

## Legislative Assembly of Alberta

Title: **Wednesday, April 9, 2003**

**8:00 p.m.**

Date: 2003/04/09

head: **Committee of Supply**

[Mr. Shariff in the chair]

**The Deputy Chair:** I call the committee to order.

head: **Main Estimates 2003-04**

**Innovation and Science**

**The Deputy Chair:** The hon. Minister of Innovation and Science.

**Mr. Doerksen:** Shall I begin, Mr. Chairman?

**The Deputy Chair:** You've been recognized, minister.

**Mr. Doerksen:** Well, thank you. The first thing I'm going to do is introduce some people from the Department of Innovation and Science, but even before then I'm going to alert one of them. If they would ask my assistant to bring down my binder from my office, it would be helpful.

**An Hon. Member:** I think that they're watching that hockey game.

**Mr. Doerksen:** They were watching the hockey game. Yes, it is a great night, Mr. Chairman, because Edmonton has just won its first game of the series, and then we get to talk about the Ministry of Innovation and Science, which is all about the future. So it's a good night.

People attending from Innovation and Science this evening are Glenn Guenther, who's from the communications department; Linda Moisey, who is on the human resource side; Brian Fischer, who does the money side; Blake Bartlett, who helps him; Mike McCullough; and then there is Grant Chaney – I should have just read my list instead of looking up there – Mel Wong; Ron Dick is there somewhere as is Peter Crerar as is Byron Nagazina. Let's see; who else did I miss? Robb Stoddard, is that you? Great. Okay. Colleagues and members of the Assembly, this is the great team that's assembled to put together the future of Alberta, and I appreciate all the work that they do on our behalf.

I'm just going to actually take you through the business plan. If you go to the book of the Alberta 2003 business plans, the plan for Innovation and Science starts on page 251. Taking you through the business plan, you see that we essentially have two main business areas, the first one being research and development and the second one being corporate information and communications technology.

Again, bearing in mind some of the comments that were made last year when we made our presentation, there was some complaint that the business plan from the previous year was not as consistent as the business plan for the next. You'll see more consistency this year from last year's business plan to this one. There are, of course, some changes to our measures, some changes to our performance indicators, but essentially we've tried to maintain the same format, provide a little more clarity around some of the objectives that we are trying to achieve. I think that will help, and I do look forward to members' questions later on.

I also want to introduce now – there are some more people that have arrived – Dwight Dibben, who is my executive assistant, and Stan Hayter. I'm not sure I introduced Stan before, but I see him there. Also, my son Courtney Doerksen, who doesn't work for the

department but's visiting tonight just to see what we blather on about in the evenings in this great place.

We're going back to just talk a little bit about our first core business, research and development. Again, in all of the areas what we're keenly interested in trying to do in this province is invest in people, invest in research infrastructure, make sure that we focus some of our research activities into areas that are our strengths, work at trying to create innovative solutions and policies for Alberta business.

I just got this little letter yesterday from ICORE, which of course is one of our program areas, and they sent out a list that shows the effect we've had on the people side, particularly when it comes to information, communication, and technology research. If you look at the highlights of the letter that he sent me, he said:

Alberta attracted 23% of Canada's top NSERC postgraduate scholarship awards in Computer Science, and Electrical and Computer Engineering in 2002 . . . [We] increased from 18 in 1999 to 50 in 2002 . . . while the number in [the province to the west of us] fell from 28 to 21,

and Ontario increased 22 percent, but our increase was 178 percent. In electrical and computer engineering at the University of Alberta and the University of Calgary we ranked number 2 and number 3 in Canada. In computing science the University of Alberta now ranks number 1 in both masters and doctoral NSERC award recipients.

**An Hon. Member:** What number?

**Mr. Doerksen:** Number 1. "Alberta, as a province, now ranks #2 after Ontario in Electrical and Computer Engineering" and number 2 in computing science masters awards. So it's a clear indication that the objectives that were set out when ICORE was established in that program have actually borne out in terms of the quality of people that we now have in the province.

I want to point out the one significant change that we've made on the research side has been an increased emphasis on the Alberta Energy Research Institute. Part of that is directed to the climate change initiatives that we are taking and that are aligned with our five main target areas in energy, those being CO<sub>2</sub> and water management, oil sands upgrading and value-added, clean coal technology, recovery technologies, alternative energies. Actually, I think on page 256 you'll see a very clear breakdown as to where we will be committing those resources over the next number of years.

Now, of course those won't necessarily be exactly precise, but we've tried to give an indication of some of the priority areas that we're going to be focusing on. Of course, fundamental to the investment here will be to find an equal partnership with the federal government to make sure that their money also comes to match the investment we make, as well as industry, because, Mr. Chairman, we are not going to do this by ourselves. It has to be a team effort, and my colleague the Member for Bonnyville-Cold Lake as the co-chair of the Alberta Energy Research Institute is doing a fine job. We just held a challenge dialogue that AERI put on bringing in people from Energy right across Canada to lead in a dialogue that says: what can we do in a combined effort to solve some of these issues? So we're very excited about that particular area.

Just to explain, you'll note under the Alberta science and research investment program that our numbers have gone down from \$39 million to \$37 million because what we did is re-profiled some of that investment, again, to focus more on the energy side, but I want to be quite clear here. One of the challenges that we're going to have in this budget is going to be the ability to match the granting agency awards that will come to Alberta with respect to our budgets. I want to make it quite clear that in any of these research areas we

expect that money out of those particular budgets can be used as part of our matching component as those awards are announced and as they go further. So while it looks like the investment in what we call the ASRA program is declining somewhat, we actually have more money available to help us match the awards that are going to be coming. But to also be quite clear, we expect and we have said that the areas of energy, ICT, life sciences are going to be our priority areas. Those are going to be the ones that we pay the most attention to. So there's a little bit of explanation on the energy side.

**8:10**

Then when you go to goal 3, you'll see – and I referred to this already earlier with ICORE – again a focus on information and communication technology research. I'm not going to spend a lot more time there.

Goal 4, "To foster excellence in life sciences." Mr. Chairman, we've begun to explore this area. Even though we currently invest great sums of money through the Alberta Heritage Foundation for Medical Research, through some of our agricultural research programs, we also think this is an area for the future, and with the release of our life sciences strategy we've begun to build the framework around how this is going to look. We're working very closely with the minister of agriculture because there is commonality, actually, that runs through a lot of these programs because if you look at agriculture in the biofuels, that pertains to energy; that pertains to agriculture. If you look in the field of genomics, you're covering the areas of bioinformatics, which is ICT; you're covering biology. There's a lot of crossover between disciplines. So in the life sciences we've begun the work there to create some specific direction.

We'll talk a little bit about a particular goal that's very important to me this coming year, and that relates to goal 5, where we talk about "foster the growth of knowledge-based industries and establish Alberta as a preferred location for the commercialization of technologies." Together with the Minister of Economic Development we'll have an umbrella value-added strategy which really talks to commercialization of technology, talks to trying to find the right policy areas that can actually allow us in Alberta to take the good ideas that are produced here and move them into the next phase and actually be able to generate the results of those good ideas through investment and through commercialization and, ultimately, production and jobs in Alberta. So that's going to be a particular emphasis for the ministry this year in terms of coming up with the right policies that can help to move that forward.

Then moving on, our second main area in the Ministry of Innovation and Science is corporate information and communications technology. Again, before I get to the Alberta Supernet, I think you'll see that we've tried to get quite specific about what we're trying to achieve with respect to corporate standards across government. You'll see, for instance, moving to an Office 2000/Windows 2000 common standard. We should be at 100 percent compatibility or consistency there in '03-04.

You'll see some objectives we have around enterprise architecture and authentication, which of course is a very important issue when it comes to security and more importantly as we move to web-based applications and as we allow customers to access the information from the government right from their own homes or offices or wherever they have access. Then, again, you can see in some areas we actually want to do consolidation. So you'll see that we have an objective to reduce the number of e-mail systems, the number of directories, the number of services. One of the reasons we're doing that in particular is so that we can reduce the amount of effort we have when it comes to help desks or resources that you have to

commit to managing all kinds of different systems. We really think we want to drive that down to have some common platforms right across government.

