fatalities were caused by excessive alcohol or drug use at the job site?

Mr. Dunford: It's a very good question, and I don't know the answer to it. He raises an excellent point, and it's the reason that this government has become very, very serious about incidents. He wants to call them accidents, and I don't believe in that. There were preventable incidents that occurred in every one of those 101 cases that he's talking about. Also, accident somehow means, you know, that it wasn't anybody's responsibility; it was just something that happened.

I would ask all members, when we deal with this particular area, that we no longer use that word. I understand that there are reasons that that word gets used, and it's even in our legislation. But as we talk about what goes on in the workplace, we want to talk from now on about an incident because incident will denote responsibility, and that's what we're trying to get to here. We're trying to get people to accept the responsibility to be safe and not sorry on the work site, and that means not just the employers, but that means the employees as well. We have to do a better job of looking out for those that work around us and work with us. It's an interesting situation.

Part of our WorkSafe Alberta, by the way, and I guess to get to the specific question, is to really look at the incidents that were related to substance abuse and try to find some way, Mr. Speaker, that we can do more at the workplace site with due regard to human rights, due regard to freedom of information and protection of privacy. It's part of our initiative that we're going forward on with WorkSafe Alberta, and I think he's on an excellent point here.

The Speaker: The hon. member.

Mr. MacDonald: Thank you, Mr. Speaker. Again to the same minister: in the initiative that has just been announced by the hon. Minister of Human Resources and Employment, why do we need a secret committee to study compulsory alcohol and drug testing in the workplace?

Mr. Dunford: Well, I don't think we do. I'm not sure where the

hon. member is coming from in his question. We certainly are putting committees together to look at many of the facets of this WorkSafe Alberta initiative. I guess it's so secret, Mr. Speaker, that I'm not even aware of it.

1:50

Mr. MacDonald: Again to the same minister, Mr. Speaker: if this secret committee becomes public, will the stakeholders of this province be invited to make submissions to the committee or will it continue to gather and work in secret as it is now?

The Speaker: There's a virtual world here, hon. minister.

Mr. Dunford: No. I understand. I don't want to trivialize this matter in any way. I mean, we can see that the hon. member has left himself wide open for, you know, some remarks that might come from me, but I don't want to do that in this particular case because it is just too serious.

What we're trying to do with WorkSafe Alberta, Mr. Speaker, is find a way to get to all aspects of the Alberta economy. I speak at many public forums about WorkSafe Alberta, but I find that time after time after time I'm speaking to the converted. It's the unconverted that we really have to get to, and I'm hopeful that perhaps they're watching question period today, perhaps they read *Hansard*, but I doubt it, and we have to do a better job of getting out to those that either don't know about workplace safety and the responsibilities that they have or don't care. Now, if they don't care, of course we'll find out who they are and we'll be there to be responsible.

The Speaker: The hon. leader of the third party, followed by the hon. Member for Clover Bar-Fort Saskatchewan.

Edmonton Public School Board Operational Review

Dr. Pannu: Thank you, Mr. Speaker. The operational review of Edmonton public schools is a politically motivated attack designed to punish a school board for going public with its concerns about provincial underfunding. The review was done by officials who report to the minister. They do what he tells them to do. The review was also full of mistruths and factual errors and quite frankly should be assigned to the trash can. My questions are to the Minister of Learning. Why should Albertans believe the findings of a review done by a team that's neither impartial nor independent and was written by officials who the minister can fire and hire?

Dr. Oberg: Mr. Speaker, I would quite simply challenge the hon. leader of the third party to find anything that is in this document that is not completely one hundred percent reliable.

The Speaker: The hon. member.

Dr. Pannu: Thank you, Mr. Speaker. To the same minister: why did the minister smear Edmonton public's elected trustees by claiming that they failed to provide for teacher salary increases in April 2002 school budgets when the board in fact set 6 percent aside in a contingency fund for salary increases?

Dr. Oberg: Because they did not, Mr. Speaker.

Dr. Pannu: To the Minister of Human Resources and Employment this time. Maybe I'll have better luck, Mr. Speaker. Can the minister confirm that had Edmonton public specified a fixed percentage for salary increases in the April 2002 school budget when

negotiations on the ATA collective agreement were still under way, Edmonton public could have been hauled before the Labour Relations Board for bargaining in bad faith?

Mr. Dunford: A straight answer?

The Speaker: First of all, it violates the rules to ask for an interpretation of a statute, so I'm waiting with anticipated anticipation for what the response is going to be.

Mr. Dunford: Well, I was going to say that I thought it was a hypothetical, and I'm not sure as a minister responsible that I'm obligated in this forum to deal with hypotheticals.

The Speaker: The hon. Member for Clover Bar-Fort Saskatchewan, followed by the hon. Member for Edmonton-Riverview.

Electricity Distribution Costs

Mr. Lougheed: Thank you. Mr. Speaker, many residents of my constituency have expressed concern or even anger about the distribution costs that appear on their electricity bills. They feel that under the regulated system they paid for the poles, they paid for the lines, they paid for the entire system. They see no maintenance or replacement, little meter reading, but the distribution costs can approach the generation costs. Can the Minister of Energy explain why those costs are so high?

Mr. Smith: Mr. Speaker, electricity wires are an investment. As a matter of fact, they're a very good investment in Alberta, and a lot hasn't been done in the last 17 years to build new transmission wires. With the existing transmission wires and those companies that operate them – and those are AltaLink and Aquila and ATCO – each year this group comes before the Energy and Utilities Board, and they talk about the period of depreciation of the wires. They talk about the cost of maintenance, the cost of repairs, upgrades, expansions, changes to a growing Alberta population that's increased by some 500,000 over the last six or seven years. These wire charges are tabled in front of the Alberta Energy and Utilities Board on an annual basis subject to very rigorous inspection and subject also to intervenors who are able to challenge and oppose the requested changes. At this time the EUB makes a ruling, and if there's a charge, that charge is then associated with the particular year of operation and is put forward. Today that distribution tariff is now about 20 to 25 percent of your total electricity bill, and they represent an unbundling which occurred in the bill breakdown of the year 2000.

Mr. Lougheed: Again, Mr. Speaker, to the Minister of Energy: since the EUB approves the distribution costs for, in my area, Aquila, do they also approve the distribution costs for the farmer-owned rural electrification associations in the same area, and how do those costs compare?

Mr. Smith: Well, it's a good technical question. It shows evidence that the member knows what he's talking about. Mr. Speaker, the REAs, the rural electrification associations, provide about 54 megawatts of power in an 8,700 megawatt grid. The distribution charges for rural electrification association customers are approved by the REA board of directors. Deferral accounts are approved by the AEUB as part of the rural electrification farm rate in the Aquila tariffs. Again, there were intervenors from the Alberta Federation of Rural Electrification Associations. They participated in the hearings

and supported the methodology for collecting these deferral accounts. Now, the line items on a typical REA bill are similar to those of other wire service providers. The charges include an energy charge, a distribution tariff, and a system access charge.

The Speaker: The hon. member.

Mr. Lougheed: Thank you. Mr. Speaker, could the minister further advise us that if the EUB approved the sale of TransAlta distribution system to UtiliCorp and then on to Aquila and if that regulated system built the distribution system, then would the cost of that system to purchase have been zero?