Then, just moving back to the Supernet, quite clearly you'll see in the business plan there on page 261 that we did not achieve our targets for the number of schools, hospitals, libraries, and buildings that we had expected to be at this year by this time, but it's been no secret to the Assembly that we've had some commercial disputes between Bell and Axia. It has been raised through questions in the Assembly and also reported that several weeks ago we were able to reach a conclusion to some of those commercial difficulties that has put the issues at dispute to the side to be resolved through an arbitration process. Bell West will take over the build of the network for the entire province, and then, of course, Axia as another part of the contract will continue to be the access manager to manage the network as it's built.

More importantly, I think, what I start to talk about now when I'm out promoting Supernet is that I'm beyond the place where the build actually gets completed, because the Supernet is going to get built. We're going to have an infrastructure. It's going to be unique in the world. It's going to give us opportunities. But for us to take advantage of that infrastructure, we're going to have to find the applications that go along the network, to find the technologies, the delivery services that are going to fill the pipe and prove it out. Every day I'm encouraged by different things that I hear. Today, for instance, we met somebody from a remote area who wants to establish in their municipality a GIS system, and they can't completely implement the GIS system until they have the proper bandwidth. They can implement parts of it, but they can't implement the whole package until they actually have access to the bandwidth. I was also reading today about the fact that we actually are already sending ultrasound images to radiologists who are not located in the same place, but it's done on a static basis. With enough broadband access we'll be able to do that live time. So there are, I think, some exciting applications that are going to come, and that's where the payoff for the Alberta Supernet will come.

Lastly – well, it won't be last – I insist that in our business plan we also have performance indicators with respect to our human resources in our department and how they feel about their contribution to their work and the satisfaction levels that they have working in the department. That's very important to me. It's very important to me that people that are working in Innovation and Science know how they're contributing to the objectives that we're trying to reach in Alberta. So I do insist that we do have some reporting there. We're not at the levels that I like to be at, but I'm very confident. I have a lot of confidence in the staff in the department for doing these great things for Alberta, and I'm delighted with the people that we have.

Again, just moving to the financial page just to kind of provide some clarity with what you have there, you can see how we've broken down the expenditures into our priority areas. So you'll see Energy, which has some numbers there related to, for instance, Alberta Research Council. Alberta Research Council also has a line item in life sciences; they have a line item in information and communications technology. All we're trying to do there is to show you where the investments are going in all of the things that we're doing that actually go to our areas of priority. So that's kind of how we've laid that out for the business plan.

Now I'm going to check my notes and see if I missed anything.

**8:20**

**The Deputy Chair:** Hon. member, the time allocated to you has run out.

Just for clarification purposes at this stage for the first hour it's a back-and-forth between the minister and the opposition party. So, Mr. Minister, you'll be able to come back to the points that you may want to cover.

The hon. Member for Edmonton-Mill Woods.

**Dr. Massey:** Thanks, Mr. Chairman, and thanks again to the minister for the information he provides with respect to his department and the very professional way that things are conducted. It's a pleasure to have the department as an area to scrutinize, and that's in large part because of the work of the minister.

I have a number of questions, but before I go back to my list, I wondered if I could just ask about one of the last things that the minister talked about, and that was tracking employee satisfaction and understanding of their contributions, their place in the scheme of things. I was quite surprised to see that there were really some fairly substantial drops in employee satisfaction. It's a great measure to have here, and I certainly applaud the minister for having it. As he has indicated, it's an important measure for him and for those who are working in the department to have. For instance, the last one is the "percentage of employees indicating that their organization helps them know and understand how well they are performing." From 2001 to 2002-2003 it's gone from 69 percent to 58 percent, which is quite a drop, as is the

percentage of employees who agree that Innovation and Science provides the support they need to acquire or develop knowledge and skills in their current job.

It would seem to me sort of ironic that of all departments this department would have a drop in that area. I'm sure the minister is concerned about those numbers and we'll have some hypothesis in terms of what has caused those changes because most of the time when you take those measures, unless something dramatic happens, they remain fairly constant and usually fairly high. So I'm glad the measures are there, but I think that there must be some explanation for the rather dramatic drops that we see there.

If I could start back, then, at the beginning of the budget items. Starting with program 1, the ministry support, maybe I could go through and ask some questions about ministry support and then stop and get some answers. Under the ministry support what is included in the line items for communications and strategic management information services? I haven't got my other budget book here, but I believe these are new budget items. It amounts to about \$3 million of new spending in the ministry this year, and I wonder if I could have a bit of an explanation in terms of what that includes.

There's also, in program 2, corporate information and communications technology. What will be the responsibility of the chief information officer? It leads me to a question that I had not just about this department's budget but about the communications people that are hired in all of the departments. It seems to me that over the years there's been a growing number of people that have been put in positions of communicating, or PR positions, for the department. My question, I guess, is: are they all really needed? Is there some way that some of them might be shared? Is there a better organization? Does each department, as it seems to appear, need to have the communications capabilities and the number of people involved that they seem to in the budget? That may just be from having read quickly through the budget and not fully understanding what each of the departments are doing, but it does, I think, raise the possibility of an awful lot of money and resources being put into communicating and trying to explain things from a particular perspective. I think it's worthy of some explanation. So the responsibilities of the chief information officer – I'll leave it at that.

In program 3, research and development, what is included in the

line item operations and policy implementation? If we could have a bit of an explanation of what's involved there. I think that just sort of as a first swipe that does it.

I have some other questions. The Ministry of Health and Wellness is in the process of establishing an electronic health record system for health providers. Is the Ministry of Innovation and Science involved in any way with this project, and if so, what is the nature of that involvement? Are there funds in this budget, in Innovation and Science, that could be included here or rightly included in the health department in terms of the electronic health records system? Has the department provided assistance to Health and Wellness with the physician office system program, the program that's designed to help physicians in the province automate their offices?

I've already talked about the performance measures. The minister has touched on Supemet, and I think, as the minister's indicated, we're aware of the problems that we've had, but I wonder if we could have an explanation about how we're going to stay on track with the time line that's still in the business plan, given the problems there have been with progress this far. What's being done to speed things up, and is it going to cost more money to make the kind of progress that's outlined in the budget? I wonder if I could, maybe with that first set of questions, have the minister respond, Mr. Chairman.

**The Deputy Chair:** The hon. minister.

**Mr. Doerksen:** Thank you, Mr. Chairman. Let me just say from the outset that there are some questions that I will not be able to answer tonight, and we'll certainly provide the information to you, to members of this Assembly after we've had some time to dig into the details, but I will try to answer some of the points that have been raised.

The first one that you highlighted was the employee satisfaction ratings. To be clear, I noticed those trends too, and for me that's important to put in here because we want to be accountable and we don't want to fabricate numbers just for the sake of fabricating them. If there are some issues with the staff, we have to identify them and come to terms with them, but we have certainly taken a number of initiatives already with the employees. We introduced a program called PRAISE, which really is an employee recognition program to try to again provide some ongoing positive feedback to our staff. We've tried to put in place some principles that involve input from all of our staff members in terms of decision-making and communications about plans. So your points are made, I am certainly aware of them, and we are working to improve.

8:30

The most important thing is that people, staff in Innovation and Science and frankly anywhere in government, need to know that the work that they are doing is contributing to the betterment of all of Alberta. That's the kind of thing that we try to foster in our department, that in fact the work you do is meaningful and it is important to the people of Alberta. So we're going to continue to work on that.

On the communications question I didn't know exactly where you were to start with, but then I found it. I think particularly in Innovation and Science this is such a critical element because the hardest thing that I have particularly when it comes to research and development is telling Martha and Henry about the results that research and development accomplish for them. To translate it from the lab to the average person sitting around a kitchen table or in a coffee shop is a difficult job, to try and communicate that message. The things that we do at Innovation and Science aren't the things

that the media glom onto. So in our department in particular I would venture to say that we probably could stand to put some more resources into the communications side.

One of the very effective tools that we have used over the years has been in conjunction with our ASTech awards, which really recognize significant accomplishments of Alberta companies and individuals in research and development. We also run a documentary about Alberta innovators, which has been very well received. It has run a couple of times over TV stations. We've had good feedback from that. Again, what we're trying to do is profile and let Albertans know of the excellent quality work that goes on in this province. So on the communications side we have to keep that effort up and, if nothing else, do more.

You talked, I think, about the chief information officer. I was looking for some other information, so I didn't quite follow the question through, but we'll get you that information in writing.

The electronic health records. That again is a very important objective that health has. You'll hear more about it, I think, when they present their business plans about what activities they're doing. With respect to our role on the standard setting, our role in helping to make sure that we maintain proper privacy records, we'll provide those details as well.

The one thing I didn't get a chance to talk about in my opening remarks which was a really important event from yesterday's budget was of course the approval of the health research innovation centres at both the University of Alberta and University of Calgary. It was their top priority from a university standpoint, and we've been working with them along with Infrastructure on trying to make those a reality because there are a number of CFI, Canadian Foundation for Innovation, awards which are actually contingent upon those projects proceeding. So that was good news for our department frankly, too, that we were able to have some influence to make those happen, and that's just going to help build our life sciences ability in this province from where it currently is.

On Supernet and how we make sure it's going to stay on track and will there be any overruns, the answer that I'll provide there is that shortly we expect that Bell is going to deliver us a recovery plan to bring the build of the network back on schedule so that we can finish it within the time frame of the contract, which of course is to be substantially completed by the end of 2004. There will be some final things that will have to happen in the following year, but substantially we expect that it will be complete in that time frame. The contract also provides that if there are any cost overruns, they are at the cost of Bell. The amount of money that we have committed to it is a finite amount, and if there are any cost overruns on the bill, they're not our responsibility.

I am confident that we are going to see a great deal of progress this year. This is a critical build year for us, and as the weather warms up now, it becomes even more critical. This is a big year for Innovation and Science for the build of that contract.

I'll just sit down now and get some more questions.

**The Deputy Chair:** The hon. Member for Edmonton-Mill Woods.

**Dr. Massey:** Thanks, Mr. Chairman, and thanks for that information. Just one more on the satisfaction of the staff. When I first read it, I thought maybe the numbers were wrong, and I wondered if they had been checked to make sure that those drops are real or whether somebody has not transcribed the information correctly.

Martha and Henry. I think that's a growing concern in the government, and there's a provision in here to put more and more government information and government interaction with citizens on-line, and I wonder if the department has looked into who uses

government services that way. What causes me to ask the question is that I was on the phone recently trying to make some air reservations, and of all the telephone choices I was given, the only one I could access was on-line, an e-mail address, and I thought that that was fine for someone who uses a computer all the time, but what about those people who don't do that? I found it quite frustrating because I did really want to talk to someone. I didn't want to just e-mail.

The concern I have is particularly with seniors. We have, as I'm sure the minister does in his constituency office, a lot of seniors come in to have government programs explained to them, to fill out applications for government programs. I know that when we talk to them, they are not users of computers, so it's a whole area of information that's not available to them. I guess if I have a concern it's that for a while at least I think there will have to be parallel systems, and you'll have to make sure that we don't go too fast so that these people are left out and excluded. I wonder what kind of thought has gone into that in terms of providing government information and government services on-line. As much as we want everyone to be hooked in electronically, we know it's not going to be possible. What assurance are we going to give those citizens who aren't that somehow or other they aren't going to be excluded?

The recovery plan from Bell I think is going to be interesting to see in terms of how they plan to make up for lost time. There is still from schools – and I'm sure the minister has heard – the concern that they are not going to have the technology to take advantage of Supernet when it is available. I haven't heard it as much, but it still was raised just last week by a principal who indicated that it was not going to be something that they were going to be able to take advantage of right away because of the state of their equipment. Has there been co-ordination with the Department of Learning in terms of the provision of money for technology that will ensure that the optimum use will be made of Supernet once it does arrive at the door?

**8:40**

Maybe just one last concern on this round, Mr. Chairman. Is there any concern not only with this department but with the Learning department with respect to postsecondary institutions, that the pressure or the drive to commercialize research is going to distort research at universities and research institutions? I still think that there's a place for a public research agenda, for research that doesn't have immediate commercial payoff, that is sort of nongizmo research. We've benefited greatly in the past from that kind of research, and my concern is that with an overconcern on commercialization the tendency to design and to foster and encourage short-term research with immediate payoff is going to be done at the expense of longer term projects and projects, as I said, that may not have an immediate commercial payoff.

Thanks, Mr. Chairman.

**Mr. Doerksen:** Again, thank you for those questions, and I'll try to work through them one at a time. The question "Who uses the services?" is an important question. Again, access to on-line services: we are moving to deliver more and more of our services on-line. So, yeah, there's always the issue of what's commonly known as the digital divide, those who actually have access to not only computers but then also access to a proper network to hook into. That's one of the reasons why even with the Supernet project it's my opinion that the library connections particularly in the remote communities become a critical component of the Supernet access because that will provide not only ability for anybody, any citizen, to get access to a computer but also access to web services. It certainly is an issue.

The concern with seniors is in a line like that, but on the other

hand some of the most ardent disciples of computers and ardent disciples of the Internet in particular are the seniors who have found that they can use this facility, and I'll use my own mother for an example. She uses her computer enough to keep in contact with all 30-some of her grandkids. In some of the schools where her grandkids go that run web pages and keep track of class activities in the different provinces, she can go and log on and look and find pictures of her grandchildren in their activities in the various schools.

I'll never forget the one time – and this was actually quite a number of years ago – when I was doing an opening at one of the lodges in Red Deer where this elderly lady introduced me before I cut the ribbon and gave this whole long detail about the person I was. I had no idea where she would have got this information from, but she had spent some time on the Internet getting all this information, and I was absolutely blown away. And this would have been almost seven or eight years ago, which is far back in the history of IT.

But the concern is there, and I think those are valid. Obviously, within the various departments, with the Department of Seniors, these are some of the issues that I think they need to grapple with as well, but those are not necessarily new issues because any kind of paperwork and forms to fill have always driven those kinds of questions. So we'll take the point.

In terms of the schools probably one of the bigger proponents of Supernet actually has been Alberta Learning and has really been behind the push to bring the technological advantages into our schools to make sure that we do have the connections. Again, some of these questions will have to be answered by Learning in terms of the resources they're committing to it, but I will say that we have been in constant contact with Learning in terms of the development of Supernet and when it's going to get to their schools and even as we start to move toward applications.

We are doing a pilot project with actually the Red Deer Catholic school division in collaboration with Notre Dame school in Red Deer and a school in Rocky Mountain House where one segment of Supernet is up and running, where they're doing interactive classrooms, interactive Smart board classrooms as we speak. There are some pilot projects that are happening. There are some other ones that are ready to go in different parts of the province. So they're working on that.

On your comment about the drive to commercialize, I have to tell you that over and over and over again for the last two years that I've been in this portfolio – Alberta has all the advantages when it comes to capability for research, has all the advantages when it comes to a fiscal climate, has all the advantages when it comes to developing a knowledge-based economy, but we continue to lack a proper private-sector receptor capacity for those good ideas. If I can refer to a recent report on the Alberta Science and Research Authority – it was an international review – they made the two fundamental points, one being that Alberta is head and shoulders above most places but that we lack the sense of urgency to develop the private-sector capacity research. I've got about five or six reports that I can show you that keep coming to the same conclusion. So it's an area that we cannot ignore. I hear the concern, but it's an area that we have to address without compromising, again, the part you're talking about, the benefits of the long-term sustained research that don't immediately show commercial return. I hope that helps a little bit.

**The Deputy Chair:** The hon. Member for Edmonton-Riverview.

**Dr. Taft:** Thank you, Mr. Chairman. I have just been out double-checking some of my facts, and my questions may overlap with some

that have already occurred, but I feel very strongly about this. My constituency includes undoubtedly the largest single research institution in the province, the University of Alberta, and I am often talking to researchers and scientists and people from that facility who have lots of success stories and lots of concerns. A concern that I have heard frequently voiced over the last year from several independent sources – the sources aren't related – from scientists working in different areas of research, is that there's a great deal of frustration in getting matching provincial funds to correspond with federal grant money.