Mr. Smith: Well, Mr. Speaker, again, clearly showing detailed knowledge of the topic. Both sales were reviewed and approved by the AEUB. Now, the EUB, the Energy and Utilities Board, followed the standard hearing process for the sale of electric distribution and retail assets. Stakeholders that represent a wide spectrum of Alberta's electrical industry and consumer groups also were registered as participants and, in fact, intervenors in the hearing. So the Energy and Utilities Board put conditions in the approval to ensure that customers do not incur any additional costs as a result of the premium paid by Aquila. This would be the amount known as goodwill. This premium, some hundred-plus million dollars, will not be recovered from customers through distribution rates, and that is continuing on in further hearings on a year-by-year basis by the EUB with respect to the Aquila network.

Now, customers, Mr. Speaker, do not own the distribution system. The wire service in Alberta is provided by private companies who own the wire network. This part is still a regulated monopoly. It's a service enjoyed by all Albertans, and this part of the business will continue to be regulated by the same process as it had prior to the year 2000.

The Speaker: The hon. Member for Edmonton-Riverview, followed by the hon. Member for Calgary-Bow.

Personal Health Information

Dr. Taft: Thank you, Mr. Speaker. Physicians are under pressure from drug and health care corporations to prescribe certain drugs or recommend certain procedures. Recently the Information and Privacy Commissioner took a step that should reduce some of this pressure, prohibiting pharmacies from selling information on the prescribing patterns of individual physicians. This information was being sold to drug companies so they could target marketing campaigns at individual doctors. To the Minister of Health and Wellness: does the minister support the Privacy Commissioner's ruling?

2:00

Mr. Mar: In fact yes, Mr. Speaker.

Dr. Taft: What further steps will this minister take to ensure that physicians and other health professionals are protected from relentless marketing pressure from drug companies, private diagnostic companies, and health supply companies?

Mr. Mar: Well, Mr. Speaker, the hon. member referred to the legislation that the Privacy Commissioner works under, and if there are future issues that arise under the legislation that we've already put in place, then I'm sure we'll deal with it accordingly.

Dr. Taft: Well, given that this ruling of the Privacy Commissioner

raises serious concerns about the use of personal health information in the hands of for-profit marketers, why do the confidentiality provisions in the Health Information Act not apply to health information in the private, for-profit sector?

Mr. Mar: Mr. Speaker, this has not risen as an issue, and accordingly it hasn't been dealt with.

The Speaker: The hon. Member for Calgary-Bow, followed by the hon. Member for Edmonton-Glengarry.

Severe Acute Respiratory Syndrome

Ms DeLong: Thank you, Mr. Speaker. Of the more than 3 million people in Alberta, so far zero have died from severe acute respiratory syndrome, or SARS, yet I am getting calls from constituents concerned about whether we are prepared as a government for a possible outbreak. First to the Minister of Health and Wellness: what are we recommending if someone thinks that they do have SARS?

Mr. Mar: Well, Mr. Speaker, we have been placing ads in the newspapers informing individuals that think that they may have SARS, severe acute respiratory syndrome, to phone, first of all, to a health link line or to their own physician so that appropriate measures can be taken with respect to isolation if it's required. We are engaged in a rather large public information campaign. This is something that we have worked on in establishing guidelines nationally with the federal Ministry of Health as well as our counterparts in other parts of the country. Our provincial health officer, Dr. Nicholas Bayliss, has been in contact with his counterparts in Ontario and in other parts of the country, as have I, and certainly letting people know the steps to take in the event that they believe that they have SARS is the first step that we need to take in order to ensure that the risk of SARS to Albertans remains low.

The Speaker: The hon. member.

Ms DeLong: Thank you. My next question is also to the Minister of Health and Wellness. What capability does the government have access to in terms of quarantines if necessary?

Mr. Mar: Mr. Speaker, treatment and isolation of any illness is the responsibility of the regional health authorities, and there are isolation rooms where necessary throughout the province. Of course, we have also been relying on individuals staying at home and being voluntarily isolated at home in order to minimize the spread of the disease. In the event of a widespread health emergency the need for isolation and quarantine facilities would be considered, and that we would do with the assistance of regional health authorities.

We are, Mr. Speaker, fortunate to have the advantage of knowing more information about this particular illness at this point and of measures required to contain its spread, and this has been as a result of being in close contact with our counterparts in other parts of Canada, particularly Ontario, where SARS has been more prevalent than it is here. Public health guidelines for SARS include measures like patient isolation in order to protect the public and health care workers. We do have legislation under the Public Health Act that governs the guidelines and the circumstances under which individuals can be isolated by way of order if they refuse to do so voluntarily.

Ms DeLong: In the event of an outbreak are alternative treatment facilities available for SARS patients?

Mr. Mar: Well, let me say first of all, Mr. Speaker, that in my discussions with our provincial health officer, Dr. Bayliss, he advises me that the risk to Albertans of being infected with SARS is extremely low. Certainly, a travel history to affected areas is one important factor, but even there the risk is small. Close exposure to a known SARS case does carry a higher risk with it. We have six cases of suspected SARS in Alberta at this particular time. Other people who have been previously suspected of having SARS have in fact been found to have either recovered or not to have had SARS in the first place.

Mr. Speaker, with that background I will say that regional health authorities are prepared to deal with a more widespread case. There is a plan in place to deal with this, but of course our first measure is to try and prevent its transmission in the first place.

Vehicle Registration

Mr. Bonner: Mr. Speaker, it has been brought to my attention that a well-known truck rental company has been employing a disproportionate number of vehicles in Alberta that possess Arizona licence plates but carry no obvious indication of being registered in Alberta. While a few vehicles with foreign registration is understandable for a large international operation, the preponderance of vehicles in Alberta lots seem to come from Arizona. To the Minister of Transportation: are vehicles with foreign registrations allowed to operate for extended periods of time in our province without proper registration?

Mr. Smith: Are you sure that it isn't Alberta?

The Speaker: The hon. minister has the floor.

Mr. Stelmach: Mr. Speaker, there is a time limitation in terms of changing registration to the home province, but those rules and the work lies within the Ministry of Government Services.

Mr. Bonner: To the same minister, Mr. Speaker: how can Albertans be certain that foreign vehicles that now operate in the province meet the safety standards of Alberta highways when they do not seem to have been registered in this province?

Mr. Stelmach: Mr. Speaker, with respect to safety and with respect to all of the rules of the road we have a reciprocal licence with the United States of America. They follow the rules when they're here in terms of speed, commercial vehicle registration, the securing of load, and also with respect to the general condition of the vehicles. They are subject to the same rules that any other vehicle on the highway would be subject to.

Mr. Bonner: To the same minister: is it legal for corporations to own vehicles for use in Alberta but register them outside the province?

Mr. Stelmach: If we get the information from the hon. member in terms of what has been brought to his attention in terms of the particular business ownership, we'll check into it. But generally speaking, there is a time period when any new contractors that come to this province with their vehicles and if they're here for an extended period of time will have to change their registration to Alberta registration.

The Speaker: The hon. Member for Calgary-East, followed by the hon. Member for Edmonton-Centre.

Minimum Wage

Mr. Amery: Thank you, Mr. Speaker. At a recent annual general meeting and convention where about 1,200 people attended in Red Deer, a resolution in regard to the minimum wage was debated. The resolution called on the government to initiate a review of the minimum wage in the province. This resolution was carried with a huge majority. I only have one question to the hon. Minister of Human Resources and Employment. When is the government going to respond to the calls from community groups and agencies to start this review and raise the minimum wage and give a hand up to young workers and lower income Albertans in the workforce?

The Speaker: Ordinarily, hon. members, matters dealing with political party subjects are not the matter of question in this House. Now, the question, however, did not relate to the preamble, so in this case there's an ambivalence for a short answer.