I'm looking here in your business plan, page 254, under Investing in People.

1. Provide support for the recruitment and retention of key scientific personnel at Alberta universities . . .
5. Work to leverage research funding from industry and federal sources.
6. Develop a mechanism to encourage greater investment in Alberta . . . from industry and federal government sources . . .
8. Work with Alberta Learning and public institutions to coordinate research-related policies and programs.

What I would look for from the minister and his officials – and this is a serious problem but one that I have a feeling can be cleared up without spending huge amounts of money, maybe just cutting red tape. The concern is this. Scientists apply to one or another federal source for funding. They win approval for that funding, but it depends on matching provincial amounts. For reasons either of delays with provincial funding – and that funding may not come from your department; it may come from I'm not sure which sources but you would undoubtedly have some influence over how the process works – or insufficient funding, the federal government then holds back on its share because there's a contingency here. Or as one scientist described it, you can end up in a downward ratchet because the federal government approves a certain amount contingent on the province matching it. The province comes in under that, so then the federal government drops its level, which causes the province to drop its level, and they go down and down and down.

**8:50**

Two or three consequences of this are of direct concern, I'm sure, to the minister. One is delays and frustrations: delays in projects getting launched, with one scientist I was just talking to, a year-long delay. Second, a huge distraction of energy in which scientists are then, in trying to make up the shortfall in provincial funding, having to haggle with all kinds of private suppliers for equipment and for computers and so on to find the money to make up the difference, causing a great delay. It's frustrating to scientists, and if they can go to Toronto or UBC or Cambridge or North Carolina or wherever and those problems are taken care of because the red tape is cut or sufficient matching funding is available, we're not going to get them here or we're not going to keep them here even if we attract them. So that's part of the issue here.

I want to bring it to your attention as the minister and to the attention of the officials. Let's see if we can work more effectively with the federal funding agencies so that the scientists, who are trained in science, don't have to spend years haggling over funding issues that delay their research. So I guess that's the main point on that.

The second point is that I have heard a rumour recently that the province is actually backing out of ongoing funding for research. They will set up a research project at a university for three years. They'll equip the lab, they'll get it up and running, and then in three years the money is gone, the funding is stopped, and we're suddenly left with a researcher who is out of work or is left scrambling, spending his time scrounging for money instead of doing the work

that he or she has aimed for. In fact, the rumour is going around right now that the province has actually said that it will not accept any more applications for operating dollars for projects which were started, say, three years ago with provincial money. We need to have a long-term, reliable basis to develop the people and the labs and the facilities and the brain power for a critical mass of innovation and science work in this province.

So, you know, it's budget debate, and this is absolutely related to money. I'm not raising this issue with the minister so much looking for documents or background as to say: we're going to lose some of the best and brightest we have if we can't sort out these funding issues. If you possibly can, as a government work more smoothly with the federal government. Please consider ongoing operating funding for labs and innovation.

Thank you.

**Mr. Doerksen:** Mr. Chairman, I do want to provide a few remarks about that particular concern that has been raised, and it's one that I've heard too. There's no secret about that. I'm not the expert in this field, so we have set up, without apology, a strict due diligence process within the department by using peers and experts to help us examine the applications that are made for research dollars in Alberta. Quite clearly, we also set a high bar around the areas of research that we want to focus on. So there is that due diligence that does go on.

Again, the nature of granting being the way that it is, they're quite often in the three- or five-year kind of envelopes. I imagine that there has to be some kind of review at the end of each of the periods to say: well, looking at the proposal that was presented when you got the money to start with, in fact have you achieved some of the results, and is it worth while, then, to keep that money going? So there is that kind of due diligence, and I think that's very important because it's not just a matter of just throwing money out without some accountability. There has to be an accountability process.

Without a doubt, we have not guaranteed an automatic match for every award that is won by researchers, because, again, we do have our own due diligence process and procedures that we go through. The federal budget this year has presented us with an interesting challenge because they have put more money into the federal granting agencies. Just projecting ahead, if we continue to have the kind of success rate that we've had in the past, it's going to put a strain on the budget, but in many ways that's a good problem to have when we have that kind of success. We're working just as best we can with the institutions, with the federal government, because they have a role to play to help us out as well. For instance, I refer to the HRICs. The going ahead of those two projects at both universities was critical to being able to advance the money. Those were one of the conditions, actually, that were given by the federal granting agencies before they could advance the money. We've been working together with them, but without question it is a challenge.

I know that there are frustrations with researchers, but while there is frustration, if you look at page 255 of our business plan, you will see that in terms of the sponsored-research growth in Alberta at our universities, it has been quite remarkable. Going back to 1998, you will see an increased investment of \$65 million from the province, and if you go up, this year's target is \$135 million. So there's been growth. You can see the same kind of growth in the federal money in industry resources. So the growth has been there, but there is a challenge.

The other thing that you didn't mention – and I'll just alert you to this because it's another issue – comes through the foundations. The Alberta Heritage Foundation for Medical Research, because of the equity markets and the lack of investment, has not been able to make

as many awards this year, and there's a lot of research work and people that have been relying on the funding that's come out of the foundations, which is also presenting another challenge for us because we've built up that critical mass of researchers and capability and want to maintain that. You didn't mention it, but I will. So there are several issues that kind of compound the current situation.

You will note, though, that there's one thing we did add in my budget that I didn't mention in my comments. With the Alberta ingenuity fund we've put another \$21 million or whatever the figure is – I can't find it right now – into that fund to try to bring it back up to the level of the original \$500 million that was established to begin with. Again, our objective is to hopefully at some point continue to build that endowment fund up to a billion dollars and bring it to the same level that we are with the Heritage Foundation for Medical Research, but that's all contingent on fiscal plans and objectives. I appreciate your raising the issue. It's one that I'm very well aware of, and we are trying to manage it as best we can.

9:00

**The Deputy Chair:** Hon. members, the first hour that was allocated between the minister and members of the opposition has now elapsed. Any other member wishing to participate will be able to do so.

The chair recognizes the Member for Calgary-Currie.

**Mr. Lord:** Thank you, Mr. Chairman. It's my pleasure to rise and respond to the minister's comments, and I did have a few questions for the minister just in regard to the presentation. I might say that I was very pleased to hear from the minister that he has performance indicators incorporated into the business plan. Of course, that's a subject that I've paid a lot of attention to over the years. I'm very pleased to see it. Let's face it: what gets measured gets done. And performance measures instill accountability and in fact help inspire people to focus on going forward and to get the job done. Of course, it's rather difficult to do and to envision how one would put performance measures in place in some areas such as Innovation and Science, especially when you're trying to, you know, discover new inventions or foster innovation, foster research. It's hard to envision how you would actually put performance indicators into that. Eureka science is just hard to measure, and benchmarking geniuses is hard to measure. However, there are many areas where it can be done and, frankly, should be done.

In particular, I'm wondering if the minister has looked at some of the different performance measurements out there and some of the new ways of doing that, measuring and accountability and so on. In particular, I'm referring to the ISO series and whether or not the minister has looked at perhaps some of the ISO series certification as a means of introducing efficiency, effectiveness, and measuring it and measuring the business processes within the department. ISO, for those who may not be familiar with it, basically is the International Standards Organization, and it is the primary, number one benchmarking sort of system in the world now. It was actually developed by the Europeans but based on a Canadian invention, which the Canadians failed to capitalize on.

Going back some 50 years, Canadians came up with the CSA standards, Canadian Standards Association, which of course is well known in the electrical field, and it standardized quality in the electrical field so that people did not have to wonder about the quality of electrical products they were buying. That saved a great deal of money for purchasers, suppliers, et cetera, because it set a standard that if you had CSA approval, everyone knew that this product would work as advertised, as it was supposed to, and you didn't need to take it all apart and examine it, et cetera.

Well, the Europeans have taken that considerably further in developing this ISO series. It's now becoming basically a prerequisite for doing business globally around the world. People ask: are you ISO certified? If you are not, they don't want to do business with you. Where it applies in government, however, is in standardizing processes, the business process, so that people know what to expect and get the same answer every time regardless of which government bureaucrat they're dealing with or administrator they're dealing with.

In Canada a small village in Quebec was the first municipality in the world to actually become ISO 9000 certified. It found that customer complaints dropped by some 90 percent. The entire process recovered its full investment in less than two years, and approval ratings by the citizens absolutely soared, so it was very, very successful in being introduced into a smaller city. Now the city of Calgary has adopted ISO series. In fact, it's trying ISO 14000 certification, which makes it one of only three cities of its size in the entire world to attempt to do this. In the pilot project they recovered their full investment of a half million dollars within three months, finding efficiencies and effectiveness in the city waterworks department, and that inspired the administration to undertake to put this right across the city.

ISO 14000 is basically the world's most efficient, effective environmental management system as well as the business standardization system. I am wondering if the minister has looked at perhaps implementing within his department an ISO series of business reprocessing to see whether or not that might help with efficiency and effectiveness. In effect, the ISO 21000 series incorporates ethics and all sorts of other processes as well, and I would think this would be something that would be particularly innovative in government and therefore would be particularly apropos for the minister to look at in the Department of Innovation and Science.

**Mr. Doerksen:** Well, Mr. Chairman, performance measures are very important, and the challenge that we always have I think in any ministry is to find those performance measures that actually tell you whether you're getting to what your goals are. No question that we wrestle with this every year, and we say: do we have the right performance measures that actually show the kinds of things that we're trying to achieve? So all I can say about the suggestion made by the hon. member is that I am not overly familiar with the suggestion that he's made, although because he's made his comments, they've obviously been noted not only by myself but by the members of my department. Whether it is one of those measures that would give us a better indicator of what we're trying to achieve – I mean, I'm always open to good ideas.

**The Deputy Chair:** The hon. Member for Edmonton-Riverview.

**Dr. Taft:** Thank you. I'd like to make a suggestion stemming from our earlier discussion for the business plan and for the budget, a suggestion for the minister to consider that probably not only wouldn't cost anything but might save some funding. I am wondering if there is a way to cut the red tape that researchers have to face when they apply for federal and provincial funding by having a combined application process so that if the researchers apply, they apply to one jury or one decision-making body, and a decision from one body automatically triggers approval from the other. It's a way of streamlining things. I know this government is very keen on streamlining procedures, as it should be, and I'm sure in many cases has done an excellent job. This would require, I assume – I'm not an expert on these sorts of things – some kind of formal agreement with the federal councils that make these decisions, but on first blush

I'm wondering why that wouldn't work, why you couldn't have a single jury make a decision, review the application. If they approve it, both the provincial and federal funding automatically follow, so you don't have these poor researchers having to apply, go through two related but different processes, waiting for different deadlines, and on and on and on. Just a suggestion, but maybe it would be worth looking at.

**Mr. Doerksen:** Mr. Chairman, I'd be delighted if the federal government would approve the projects that we approve, that meet our objectives in the processes that we go through, but I say that a little bit tongue in cheek because you're right: there are dual processes. We're not there yet. I think we've made progress. I recognize exactly what you're saying. It would be preferable from my way of thinking that the more time the researchers actually spent researching instead of writing grant applications would be better for all of us. Although – again, I'm not a grant writer – I've never written a grant proposal, I've seen some of them. I suspect that part of the process, the writing of the proposal, helps to refine the research objective as well. It's kind of also sorting out their thinking pattern. But, you know, it's a valid suggestion, and we always have interesting relationships and negotiations with our federal counterparts.

9:10

**The Deputy Chair:** The hon. Member for Calgary-Currie.

**Mr. Lord:** Thank you, Mr. Chairman. I'm pleased to rise to ask another question of the minister with what I hope might be an idea that he would take under consideration and perhaps answer a question or two about. Now, this particular idea was suggested to me by a friend of mine, a German engineer, Dieter Remppel, a friend from Canmore, in fact. Dieter is quite an inventive fellow and has in fact several patents and inventions to his credit. He was explaining to me that while he would like to have his most recent one patented in Canada, there's a great deal of red tape, it costs a fair bit of money, and there are a number of other issues involved, whereas in Germany, being that he has immigrated here from Germany, he says that they have a government program with many, many volunteers and many business people involved. It's quite a massive program apparently, he says, and they invite people to submit their suggestions to them. They will do the patenting. They will pay for the cost of the patenting. They will do the studies to commercialize the product. They will commercialize the product. They will in fact take the entire product through from invention until full commercialization, and if there's any money made, they will then deduct their expenses and forward the royalty cheques to the inventor. In fact, that leaves the inventor having to do little more than just invent, which is what inventors like to do. They don't necessarily have the training, the skills, or even the desire to start corporations and look for venture capital and do all the things necessary to actually commercialize their inventions. They tend to like to tinker in the garage and then solve problems and just come up with some brilliant solutions.

He says: although I've been in Canada now for many, many years and it would have been nice to see it as a Canadian invention, my patents are in fact German patents, and they will be commercialized and sold as German inventions. I'm wondering if the minister has any initiatives or ideas or has been looking at ways to perhaps follow the model that they're using in Germany these days, which apparently has been very, very successful, to help people who are inventors and just want to invent, to maybe create these as Canadian patents instead of German patents and perhaps get the benefits here in Alberta accordingly.

**Mr. Doerksen:** I actually think that the member has hit on one of the important subjects that relates back to my opening comments about what one of my primary objectives this year is: to find the right policies to put into place that actually address the issues of intellectual property protection, patents, and so forth, particularly for SMEs, who don't have necessarily a whole battery of lawyers to help them through the process. They could be at a disadvantage from the bigger companies.

I think you've raised an important issue, and again, like I said, this is a policy development area that I think is critical. To my knowledge I don't think that any province in Canada or I don't even think the federal government actually has an intellectual property policy. It's probably high time that one was developed and to find out: what are the roadblocks, what are the barriers, and how can we help our businesses better? Actually, probably through the Alberta Research Council, which of course is chaired by the hon. Member for Calgary-Lougheed, because they're also involved in the commercialization side probably even more so than at the university in particular. So that might be a challenge I would throw to her as well to help us out, and I know she always rises to a good challenge.

This is a very important area. I'm not the expert in it, but I know enough or I've read enough to realize that it can be discouraging in terms of getting your product or your idea out into the market. So I appreciate the comments.

**The Deputy Chair:** The hon. Member for Edmonton-Gold Bar.

**Mr. MacDonald:** Thank you, Mr. Chairman. Certainly the Innovation and Science department, if things work out, will make a significant contribution to the future of this province. I wish the minister and the department, including the researchers that are in various laboratories, the very best and good luck and good success in their research.

We are at a crossroad in this province's economic history, and it's certainly outlined in these budget documents. We're on a downward slope as far as conventional oil production and natural gas production, and to diversify the economy, prudent research and development I believe would be a priority. I certainly hope that this department is successful.

Now, there are some projects, and the hon. minister mentioned them before. Before I get to that, I would like to briefly comment on the hon. minister's visit recently to the constituency of Edmonton-Gold Bar. I was pleased to see that the province is a very active partner with industry and the federal government in research at the local King's University College. The projects there are certainly much smaller than what goes on at the universities or at the Alberta Research Council, but they're just as important. I think that if we can have some diversity with our research projects, it will add to even more success.

The hon. minister spoke earlier about the hon. Member for Calgary-Lougheed in the capacity that she currently holds with the Alberta Research Council. I did not attend, but I certainly appreciated the invitation to the Alberta Research Council. I couldn't make it, but if a tour was to be arranged for some of the Alberta Energy Research Institute's facilities, I would be most anxious to see how our money is being spent here.

On page 256 of the business plan, we're going to spend some money on CO<sub>2</sub> and water management. We were going to have 20 projects; that's going back to 2001-2002. We had 20 projects. We reduced the number of projects to 14 and then to seven, so that's basically one-third of the activity. I would certainly like to know more about these projects in light of the Kyoto protocol and the fact that we thought in the fall of last year that the sky was going to fall

in, the province was going to come to a stop, Mr. Chairman, but certainly that has not happened. I think the communication spin was extravagant and embellished.