Mr. Dunford: Well, I heard, again, Mr. Speaker, a number of things in both the preamble and, of course, in the question. One thing of interest that I did hear: would I review, and would I increase? It looks to me like in the questioner's mind, in any case, a review would lead to an increase, and I'm not prepared to commit to that. What I am prepared to commit to, hon. member, is the review. And I want him to do it.

2:10

Lottery Funds

Ms Blakeman: Mr. Speaker, there have been persistent rumours for many years that there exists a fund based out of the Department of Gaming which has been labeled as unallocated moneys. According to a letter we received, high-level bureaucrats from the department dangled this fund in front of groups who sought money from the government. According to official documents, the ministry admits to the community initiatives program, CIP, and the community facility enhancement program as the funding programs they administer. My questions are to the Minister of Gaming. Does this fund of unallocated moneys exist?

Mr. Stevens: As this hon. member ought to understand, the lottery estimates are part of the budget each year and provide on a line by line basis the expenditures with respect to the money that goes into the Alberta lottery fund. There is no line item which is called unallocated funds. There is a line item called other initiatives, which may be the line that this hon. member is referring to. It is a line item that has been there for a number of years.

The Speaker: The hon. member.

Ms Blakeman: Thank you. Well, given that a well-known member of the minister's department, a community liaison officer, is saying that it does and the minister seems to be saying that it doesn't, can he reconcile the difference here? Who's telling the truth?

Mr. Stevens: The question, as is typical of this member, is without preamble and, therefore, is somewhat difficult to comprehend. If you would like to share the detail of it, I would be able to find out what some member of my department or a member of the AGLC may have said to somebody and respond accordingly.

But to the point: there is a line item in the lottery estimates which is called other initiatives. That line item has been there. I would remind this particular member, who I believe is familiar with the arts community in Calgary, that the Vertigo theatre was a beneficiary of

a grant under that particular category this year and will be, I believe, in the next to come years.

The Speaker: The hon. member.

Ms Blakeman: Thank you. Then can I get the minister on the record confirming that the unallocated funds and the other initiatives program are one and the same?

Mr. Stevens: What I have indicated, Mr. Speaker, is that there is a line item in the lottery estimates called other initiatives. When the budget is brought down today, I suspect that there may be such a line item. When we debate this matter on Thursday afternoon, this member can stand and ask questions, and we can talk about it further.

The Speaker: The hon. leader of the third party, followed by the hon. Member for Red Deer-North.

WCB Claims Review

Dr. Pannu: Thank you. Mr. Speaker, almost two years ago Mr. Justice Friedman recommended a special tribunal to rehear long-standing, contentious WCB claims. The recommendation was made after finding that the WCB appeals process had not been sufficiently independent or impartial and that injured workers did not get a fair hearing. Now, despite the minister's promise to establish the tribunal, the recommendation appears to be gathering dust, and the minister has broken yet another promise to injured workers. My questions are to the Minister of Human Resources and Employment. If the WCB has denied injured workers a fair hearing, why is the minister compounding the injustice by breaking his promise and ignoring Justice Friedman's recommendation?

Mr. Dunford: The report that the hon. member is referring to was one of two reports that we received in looking at the appeals system inside both the WCB and the Appeals Commission. Of the 59 recommendations, Mr. Speaker, I believe that the government has accepted or accepted in principle probably 54 or 55; I could be out one or two numbers on that. In any case, we accepted an overwhelming majority of those particular recommendations.

As the hon. member has pointed out, one of the recommendations was to go back and relook at some old claims. One of the things, of course, that was disturbing about that — I always felt that, you know, good people within a system were trying to make good decisions, but it was decided that as a government we would have a look at this arrangement. If the hon. member has looked at the official government response to those reports, he'll determine that the rehearing of some old cases is still under review.

The Speaker: The hon. member.

Dr. Pannu: Thank you, Mr. Speaker. To the same minister: what happened to the minister's promise to consider the idea of a temporary surcharge for employers as a means to pay for the tribunal?

Mr. Dunford: Well, one is predicated, I guess, on the other. I'm trying to indicate to the hon. member that we still have that particular recommendation under review. If in fact an independent tribunal is to proceed, well, I think that falls in line, then, with the supplementary question, that we would look then for the financing of the independent tribunal, and we might look to WCB, or we might look

to taxpayers. I mean, it would be dependent, then, on the route that we take.

The Speaker: The hon. member.

Dr. Pannu: Thank you, Mr. Speaker. To the same minister: why is it that when it comes to firefighters battling the WCB, long-standing claimants looking for a fair hearing, or low-wage earners who want an increase in the minimum wage, this minister always takes the side of employers over hardworking Albertans who happen to be employees?

Mr. Dunford: Well, I don't think it's true, and I don't think it's fair to characterize it in such a way. I might remind the hon. member that when we brought forward what was at the time Bill 26 – it was in a previous sitting of this House – actually, it was hard for me to ascertain whether or not, in putting into the act the provision that the minister “may” provide an independent tribunal, we indeed had the support of the injured workers. As a matter of fact, I heard quite a lot from various injured workers around the province and, of course, those that have identified themselves as a particular advocacy group that weren't very happy with me at all, and it was actually represented here in the Legislature with quite a dramatic walkout during my speech.

So the difference, then, Mr. Speaker, is that in the other examples that he has used today, we have had, if not overwhelming and universal support, a situation where we've had one party, in terms of the firefighters if I could use that, clearly together on what should be done, and then we had another party that was willing to make those kinds of accommodations, so it goes very quickly. Obviously, when you have some disagreement, when there's no consensus as to how you would proceed, then of course it does take more time.

The Speaker: The hon. Member for Red Deer-North, followed by the hon. Member for Edmonton-Ellerslie.

2:20 Safety of Blackfalds Schoolchildren

Mrs. Jablonski: Thank you. Mr. Speaker, in Blackfalds, just north of Red Deer, there's a class of grade 3 students who are very concerned about the safety of all students in Blackfalds who are forced to illegally cross train tracks at least twice a day when going to school. Last October a younger student was almost hit by a train while crossing these tracks. These eight-year-old students in Mrs. Tisdale's grade 3 class were upset at the close call and decided to do something about it. They wrote to me and suggested that Alberta Transportation put up a fence around the tracks and build a pedestrian overpass. My question is to the Minister of Transportation. Can the minister tell me if the Department of Transportation is planning to build a fence and a pedestrian overpass to help protect the schoolchildren of Blackfalds?

Mr. Stelmach: Mr. Speaker, upon hearing of the incident from the MLA for Red Deer-North and also receiving the letter from the grade 3 class, we immediately dispatched an individual from our dangerous goods and rail safety division of the department to have a look at the area in question. We also immediately got in contact with CP Rail and are working also with Transport Canada and have held some consultations with them. In terms of an overpass, no, we won't be building an overpass simply because that is the responsibility of CP Rail, but we have had people at the scene and also did an in-class safety meeting with the students in terms of telling them some of the issues about illegally crossing a railway.

Mrs. Jablonski: Mr. Speaker, given that this area is not the responsibility of the provincial government but the children at risk are our responsibility, what can the minister do to influence the federal government and CP Rail about this important safety issue?

Mr. Stelmach: Mr. Speaker, in working with the two, CP Rail and Transport Canada, we are looking at different ways of resolving the situation and improving the safety of children that cross that railway on a daily basis.

Mrs. Jablonski: Mr. Speaker, is the Minister of Transportation able to assure the children of this grade 3 class and of this Blackfalds school that we will help to do something to ensure that they will no longer be forced to make the choice of crossing the tracks to get to school?