We just see that Suncor has had a significant vote of confidence with another major expansion, but if we are going to manage CO<sub>2</sub> in this province, how are these projects working? Now, is this CO<sub>2</sub> sequestration? Are these projects involved with CO<sub>2</sub> sequestration? Or are they involved with capturing water that is drawn off a coal bed and in some experiment with coal bed methane production? Is this water being injected into one of our mature oil-producing formations to enhance oil recovery? What precisely is going on here?

9:20

Certainly oil sands upgrading and value-added would be self-explanatory, but with CO<sub>2</sub> and water management, if I could have the details on those projects from the minister, I would be very grateful. If at some time in the future a tour could be arranged for this side of the House, I would like to check that out. Certainly we are talking here about CO<sub>2</sub> and water management, we are talking about clean coal, but are there any research projects going on with the hon. minister's department to capture and compress the emission stream out of the coal-fired plants? Are we looking in any way, shape, or form through research at perhaps having some sort of horizontal flue stream for a while so it would facilitate capture and compression? Then that gas, once it's captured and compressed, could be used for enhanced oil recovery. I know there are other outfits in this province that have got their eye on that, and I would like to know if we're spending any money on that, how much, and if there are any partners involved in that, who they are.

Now, we're looking also at some research into alternative energy here, and the number of projects – again I'm surprised – is not growing the way I thought it would with the ratification of the Kyoto protocol. What alternative energy projects are we looking at? Are they just wind power in southern Alberta? There has been some mention of solar power research, and I believe I saw something to do with fuel cells. Is this just renewable energy electricity sources or what? A further explanation of that would be gratefully appreciated by this member.

On another matter, going back from the business plan to the lottery fund estimates on page 246, there is a significant amount of revenue from commercial sources. That's a good thing to see. In two years it has increased from roughly \$34 million to \$46 million, and I would like to know how we're getting this revenue. Is this from the commercialization of past research and development? What exactly is the source of this commercial revenue? I guess I could say, Mr. Chairman: who, why, and how much? Certainly I think Albertans would be interested to know if they're getting a return on previous research and development budgets.

Further on the same page I see that the Alberta Research Council Inc. is going to have an expense of \$5.6 million, and we see that the Alberta Research Council Inc. contract research is at \$53.4 million. My, that's gone up a significant amount: \$14 million or so in the last couple of years. Who are we contracting to? Is it to the University of Alberta, the University of Calgary? Is it to private labs? Is it to pharmaceutical companies? Where is this money going? Are we paying for research outside this province, outside this country, or is all this research being conducted by graduate students from this part of the world? If we don't have the information available here, if the minister could provide it in writing at some date in the future – not too far in the future; certainly I would have a target of the Victoria Day weekend – I would be very grateful for that information.

I have some further questions and comments for later on this

evening in regard to the ministry audits and recommendations from the annual report of the Auditor General. At this time I will cede the floor to another hon. member of this Assembly.

Thank you, Mr. Chairman.

**Mr. Doerksen:** Mr. Chairman, I'm going to talk to a couple of the points that were just made by the hon. member. The first thing he said was: if things work out, this will be good for the province. Well, I'm much more optimistic than that. I believe these things will work out because we have the talent, we have the ability, we have the infrastructure in this province. So I'll take a more positive approach to that.

The member raised a very important point that I'd like to re-emphasize. He referred to the research work that was done at The King's University College. Quite often when we're talking, we refer primarily to the University of Alberta and the University of Calgary, which of course do the bulk of the basic research in the province, but we do have other institutions like King's University College, like Olds College, like Athabasca University who are involved in research projects. We also have our technical institutes and community colleges which are engaged in some areas of applied research. So we have people and the Alberta Research Council, which I mentioned before, working on research on a variety of fronts to advance our advantage here in Alberta.

The member raised some questions going to the energy research part. In particular, he asked some questions about the CO<sub>2</sub>, and let me just comment briefly that, yes, we are doing projects in a number of areas with CO<sub>2</sub>. One would be CO<sub>2</sub> sequestration, but probably more important would be coal bed methane projects where the injection of the CO<sub>2</sub> into the coal bed can actually release the methane and have some use. There may be potential application. I've seen at Alberta Research Council a number of years ago where they actually had a scale-up model kind of thing where the CO<sub>2</sub> being emitted from the coal plants would actually then be re-embedded and the gas came up. It was just kind of a little model to illustrate the point that there was the capture and then the embedding. The member might also be aware of the Weyburn project, which uses CO<sub>2</sub> to enhance oil recovery as another method of using CO<sub>2</sub>.

Again, I'm not the expert in these areas, but there are a number of I think exciting initiatives that are taking place that will not only fulfill our objectives toward looking after the situation with greenhouse gases but actually turning these into an economic advantage. But, clearly, we've got a lot of work to do in that area. Again, with the great leadership of the Member for Bonnyville-Cold Lake, I'm convinced it's going to happen. It's just a matter of time.

The alternative energy. All I can say is: stay tuned. There are some projects under way that I can't talk about yet, but I know they're in the works, and they look like some excellent projects coming there. I think in the whole area – we talked a bit about bioenergy – I hear some excitement around the development of energy from the leftovers that hogs leave behind. So, I mean, these sound like some pretty innovative ideas. Again, we're moving into these areas. They will take some time, but there is some excitement there.

I would encourage the member, because I know that he has access to the worldwide web as he has alerted us to many times in this House on a certain web site that will go unmentioned tonight, at least from me – if you look at [www.innovation.gov.ab.ca](http://www.innovation.gov.ab.ca), there is a wealth of information there. We do have the energy research strategy, the links to that strategy, which will describe in much more detail than I can some of these things that we're talking about with respect to our objectives in that strategy. So please expand your horizons and

move beyond your single-focus web site to another great web site at [www.innovation.gov.ab.ca](http://www.innovation.gov.ab.ca).

9:30

With respect to your comments on revenue the commercial revenue question that you asked is primarily commercial revenue from the Alberta Research Council. The Alberta Research Council is engaged really in several areas. They're engaged in public-good research, which is the main amount of money that is granted to them by the Alberta Science and Research Authority, which is in the neighbourhood of \$27 million to \$29 million, the kinds of things that improve the lives of all Albertans that a commercial venture wouldn't necessarily enter into because the returns aren't there. But then they also do a lot of work with private companies, and some of it is, in fact, contract research. Because Alberta Research Council has the facilities, has the people, has the talent, they can hire the Alberta Research Council to do their research, to help them commercialize their products, and in some cases actually get into the production phase themselves. They've had one very successful product. The name escapes me, but it was in the pressboard industry. They have a machine that they actually market worldwide that's been very, very successful. I think it's called PressMan, actually, if my memory is right.

So they work in that area, and then they also on some occasions will actually enter into partnerships where in exchange for their expertise and know-how they might take either an equity position or an interest in the licensing or future revenues that might come out of the results of this joint work. So for the last number of years, probably the last five, six years they have actually put – because basically from a government point of view we've flatlined the investment in Alberta Research Council. If you look at their annual statements, you'll see that they've been trending upwards on their growth. That growth is all coming from commercial revenue. It's not coming from more investment by the province. So they've been successful.

Then you referred to contract research on the expense side. Essentially, the numbers don't quite add up, but because they are owned by the Alberta Science and Research Authority, in the consolidation any revenue that they earn from commercial contracts, even though it's not government money, gets recorded on our books as does the expense. So if their commercial revenue goes up, so does their expense line. It's just kind of a flip-off. It's a way we account for it because they become fully consolidated in the government books. So that, I hope, provides a little bit of explanation around that line.

Now, I know I haven't got all of your questions. Again, like you said, you don't have anything to do on the May long weekend, so we'll try to have some reading for you when you have nothing to do during that weekend, and then you can follow it up.

**The Deputy Chair:** The hon. Member for Bonnyville-Cold Lake.

**Mr. Ducharme:** Thank you, Mr. Chairman. I would just like to begin by thanking the Minister of Innovation and Science for having given me the opportunity of having a great growth experience as the co-chair of the Alberta Energy Research Institute. I'd also like to thank the ministry and the minister responsible for the sizable increase that we have seen in our budget.