Mr. Stelmach: Mr. Speaker, I definitely will confirm that we're going to continue to ensure that all students at school are aware of the dangers of crossing a track. We're going to work and keep on working with CP Rail and also with Transport Canada. This is, unfortunately, probably an issue in a number of smaller communities in the province of Alberta, and it's one where through awareness and education we'll make our young people aware of the dangers. We've also sent some educational videos and promotional safety information to the class, and I'm quite sure the teacher there will be talking to other grades in the school.

I think we've approached this in a very responsible way, but I also have to congratulate the school and the teacher and the students for taking the initiative of writing the letter and actually elevating this issue to one that other students in that area are going to be aware of.

West Nile Virus

Ms. Carlson: Mr. Speaker, the problems posed by the West Nile virus can be addressed at two stages, the environmental stage and the health stage. While the opposition would prefer to deal with West Nile at the environmental stage, before it becomes a health problem, this government wants to wait until Albertans actually contract the virus before it helps them. Unfortunately, the experts don't agree with the province. My first question is to the minister of health. Given that the U.S. Centers for Disease Control, the world's leading authority on communicable diseases, says that the best way to prevent transmission of West Nile is mosquito control, will this government reconsider its policy to deal with West Nile primarily as a health issue?

Mr. Mar: Mr. Speaker, we are continuing to monitor the progress of West Nile virus, and we'll take what steps are necessary if and when they become necessary. Now, we can expect that sometime in the spring or summer of this year there will be West Nile virus that will show up first in birds and subsequently in horses in the province of Alberta. Whether or not this will require us to move forward on a spraying program to contain mosquitoes remains to be seen. The best advice that we have right now from our provincial medical officers of health is that spraying itself also has certain health risks associated with doing it, so we have to weigh the risks associated with West Nile virus with the risks associated with spraying programs.

Mr. Speaker, to put West Nile virus into context, our best advice from our medical officers of health is that the risk of contracting West Nile virus is very low, that your chances of being bitten by an infected mosquito are less than one in a thousand, and that even if you are bitten by an infected mosquito, your chances of contracting

it are less than one in a thousand. So the associated risks are very, very low.

It would be more prudent for us to be dealing with something that appears to have more serious risks, earlier questions being asked about severe acute respiratory syndrome. That appears to be a greater risk than West Nile virus is at this time, but I can assure the hon. member and all Albertans that we are using the best information that we have available from our medical officers of health, who work in collaboration with their counterparts across Canada, and we work with the federal government, that has its counterparts with the Centers for Disease Control in Atlanta, Georgia, and the World Health Organization in Geneva. We are using the best advice possible to take the necessary precautions to prevent diseases like SARS and West Nile virus from spreading to Albertans. That is our first concern.

Ms Carlson: Mr. Speaker, my next question is to the Minister of Environment, who knows that spraying is not the only control option. Given that the West Nile virus is a concern of provincial scope and jurisdiction, when is this minister going to take charge of mosquito control in the province and initiate a mosquito abatement program?

Dr. Taylor: Well, let me say, Mr. Speaker, that the minister of health has clearly in some detail outlined how we are continuing to monitor the situation, being very clear that it is a situation that we are watching closely. Now, in terms of spraying for mosquitos, typically most mosquito spraying programs occur at the larvae stages, and to deal with the West Nile virus, you would have to spray adult mosquitos. It's virtually impossible to track adult mosquitos and find out where they are and where they're moving to.

Ms Carlson: Mr. Speaker, to the same minister: should there be a serious outbreak of the West Nile virus in Alberta, what is this government's environmental strategy that is more than just a spraying program?

Dr. Taylor: Well, Mr. Speaker, once again, it's a hypothetical question. It's the old the sky might fall. Well, the sky isn't falling, and we will certainly, as I said earlier, continue to watch the situation and monitor it very closely.

The Speaker: The hon. Member for Edmonton-Calder, followed by the hon. Member for St. Albert.

Youth Criminal Justice Act

Mr. Rathgeber: Thank you, Mr. Speaker. On April 1, 2003, the new federal Youth Criminal Justice Act replaced the much maligned Young Offenders Act. While the new legislation promises tougher treatment of violent serious offenders, its detractors allege that it is soft on serial offenders of nonviolent crime such as property offenders. My questions are for the Attorney General and Minister of Justice. [interjections] As he is responsible for prosecutions under the act, what is he instructing his prosecutors to do to hold repeat and chronic property offenders sufficiently responsible for their actions?

The Speaker: The hon. minister, if he heard the question.

Mr. Hancock: Thank you, Mr. Speaker. I think I caught the gist of it. The question as I understand it is: what am I instructing the prosecutors to do with respect to the new Youth Criminal Justice Act

and repeat offenders? First of all, I think it should be made perfectly clear to members of the Legislature that we set policy, but we do not direct prosecutors with respect to the exercise of their discretion in determining whether charges ought to be laid in a certain circumstance. Police do the investigation; they refer their investigation to prosecutors for charges. The prosecutors then review the files and determine whether there's sufficient evidence which, if proved, would result in a conviction, and that policy is applied consistently with respect to every file the prosecutors have. So that would be our expectation with respect to youth charged with any offence pursuant to the provisions of the Youth Criminal Justice Act, that they would pursue those charges.

2:30

With respect to the context of the question I think it is important to reiterate that Alberta's position with respect to the changes to the Youth Criminal Justice Act, which replaced the Young Offenders Act, as the member said, on April 1, has always been that it is deficient with respect to dealing with recidivists. The new Youth Criminal Justice Act is a step forward with respect to dealing with those youth who come into contact with the law for the first time, and I should reassure Albertans that the vast majority of youth who come into contact with the law for the first time or even the second time are dealt with in a reasonable, appropriate manner and do not reoffend. But we do have concerns with the repeat offences by young offenders, particularly in property areas, and the new Youth Criminal Justice Act does not assist us in dealing with those youth.

The Speaker: The hon. member.

Mr. Rathgeber: Thank you, Mr. Speaker. My first supplemental is for the same minister. As youth as young as age 14 will be eligible under appropriate circumstances for adult sentences, what financial arrangements have been negotiated with the federal government for the housing of young criminals serving long adult sentences?

Mr. Hancock: Well, of course, incarceration comes under the purview of the Solicitor General, but I would respond to the member's question by indicating that funding under the Youth Criminal Justice Act has been a source of contention between the provinces and the federal government. We have received some assistance from the federal government with respect to the improvement of computer systems and getting systems in place, but there is still much work to be done in terms of negotiating with the federal government and getting them to recognize that the new Youth Criminal Justice Act is much more complex and much more costly than the old Young Offenders Act. It's their responsibility to come to the table with some resources to help implement that act.

The Speaker: The hon. member.

Mr. Rathgeber: Thank you. My final supplemental is for the Minister of Children's Services. As the new federal act does not contain a process for dealing with children under the age of 12, what is the Minister of Children's Services going to do to deal with children under 12 who are alleged to have committed a serious criminal offence?

Ms Evans: Mr. Speaker, under the terms of the Child Welfare Act this is addressed. If the officer upon apprehending the child believes there's a serious offence that has been committed, they can report that to the child welfare director. The director then would define a plan based on what the family circumstance was, on his assessment

of the child's need for some early intervention, and then pending the outcome of that plan, monitor the situation very carefully. But it clearly is a matter that is covered under our Child Welfare Act.

The Speaker: Hon. members, before calling on the first hon. member to participate in Members' Statements today, let me just acknowledge that one year ago, on April 8 in the year 2002, the hon. Member for Wainwright earned the right to sit in this Assembly.

Might we revert briefly to Introduction of Guests?