The Alberta Energy Research Institute, as the minister mentioned in his opening remarks, has developed an energy strategy not only for Alberta but an energy strategy for all of Canada for the reduction of greenhouse gases. With the extra dollars that have been allocated in our budget we will be able to do great work in terms of cleaning

up the environment and the climate across our province and also being able to assist other provinces, possibly other countries with the knowledge that we will gain in terms of making the world a better place for all of us.

As the minister also mentioned, AERI is presently going through a challenge dialogue. Through this dialogue we have participation from other research people across Canada. We have participation from many industry leaders that are here in terms of assisting, in terms of working together and agreeing as to what strategy should be the focus. We understand and we know that there are people that are doing research all over the world, so it's not necessary that the Alberta Energy Research Institute become the lead organization in all these different research projects that are taking place, but it is very important that AERI stay plugged in with all the other research projects that are taking place.

At our last challenge dialogue meeting that we held in Calgary a couple of weeks ago with a little over 50 participants, it became very evident that AERI was leading the way and that AERI was not only a provincial leader across this nation but was also becoming a national leader with international assistance coming in from other research authorities. So the future certainly does look bright.

The funding, as it's been indicated, in the budget increases by additional millions of dollars to build us up to about \$10 million over the next three years in extra dollars, which will certainly go a long way in terms of combating the Kyoto challenge and making this a better place to live.

Thank you, Mr. Chairman.

**Mr. Doerksen:** Mr. Chairman, I am flattered by the kind remarks from the Member for Bonnyville-Cold Lake, but I have to point out that the direction in terms of allocating our resources to research areas actually comes from the Alberta Science and Research Authority, which is an independent body of people that provides advice to the government in the areas that we should invest in, and quite clearly their direction for us this year was to direct as many resources as possible into the energy research strategy. That's a challenge that we have to take on. Again, there are a lot better people than I to provide that kind of strategic advice, not only the Alberta Science and Research Authority but the people in Innovation and Science that work with this on a daily basis. That's where the thanks, if you want to call it that, should really go.

I do want to make one comment because there's something else that needs to be said here when it comes to the energy research strategy. This is not just a function of Innovation and Science. We work very closely with the Department of Energy and the Department of Environment because the three of us have a vested interest in this whole area. There's been a lot of support that's come from the Minister of Environment and the Minister of Energy to start looking for the growth drivers in energy in the future, so we have to recognize that.

Also, I have been remiss because there are two other institutes that are important that I haven't talked about, and I want to just briefly comment on them so that everybody knows. It's the Alberta Forestry Research Institute, and the co-chair, the hon. Member for West Yellowhead, does good work there. The budget amounts in that area are modest, but that does not underestimate the importance of strategic advice that they provide on another important industry in our province. The other one, of course, is the Alberta Agricultural Research Institute, that has done an enormous amount of work this year, particularly when it comes to co-ordinating research in that whole area and bringing the different groups together to make sure that we are moving forward in a . . . What's the word?

**An Hon. Member:** Collaborative.

**Mr. Doerksen:** A collaborative approach.

Again, the minister of agriculture has been instrumental in making sure that she's provided her support from her own department to say: yeah, we've got to work together on this kind of stuff. It's going to fit very well within our life sciences strategy, within the agricultural research strategy, because the more we look at it, the more these things all are coming together. They're cross-overs, they're combinations, and to use an agricultural term, frankly, we have to get out of our silos and work together.

9:40

**The Deputy Chair:** The hon. Member for Edmonton-Gold Bar.

**Mr. MacDonald:** Thank you, Mr. Chairman. I have a few additional questions for the hon. minister at this time. Certainly, one is on the issue of coal bed methane production, which the hon. minister was discussing in his response to the earlier series of questions. If there is no research being done, I would strongly encourage this ministry to see that it is done. When you have a coal bed producing methane and, of course, you're drawing off a bit of the water with that process, how does that methane production change, if at all, the level of the water table? There is some concern in rural Alberta that there are significant drops in the water table. If there's any research being done on this, I would appreciate an update on it, and if not, I would think that there should be a partnership developed, in this case with EnCana, on adjoining land just to see how their test site is working, if it is affecting the surrounding water table or not, because I think it would alleviate some of the fears that people have. Certainly, we could separate ourselves from the Americans and not make some of the mistakes they have made with the development of their coal bed fields for methane production.

The next question I have is regarding clean coal technology. I see where there are a number of projects, and I can only assume that these are going on in Alberta. I was told last year, I believe, and I can't recall, Mr. Chairman, by whom – I understand that we are in partnership with the huge laboratories in Los Alamos, New Mexico. We are a partner with that organization in clean coal technologies, particularly with the combustion of coal and the efficiencies that are involved in that. There are some extensive studies going on as to how to burn coal more efficiently, whether the coal is changing how the firing is occurring. If I could possibly get a breakdown as to how much money we are spending on that laboratory from this department, I would be very grateful. If this research is going to continue, I think it's very important.

I hear a lot from the Americans, and it's on their web sites. I do find the American web sites fascinating. I find the American government web sites, as a matter of fact, much more open and transparent than the web sites of this government. It astonishes me. I know that this is not this minister's department, but the investigations surrounding Enron by the regulatory authorities in America are open and they're transparent, and I can say that we are not. But that's not to be discussed in the amount of time we have to do the estimates this evening.

How much are we spending at the Los Alamos research facility? What sort of interim results is the government getting in regard to improving our coal burning technology? I'm quite concerned about the base load for our electricity system in this province, which is coal fired. It's decreasing. In the budget for another department is detailed information on that decrease. That is reliable, affordable electricity. Sure we can build the natural gas fired and combined-cycle power plants, but it's an expensive fuel source. I would really

appreciate it if the minister would continue with clean coal technology research and, again, an update on how we're doing with the folks in Los Alamos.

In conclusion, for the amount that it would cost – you know, we're putting a lot of money into these research projects – I think there should be more detailed reports provided to each and every member of this Assembly as these reports become available. They are funded by the taxpayers, and the taxpayers have a right to know about this research, particularly with the Alberta Energy Research Institute. Also, if we're giving any money to the Canadian Energy Research Institute, which I believe we are, as their documents, their research initiatives and reports, become public, I think they should be made available. What I'm saying is that for the cost of it every member of this Assembly should be on the mailing lists of those various research institutes so that we can pass this information on to our constituents. I'm sure it would be a very modest sum, and they could find it in this budget to ensure that all members of this Assembly are informed regarding the research that's going on.

Thank you.

**Mr. Doerksen:** Well, I very much appreciate the member's interest in this matter. I try to get off mailing lists because I get way too much stuff that I can't possibly read. But it's a good suggestion.

The other thing I do appreciate is your support for the clean coal technology. I agree that it's a resource that we do not want to strand in Alberta. It's something that we have accessible to us. I think that if we can develop it in a responsible and efficient manner, it can continue to pay dividends well into the future. So I appreciate that.

As far as the change in the water table and that question, the hon. member obviously knows a lot more about that subject than I do, so I'm not even going to try to answer that one. I don't know the answer. Maybe somebody else can find out the response to that question.

As far as the investment in Los Alamos, yeah, we are partners there. One of the reasons is that we have to work with other jurisdictions on a number of initiatives, and if they have a demonstration plant that can help to prove out some of our technologies, by all means we should make use of that rather than having to reinvest in a complete infrastructure system in Alberta to do the same thing. As I mentioned before, with the Weyburn project we work with other partners and provinces, so admittedly and quite properly we work with other bodies to advance research. In nanotechnology, with the National Institute for Nanotechnology there will be a great amount of collaboration among researchers in Canada and globally, because again there are some global questions that we're involved in.

As far as openness, Mr. Chairman, I think that if the member goes to the Innovation web site, he'll find a huge amount of openness and information there. I encourage him to go in there and browse and, again, take his Victoria Day long weekend to search the site and see if he can get to the depths and the ends and the breadths of all the good information.