[Unanimous consent granted]

head: **Introduction of Guests**

(*reversion*)

The Speaker: The hon. Minister of Learning.

Dr. Oberg: Thank you very much, Mr. Speaker. It's a great honour and privilege to introduce to you and through you to the Legislative Assembly a constituent of the Minister of Community Development. Mr. Charlie Koester is here this afternoon, and he is the chairman of the Edmonton Catholic school board. I would ask him to rise and receive the warm welcome of the Legislative Assembly.

The Speaker: The hon. Member for Edmonton-Glenora.

Mr. Hutton: Thank you very much, Mr. Speaker. I am pleased to rise today and introduce to you and through you to members of the Assembly a guest in the public gallery that is visiting from New York. Mr. Paul Camilleri is a lawyer who is taking full Alberta advantage of spring skiing in our great province and is presently staying and visiting with constituents of mine, the Gordons. I would ask the individual that Maya Gordon calls Uncle Paul to please rise and accept the traditional warm welcome of this Assembly.

The Speaker: The hon. Minister of Community Development.

Mr. Zwozdesky: Thank you, Mr. Speaker. I'd like to say hello to Charlie Koester as well.

I'd also like to introduce the vice-chair of the Edmonton regional PDD community board, who does incredible work in our area working with persons with developmental disabilities, and that's Jean Wilkinson. If she would stand and receive the warm welcome. Thank you for coming.

Mr. Lougheed: Mr. Speaker, I'm pleased to introduce to you and to the members assembled Gary Burns, a resident of Sherwood Park, adjacent constituency to Clover Bar-Fort Saskatchewan. If he would rise and receive the welcome of the Assembly.

head: **Members' Statements**

The Speaker: The hon. Member for Calgary-Fort.

Immigrants of Distinction Awards

Mr. Cao: Thank you, Mr. Speaker. Today I rise to speak about the immigrants of distinction awards organized by the Calgary Immigrant Aid Society. Since 1997 each year the award has been given out to outstanding Albertan individuals, companies, and organizations. This year I had the honour of attending the full-house awards function at the Westin Hotel in Calgary with our colleagues the members for Calgary-McCall and Calgary-Buffalo and the federal minister of immigration. These awards reflect Alberta's ongoing

commitment to celebrating the success of first-generation Canadian Albertans and their contribution to Alberta and Canada.

The immigrants of distinction awards are in six categories. The organization diversity award is given to Albertan organizations, groups, and companies that have made outstanding achievements in implementing diversity initiatives in the workplace and have made significant contributions in serving ethnically diverse client groups. The youth scholarship awards are given to immigrant youth who have achieved excellence in the areas of academics, art, sports, and community work. The arts and culture award is given to an immigrant who merits recognition in an artistic endeavour, including visual and performing arts. The business award is given to an immigrant who has achieved success in the creation and operation of a business in Alberta. The community service award is given to an immigrant who has provided meritorious service to the community either as a volunteer or human services professional. The sixth one, the distinguished professional award, is given to an immigrant who has achieved outstanding professional success through advanced education and defined career path.

I would like to take this opportunity to commend the outstanding nominees and the recipients of the 2003 awards.

The Speaker: Before calling on the next hon. member, I'm sure I speak on behalf of all hon. members in the Assembly when I say to the hon. Member for Calgary-Fort that we're pleased that he survived an unfortunate traffic incident last week, and we're pleased that he's here in good health.

The hon. Member for Airdrie-Rocky View.

Alberta Motion Picture Industries Association

Ms Haley: Thank you very much, Mr. Speaker. It's a pleasure for me to be able to rise in the House today to offer my congratulations to the Alberta Motion Picture Industries Association. AMPIA successfully hosted its 29th annual awards recognizing various achievements in over 59 categories ranging from best actor and actress to excellence in news, documentaries, series production, and music videos. The winners in each category receive an award called a Rosie, and the Friend of the Industry award was presented this year to Gerri Cook, a lady who has contributed so much to Alberta and to this industry over the years. A new category this year honouring lifetime achievement was presented to Leslie Nielsen.

Mr. Speaker, being a film producer in Alberta hasn't always been an enjoyable experience. Alberta has not offered the tax credits that many other provinces in Canada use to attract motion picture projects. We did however do a consultation with the film industry in 1998 and again in 2001 to determine what the government could do to encourage this industry to grow in Alberta. The government approved the creation of the Alberta film development program in late 1998. The end result is that we've gone from about \$40 million in production in Alberta to over \$200 million this year. I'm hopeful that the fund will in fact be increased in today's budget as this industry holds immense growth potential for us. The film industry is rebuilding, and that was obvious during the awards ceremony Saturday when over 850 guests attended, more than twice as many as ever before.

Last year we opened a new Alberta film office. It's a joint venture where we are trying to bring together the Alberta film development program, managed by Jane Bisbee, and the Alberta Film Commission, managed by Dan Chugg, two excellent people who are truly ambassadors of the Alberta film industry. The office is a one-window approach to film in Alberta, and we believe it will be a model for other provinces to follow once we get all of the bugs worked out.

I am very proud to be affiliated with this dynamic and growing industry, and once again, Mr. Speaker, I would like to offer my most sincere congratulations to AMPIA's Alan Brooks, Nic Wry, Connie Edwards, and so many others for all the wonderful work they did to make this year's awards ceremony the best ever.

The Speaker: The hon. Member for Calgary-Shaw.

2:40

Nickelback

Mrs. Ady: Thank you, Mr. Speaker. I am pleased today to recognize Alberta's very own special music sensation Nickelback. Now, my children think I'm too old to know who Nickelback are, but they're wrong. I'm not too old. I know that the band members are Chad Kroeger, Mike Kroeger, Ryan Peake, and Ryan Vikedal and that they captured the Juno award for outstanding songwriter of the year in Ottawa last weekend. It will interest all members of this Assembly to know that Mike and Chad are the grandsons of the late Henry Kroeger, a former minister of the Alberta government who served as the MLA for the Hanna area during the '70s and '80s. At that time Mr. Kroeger also distinguished himself as the bass player in the MLA band, the Tory Blue Notes, which is likely where Mike and Chad get their musical roots from. Nickelback's Juno award represents their hit song *Hero* from the *Spiderman* soundtrack as well as *Too Bad* and *How You Remind Me* from the Nickelback album *Silver Side Up*.

Nickelback started as a cover band in Hanna, Alberta, where they played other people's songs. Soon after, they produced their own original works, that were later recorded in their friend's studio. The rest, as they say, is now making musical history around the world. In '96, with the recording of their own independent songs, they embarked on a series of cross-country tours. After 200 shows on the road Nickelback went from a little-known band in Hanna to playing in front of millions of people alongside international artists. Their popularity and quality of song have sent musical charts soaring around the world.

The significant accomplishment of capturing this Juno award builds on our province's reputation for continually developing outstanding Alberta artists. Please join me and our Deputy Premier from Drumheller-Chinook and our Minister of Community Development in saluting these outstanding Juno award winners, Nickelback.

The Speaker: The hon. Member for Edmonton-Strathcona.

Hastings Lake

Dr. Pannu: Thank you, Mr. Speaker. To many Albertans Hastings Lake in Strathcona county is a home, a recreational area, and the site of businesses. It's a critical habitat to over 200 species of birds, including trumpeter swans who reside in the bay in front of the Thompson home each spring and fall. Hastings Lake Islands have been named one of Alberta's special places.

Sadly, residents of the Hastings Lake area are fearful that their homes, health, and environment will suffer if two well sites proposed by Tempest Energy are allowed to proceed. The minimum setback of 100 metres will put the well sites so close to several homes that it could negatively impact their water quality. Drilling companies are not required to conduct baseline testing on water wells adjacent to drilling sites. All too often water quality deteriorates after drilling, but unless these landowners undertake water testing at their own expense, they cannot prove that drilling was the cause.

The owners of the Berry Inn, a unique bed-and-breakfast place enjoyed by people with disabilities, worry about the lack of a detailed emergency response plan. To date Tempest has not outlined

any details to safely remove guests from the notification area. Can emergency response teams cope with guests with a variety of disabilities?

The McFall ranch is the site of a Ducks Unlimited wetland restoration project. Imagine the effect drilling could have on the fragile system they have worked so hard to restore. Contamination of water and air will affect the wildlife population and negate the work of many.

Residents feel that their concerns are being ignored by Tempest, the EUB, and this government. It is imperative, Mr. Speaker, that Tempest Energy's drilling plans not be allowed to proceed until full and open public hearings are held to address the concerns of residents and a satisfactory resolution to their concerns is achieved.

Thank you, Mr. Speaker.

head: Tabling Returns and Reports

The Speaker: The hon. Member for Edmonton-Manning.

Mr. Vandermeer: Thank you, Mr. Speaker. I rise today to table the appropriate number of copies of 125 letters from my constituents regarding funding for education.

The Speaker: The hon. Member for Wetaskiwin-Camrose.

Mr. Johnson: Thank you, Mr. Speaker. I'd like to table the required number of copies of three letters today from the town of Millet, the county of Wetaskiwin, and the city of Wetaskiwin expressing concern and disagreement with the Electoral Boundaries Commission's final report as it pertains to the town of Millet and the surrounding district.

The Speaker: The hon. Member for Drayton Valley-Calmar.

Rev. Abbott: Thank you, Mr. Speaker. I rise today to add yet another 100 signatures to the literally hundreds of thousands of signatures that have been tabled in this Legislature to petition the government of Alberta "to deinsure abortion."

The Speaker: The hon. Member for Calgary-Buffalo.

Mr. Cernaiko: Thank you, Mr. Speaker. I'd like to table the appropriate number of copies of a letter sent to me by the mayor of Calgary, His Worship Mayor Dave Bronconnier, supporting Bill 206, the Traffic Safety (Seizure of Vehicles in Prostitution Related Offences) Amendment Act, 2003. Mr. Bronconnier along with numerous community groups, police services, day cares, schools, and hundreds of inner-city residents understand that Bill 206 is effective and important legislation. They believe that this bill will help communities battle the devastating effects.

Thank you very much, Mr. Speaker.

The Speaker: The hon. Member for Edmonton-Centre.

Ms Blakeman: Thank you very much, Mr. Speaker. I have three tablings today. The first is from R.J. Gray, the general manager of the Edmonton Klondike Days Association, noting that "deregulation may have been a wonderful idea," but it's not working for his organization. They've had a 75 percent increase in their utility bill.

The second tabling is from Wendy Sauve to her MLA. She's noting that she attended a town hall meeting organized by Edmonton-Calder on the topic of lottery fund distribution in which a community liaison officer from Alberta Gaming made a number of comments about unallocated funds.

Finally, tabling five copies of a media release dated February 2002 from Action on Smoking & Health with an attachment that they claim reveals a strategy to undermine the tobacco control program. They claim this is written by Jock Osler, a tobacco industry primary lobbyist in Alberta.

Thank you, Mr. Speaker.

The Speaker: Others? The hon. Member for Edmonton-Gold Bar.

Mr. MacDonald: Yes. Thank you very much, Mr. Speaker. I have one tabling this afternoon, and it's a letter addressed to the hon. Premier of Alberta. It's from a constituent of Edmonton-Gold Bar, a B.A. Baer from 72nd Avenue, and this letter is concerning public education and the lack of adequate funding in that public education system.

Thank you.

head: **Tablings to the Clerk**

The Clerk: On behalf of the hon. Mr. Mar, Minister of Health and Wellness, pursuant to the Physical Therapy Profession Act, chapter P-14, section 8(4), the College of Physical Therapists of Alberta 2001-2002 annual report.

The Speaker: Hon. members, the House now stands recessed until 3:30 this afternoon.

[The Assembly adjourned from 2:48 p.m. to 3:30 p.m.]

The Sergeant-at-Arms: Order!

The Speaker: Please be seated.

Transmittal of Estimates

Mrs. Nelson: Mr. Speaker, I have received certain messages from Her Honour the Honourable the Lieutenant Governor, which I now transmit to you.

The Sergeant-at-Arms: Order!

The Speaker: Hon. members, the Lieutenant Governor transmits estimates of certain sums required for the service of the province for the fiscal year ending March 31, 2004, and recommends the same to the Legislative Assembly.

The Lieutenant Governor transmits estimates of certain sums required for the service of the province and of certain sums required from the lottery fund for the fiscal year ending March 31, 2004, and recommends the same to the Legislative Assembly.

Please be seated.

head: **Government Motions**

18. Mrs. Nelson moved:

Be it resolved that the Messages of Her Honour the Honourable the Lieutenant Governor, the 2003-04 Offices of the Legislative Assembly Estimates, the 2003-04 government and lottery fund estimates and business plans, and all matters connected therewith be referred to Committee of Supply.

[Government Motion 18 carried]

Mrs. Nelson: Mr. Speaker, prior to moving Government Motion 19, I now wish to table the 2003-2004 offices of the Legislative

Assembly estimates as well as the 2003-2004 government and lottery fund estimates.

In addition, Mr. Speaker, I am tabling the government's consolidated financial and business plans for Budget 2003 as required under sections 4 and 7 of the Government Accountability Act. Also provided for the information of the Legislative Assembly are the business plans for each ministry, which must be made public under section 13 of the same act.

head: **Budget Address**

19. Mrs. Nelson moved:

Be it resolved that the Assembly approve in general the business plans and fiscal policies of the government.

Mrs. Nelson: Mr. Speaker, Alberta is a place like no other. Thanks to the hard work, strong spirit, and unrelenting determination of Albertans we've built a province that simply is the best, a province whose exceptional track record of the past will only be outmatched by our potential for the future. Just think about these facts. Alberta has the strongest economy in Canada, and we're going to keep it that way. There are more people working in the province than ever before, and our rate of unemployment is among the lowest in the country. Albertans pay the lowest overall taxes, and there's no sales tax, no capital tax, and no payroll tax. Our health and education systems lead the way in innovation and produce excellent results, and our universities, colleges, and technical institutes rank with the best. We have the best educated workforce in the country, and Alberta businesses consistently outpace the competition, producing new ideas, new technologies, and new opportunities. When you put all of that together, it's no wonder why I and every other member of our government can stand here today and say: I am proud to be an Albertan.

Our province's strong record of success is unparalleled, but we're not about to stop now. In fact, the very reason our province has been so successful is that we never sit back, rest on our laurels, and assume that what we have today is good enough. Today our province stands on the brink of a future with unlimited potential. To fulfill that potential, we need to act now. We need to respond to pressures of growth and put a solid foundation in place to prepare Alberta for the future. As our Premier has often said, people who come to this province for jobs and careers don't bring their roads, their hospitals, and their schools with them. As new businesses set up or develop new markets, they need highly skilled people and first-rate transportation systems. As our cities and our towns grow, they need good roads, better access to technology, and excellent infrastructure to meet their communities' needs.

Mr. Speaker, Budget 2003 reflects these challenges, the challenges of growth our province faces today, but more importantly it's a budget for Alberta's future. It sets the province on a new fiscal course, a balanced and determined course that builds on our successes of the past, recognizes the realities of today, and prepares us for tomorrow. It's a course that makes us sure that our province is ready and well prepared to seize every opportunity that comes our way. The bottom line: Budget 2003 is about moving our province from good to great. It's about making Alberta even better.

In approaching this year's budget, we've taken the course so many sensible Albertans have taken all along in making their own budget decisions: we won't spend more money than we take in. Balanced budgets are the law in Alberta, and Alberta's budget will be balanced for the 10th year in a row. We're not counting on winning the lottery every year, so we'll put money aside in savings accounts, and it will be there to protect us when we need it. We'll spend most of our money on the essentials, on priorities like health and education.

Most Albertans who need to buy a new car or make major repairs on their home spread the payments out over a number of years rather than paying strictly cash. We'll take the same approach and introduce new ways to pay for capital projects over the longer term. Like so many Albertans, we'd dearly love to pay off the mortgage entirely, but that goal has to be balanced against important priorities for today. Mr. Speaker, it's a practical, sensible approach, an approach that's right for Albertans and right for our province.

Mr. Speaker, Albertans told us: we want predictability. Instead of trying to pick the price for oil and gas and tie our spending to those guesses, let's get off the roller coaster. We've listened, and we've taken action. With the new Alberta sustainability fund the days of wishing for windfalls or worrying about downturns in prices are over. Every year we'll count on a steady stream of resource revenues. No more annual ups and downs, just steady, stable revenues and budgets we can count on.

Albertans said: spend money on what counts most. Health, education, and infrastructure are consistently at the top of their list, and once again we've listened. Close to 70 percent of the spending in Budget 2003 goes to health, to education, and to infrastructure, making sure our children get a first-rate education and have good schools to go to, making sure Albertans have access to health care when they need it most. We'll support transportation projects in municipalities and improve Alberta's highways. The rest will go to new programs for farmers, to programs for children, to projects that keep Alberta's environment clean, and to increase support for families in need.

3:40

Albertans said: our province's economy is growing, and we need first-rate infrastructure to keep pace. From health authorities and school boards, from municipalities and industry we heard about the problems with stop-and-start funding: projects that are announced one year then can't go ahead if budgets are tight. We've listened. Based on Budget 2003, we'll put a new capital plan in place, double our investment in capital projects, and introduce a capital account so that we end the uncertainty and we get the projects built.

Albertans said, Mr. Speaker: get rid of Alberta's debt but not at the expense of addressing real problems today. Because of the wise choices we made in the past, we've reduced accumulated debt by nearly 80 percent, and we're in the strongest fiscal position in all of Canada. So we'll use the money we've already set aside to make the payments when they come due this year.

Well, that's it in a nutshell, Mr. Speaker. It's a new direction for new times, a balanced direction that provides stable and predictable budgets, gives more resources to health and education, and reaffirms our commitment to essential capital projects. It's a direction that will make Alberta even better.

There's one clear message I want all Albertans to understand: they will get all of the benefits of this new direction without paying a single cent more in income tax or health care premiums. Because of the solid new direction and the positive forecast for Alberta's future, previously announced plans to reduce corporate income taxes will go ahead this year. Corporate tax rates for small business will drop from 4.5 percent to 4 percent this year. The threshold for small businesses will increase to \$400,000. Tax rates for larger businesses will drop from 13 percent to 12 and a half percent this year. These steps, Mr. Speaker, will result in direct tax savings of \$94 million this year. That's money they can use to build their business, build a strong economy, and create more jobs for Albertans. No other province in the country can match this kind of budget package, and I'm proud to be able to deliver the good news to Albertans today.

Now for some details. I'm sure that for the past 30 years almost

every Finance minister before me has stood here on budget day and talked about one single word: volatility. Our abundance of natural resources is a tremendous asset, but it's also a two-edged sword. When prices are up, revenues go up and so do expectations for more and more services. When prices drop, as they can do without warning, we're left high and dry, wondering how we can afford to pay for commitments we've made in the past. That roller coaster puts everyone on edge, and the ride has to end.

Last summer I asked the Financial Management Commission to recommend long-term strategies that would serve Alberta well into the future. The chairman, David Tuer, and some of his commission members are here today, and I want to thank them for their excellent work. Based on the sound advice of the Financial Management Commission, our government is introducing the new Alberta sustainability fund. With this new fund in place the days of unpredictable, uncertain budgets are over. Instead of pegging our budgets and spending plans on best guesses about the price of oil and gas, we'll consistently count on \$3.5 billion in oil and gas revenues. If prices are high, any additional revenue will go to the sustainability fund to cushion us against years when prices may not be as good. If prices are low, we'll be able to use the savings in the sustainability fund to guarantee that no less than \$3.5 billion will be available for the budget.

Mr. Speaker, this is a fundamental change for our province. We've replaced volatility with predictability, but it also means that expectations have to change. Too often as soon as oil and gas prices spike upward, so do expectations for more spending. Those days are over too. If prices go up during the year or we have surpluses at the end of the year, the only place those funds can go is to the sustainability fund. Extra revenues cannot be used for operating purposes. If revenues are much higher than expected and if we have at least \$2.5 billion set aside in the sustainability fund, then we can use the surplus funds to pay off our debt or put more money into our capital account.

With Budget 2003 we are retaining our strong commitment to burning the mortgage and making Alberta the first debt-free province in the country, but it can't be our only objective. Nothing would please our Premier and his Finance minister more than making the final payment on Alberta's debt, but we can't and we won't ignore the realities of today. The province is growing, and there are immediate, pressing needs that simply can't wait until the debt is gone. Our successful fiscal policies of the past mean that Alberta's accumulated debt now stands at just \$4.8 billion, by far the lowest in the country and at least 10 years ahead of our legislated debt repayment plan.

Just like a regular mortgage, Mr. Speaker, Albertans understand that you can only make payments on the mortgage when it comes due. Thanks to our wise decisions of the past we've set money aside in a debt repayment fund to pay off the debt on time and on schedule. In effect, we've prepaid the mortgage down to \$4.8 billion, and with the money that's set aside, all the payments that come due this year and part of next year as well will be paid without having to touch one cent of this year's budget.

Mr. Speaker, I know that some people will be disappointed that we're not putting every spare dollar into paying down the debt as quickly as possible, but they should remember that we are years ahead of the game and can now reap the benefits of prepaying the mortgage. They should think about the combined advantages of the sustainability fund and the capital plan not only for this year but for years to come. They should remember that the benefits will go to children, who now have better classrooms or new schools to go to. They should understand that Alberta needs better transportation routes, better access to health care services, better safety net

programs for farmers. All those benefits are possible because of the balanced approach we're taking. We will pay off Alberta's accumulated debt. We will be the first debt-free province in the country. That's a promise, and that's a promise we will keep.

Let me now move to some of the direct benefits that Budget 2003 provides for Albertans in every corner of this province. Over the past few years the first budget priority has consistently been meeting the pressing needs in programs that are important to Albertans, especially in health and education. Spending on capital projects has often taken a backseat. As a result there's a serious backlog of essential capital projects, a backlog that threatens our ability to provide the necessary infrastructure and to support ongoing growth in the province.

Once again, we're taking action. Our new capital plan will support more than \$5.5 billion in capital projects over the next three years. That money will go to highways and municipal transportation projects. It will go to leading-edge health facilities and new equipment. It will go to build new schools, renovate existing ones, to upgrade and improve access to technology in schools. It will build new facilities at postsecondary institutions. It will improve irrigation, water management, and water treatment. It will make more affordable housing available for Albertans. It will upgrade seniors' lodges and support hundreds of community projects.

3:50

The new capital plan not only significantly expands our investment, but it also fundamentally changes how we fund our capital projects. Funds for new capital projects will come from three sources: the annual budget; the capital account, that allows us to carry funding from one year to the next; and alternative funding arrangements, to be considered on a project-by-project basis. Thanks to our strong fiscal performance in 2002-2003, \$910 million from our year-end surplus went directly into the capital account. That will pay for roughly 16 percent of the projects included in the capital plan. About 59 percent of the funding will come from revenues in the three-year budget, and the remaining 25 percent will come from alternative funding arrangements.

Mr. Speaker, alternative arrangements could include public/private partnerships. They could also involve leasing arrangements or other options that allow us to pay for projects over the longer term rather than in one fiscal year. Each of those alternatives will be reviewed on a project-by-project basis by a new advisory committee on alternative capital financing, and I can assure Albertans that all aspects of any alternative financing approved by our government will be open and fully disclosed. The new capital plan is a major investment in the future of our province, an investment that will benefit Albertans today and for generations to come, an investment that will make Alberta even better.

Mr. Speaker, when it comes to top priorities for Albertans, health and education are consistently at the top of the list. People want to know that they have access to health care when they need it. They want their children and their grandchildren to get an excellent education, and they want every young person to have a chance to get a postsecondary education and build a productive and positive future right here in Alberta. Spending decisions in Budget 2003 reflect those priorities.

In health care overall spending will increase by 7.2 percent this year, including funding received from the federal government as part of the recent arrangement with the Premiers. In total, spending for health care will increase by \$1.26 billion over the next three years. By the time our province celebrates its hundredth birthday in 2005, we will spend over \$8 billion a year on health care in Alberta. That money will go to health authorities and the Cancer Board. It will

support specialized health services like cardiac surgeries and organ transplants. It will support continuing efforts to reform the health care system, and fundamentally it will result in better access and better health services for all Albertans.

In Learning the base operating support for kindergarten to grade 12 will increase by 4.9 percent this year, and over the next three years close to \$390 million more will go to school boards across the province. That will bring the total funding to public and separate school boards to \$3.4 billion by 2005-2006. On top of that investment in Alberta's children, \$450 million is included in the capital plan to build new schools and improve classrooms across the province. Nearly 80 percent of the new funds will go directly to the classroom. It will support the excellent work of Alberta's teachers and help ensure that our students continue to achieve the best results in the world. It will support increases in enrollments, including an 8 percent increase in the number of students with severe disabilities. More funds will be available to buy books and other learning resources. A new funding framework will also be introduced, giving school boards the flexibility they need to make local decisions and meet local needs.

Later this year Alberta's Commission on Learning will issue its report and help set the direction for the future of education in this province. At the postsecondary level first priority must go to making sure students have access to university, college, and technical institute programs. Funding for postsecondary education will increase by \$44 million, or 4.1 percent, this year. This includes \$10 million to increase access in high priority areas and \$12 million to maintain spaces in Alberta's apprenticeship programs. We will also step up our investment in loans and scholarships for students and continue to provide loan relief.

People looking through Budget 2003 will find dozens of initiatives targeted at different segments of Alberta's population, but let me highlight some of the initiatives for Alberta's farmers, for children, for families, and for our environment. All of us watched last summer the heartbreaking scenes of farmers forced to abandon their crops, sell their cattle, and face the ravages of unrelenting drought. Our government didn't hesitate for a minute. We stepped in and provided over a billion dollars in disaster funding and emergency disaster assistance. This year we're keeping our fingers crossed along with every farmer in the province hoping that the winter snow combined with spring rains will put our farmers back on track and the days of drought will be behind us.

With this year's budget farm safety net programs are being completely revamped, giving Alberta producers the most innovative and comprehensive crop insurance program in Canada. Close to \$200 million will be provided this year to implement this new insurance program, a program that gives farmers and producers a solid safety net they can count on.

Mr. Speaker, Alberta farmers and producers have long been the backbone of our province. They've had a rough go over the past few years, but we're determined to work with them to address the issues, to expand their ability to add value and market their products, and find the best ways of building capacity in rural communities. Our commitment to the future of agriculture in Alberta is stronger than ever.

Looking to the future and making Alberta even better means making sure that our children get the best start in life and are able to look forward to a future full of potential and hope. With Budget 2003 funding for Children's Services will increase 5.4 percent. Funding will go to protect vulnerable children, support children with disabilities, and expand early learning and child care programs. A new centre for child, family, and community research will also be established this year. Thanks to our Premier's strong leadership

funds will go to support Alberta's Promise, an initiative designed to mobilize every sector of our society, to bring new resources and new partnerships together and support a whole new range of community initiatives for children. Mr. Speaker, our children are Alberta's Promise, and we'll do our best to make that promise and make sure it is fulfilled.

Actions in Budget 2003 are also directed at supporting families who need it the most. Following up on the low-income review, income and employment support programs will be combined into a single integrated approach that puts people first and matches their unique needs with a range of programs and support. Along with these changes we'll take action this year to increase the income support rates for 12,000 families with children and another 10,000 people in assured support who are not expected to work.

To make Alberta even better we'll also need to protect and preserve our environment for future generations of Albertans. Our government took a strong stand opposing the Kyoto accord not because we disagree with the need to reduce emissions and protect our environment but because of the federal government's failure to understand and acknowledge the potential impact the accord could have on Alberta's future. Our commitment to Alberta's environment is unwavering. We will not be deterred by misguided federal actions. We will act on our own to do what needs to be done for Alberta and by Albertans.

4:00

With Budget 2003 we'll invest an additional \$30 million over the next three years in the climate change action plan to reduce emissions, support energy conservation projects, invest in demonstration projects, and support research on new clean energy technology. In addition, Mr. Speaker, discussions are also under way with Alberta's municipalities about a potential interest-free loan program to support municipal energy efficiency projects.

Those are some of the key highlights, Mr. Speaker. Budget 2003 is about a single goal: making Alberta even better. All signs point to a strong future in our province with a growing economy, more jobs for Albertans, and an almost endless opportunity for success. Budget 2003 positions our province to take advantage of the

tremendous potential that lies ahead. It sets a new fiscal direction, a steady, balanced direction that delivers what Albertans want and expect: stable, predictable budgets, spending on what counts the most, investment in the province's infrastructure to meet the demands of growth, and no tax increases.

It takes courage and determination to set a new direction. Alberta is known as a national and international leader in fiscal policy, and our success over the past 10 years has been unprecedented in Canada. But as Sir Winston Churchill said: success is never final. As times change and needs change, good governments don't cling to their successes from the past. They change and adapt. They set the stage for new successes to come. They keep their eyes firmly focused on the future rather than the rearview mirror, and they never shy away from taking action that will move their province from being good to being great.

Mr. Speaker, I remember that in one of his early speeches in this Assembly Premier Klein said: given a choice between the past and the future, Albertans will choose the future every time. He was absolutely right, and he still is. Once again we are choosing the future, choosing to build new successes, choosing to make Alberta even better for all of our children and for generations of Albertans to come.

Thank you, Mr. Speaker.

The Speaker: The hon. Official Opposition House leader.

Ms Carlson: Thank you, Mr. Speaker. On behalf of the Leader of the Official Opposition I move to adjourn debate.

[Motion to adjourn debate carried]

The Speaker: The hon. Government House Leader.

Mr. Hancock: Thank you, Mr. Speaker. I move that the Assembly do adjourn until 8 this evening.

[Motion carried; the Assembly adjourned at 4:06 p.m.]