9:50

**Mr. McFarland:** Minister, I've been reading some of the numbers here under your expenses for the various programs. I have to start by saying that I'm very happy that in the area of research you've been able to grow the amount of investment in research by it appears to be about 40 percent from 2001-2002 to the target date, '05-06.

I know that there are three of us who have at one time or another chaired the Alberta Agricultural Research Institute, and I know that they did a lot of leading-edge technology research, and much of it was precommercialization. I have to admit, though, that I am a little bit disappointed to see that AARI, Alberta Agricultural Research

Institute, and the Alberta Forestry Research Institute appear to be about the only two who have either been flatlined or taken a little bit of a reduction. What I was wondering with respect to AARI was if you've had a lot of success or if the research institute has had a lot of success in terms of attracting commercial investment from other corporate sources and if, in fact, some of the other institutes, like the Alberta Energy Research Institute, have been able to attract an increased amount of corporate research dollars and if, in fact, the change has been from leading-edge technology to some other form of research. I do think that was one of the strong selling points of the Alberta Agricultural Research Institute. They, in the past anyways, have exhibited a good deal of co-operation not only with producers, academics, and researchers but also with other provinces, and of course they had involvement from the federal level.

So I would look forward to some of your comments. If you can't give me any of the direct answers tonight, Minister, I'd be happy to hear them later on. Thank you.

**Mr. Doerksen:** Mr. Chairman, just for my own clarification we go till 10 o'clock?

**The Deputy Chair:** Yes.

**Mr. Doerksen:** I just want to make the point, Mr. Chairman, that all the research money and activities that we do in the province are not necessarily housed within my budgets. I for one am not one that really is all that concerned whether the numbers show up in my budget lines or somebody else's budget lines. What's important to me and one of the primary objectives of Innovation and Science and through ASRA is to encourage research on a number of fronts and to monitor the research that actually, in fact, goes on in other departments. Just off the top of my head I know, for instance, that in the department of health there is money that goes into cancer research through the Cancer Board, so there are more research dollars committed on that front. We know now that through Children's Services they are going to be doing a research project. I forget the name of it now, but there's some research around fetal alcohol syndrome issues.

With the department of agriculture you were concerned about the low budget figures for AARI. What I really look to from a group like Alberta Agricultural Research Institute is to provide the strategic direction, not necessarily just to be a group that says: give me more money; give me more money. So if they can actually tell me how we can use the money that currently resides in different pockets and how to best expend that money, that's really the advice that I want and the energies that I want them engaging in. The agricultural research framework, that was introduced by the minister of agriculture just about a week or a week and a half ago, talks about some of the investment that they're making in research that doesn't necessarily show up in the numbers.

In going back to the performance measures, I would point you to page 254 of our business plan, where you can actually see how we measure the total government of Alberta research. As best as we can, we identify the research activities that are taking place across government and have some targets there in terms of what percent of our expense budget we want to put into research. We're moving from a low in '01-02 of .95 percent, moving upwards to 1.3 percent by '05-06, so showing a larger emphasis as the government as a whole toward research projects. So that's really what's important to me. It's not necessarily: does it show up in my line or not? It doesn't matter. It's the end that's important for me.

If you look at one of the conditions that we negotiated hard for with the National Institute for Nanotechnology, particularly with the

federal government, we started at a five-year agreement, and we basically said, "No, we won't sign a five-year agreement because we want to have the operating commitment beyond the five years, so we're not going to enter into this deal unless we have a commitment to ongoing operating expenses from the federal government after that five-year commitment is complete," and they provided that. It was a \$12 million annual commitment toward the operations. That's just one way that we use our influence, if you want to call it that, to promote research. So everything you see isn't necessarily in the numbers. We're really in the strategic modes, making sure that we've got the right policies and procedures in place, and we will deliver the future.

**The Deputy Chair:** The hon. Member for Edmonton-Gold Bar.

**Mr. MacDonald:** Thank you, Mr. Chairman. I have a couple more questions for the hon. minister. Certainly, this one is centred on the Alberta Research Council. I've had a good look through the business plan and the budget, and I have not found any contingency that has been taken in case the citizens of Alberta are successful in their lawsuit in regard to the pine shakes. [interjection] Yes, pine shakes. There was a considerable amount of interest in research done on this product by the Alberta Research Council in years past, and I'm wondering at this time what, if any, contingencies are being made by the Alberta Research Council just in case the citizens are successful in their court action on this matter. I received countless documents through freedom of information in regard to that research that was conducted, and this goes back to I believe initially 1989. I would be just curious. I don't see it in here, and if it's not in here, which department would it be under? I think this is going to have considerable interest from the public, not only in Edmonton but also in Calgary as well and maybe even in places like Wetaskiwin and Camrose too. I certainly am surprised, whenever I drive around Alberta, at just the number of houses that have that pine shake on the roof as material, and it startles me. We seem to have forgotten about that, but it's an issue that's going to make its way through the courts, and I just wonder how the Alberta Research Council has prepared, if at all, for that hearing.

Thank you.

**Mr. Doerksen:** Mr. Chairman, I'm not intimately familiar with all aspects of the Alberta Research Council, but if I have a decent grasp on my knowledge of accounting and auditing, contingent liabilities are recorded from the knowledge of the Auditor General and the auditors – I presume the Auditor General in this case – looking at the books, examining potential liabilities. They are required to record it if in fact it is a contingent liability. So if it is not showing up on the books, I would assume that through examination the Auditor has assured himself that it's not an issue.

**The Deputy Chair:** I hesitate to interrupt the hon. minister, but pursuant to Standing Order 58(4), which provides for not less than two hours of consideration for a department's proposed estimates unless there are no members who wish to speak prior to the conclusion of the two hours, I must now put the following questions after consideration of the business plan and proposed estimates for the Department of Innovation and Science for the fiscal year ending March 31, 2004.

Agreed to:

Operating Expense and Equipment/Inventory Purchases	\$167,833,000
Nonbudgetary Disbursements	\$21,430,000
Capital Investment	\$58,700,000

**The Deputy Chair:** Shall the vote be reported? Are you agreed?

**Hon. Members:** Agreed.

**The Deputy Chair:** Opposed? Carried.

The hon. Government House Leader.

**Mr. Hancock:** Thank you, Mr. Chairman. I'd move that the Committee of Supply rise and report.

[Motion carried]

[Mr. Shariff in the chair]

10:00

**Mr. Johnson:** Mr. Speaker, the Committee of Supply has had under consideration certain resolutions, reports as follows, and requests leave to sit again.

Resolved that a sum not exceeding the following be granted to Her Majesty for the fiscal year ending March 31, 2004, for the following department.

Main estimates for the fiscal year ending March 31, 2004.

Innovation and Science: operating expense and equipment/inventory purchases, \$167,833,000; capital investment, \$58,700,000; nonbudgetary disbursements, \$21,430,000.

**The Acting Speaker:** Does the Assembly concur in the report?

**Hon. Members:** Agreed.

**The Acting Speaker:** Opposed? So ordered.

head: **Government Motions**

#### **Final Report of Electoral Boundaries Commission**

13. Mr. Hancock moved:

Be it resolved that pursuant to section 11(1) of the Electoral Boundaries Commission Act the Legislative Assembly concur in the recommendations of the final report of the Alberta Electoral Boundaries Commission, entitled the Proposed Electoral Division Areas, Boundaries and Names for Alberta, tabled in the Assembly on Wednesday, February 19, 2003.

[Adjourned debate April 8: Mr. Masyk]

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

**Mr. Johnson:** Thank you very much, Mr. Speaker, for the opportunity to speak to Motion 13. The debate so far has been very interesting and informative for me, particularly as we looked at the boundary revisions and listened to the speeches particularly from the members from Ponoka-Rimbey and Lacombe-Stettler. It's obvious to me that the difficulties there have had a domino effect and have also affected my constituency. I can only imagine, however, the difficult task for the Electoral Boundaries Commission to come up with a report that would effectively combine all electoral division considerations including representation by population, sparsity or density of population, type of area served, municipal agreements, and so on.

My constituents valued their opportunity to have input into this process at least in the early stages of the consultation. Before the first interim report the commission held consultations in my constituency, and many groups and individuals made presentations. After the interim report was released, my constituents were generally

satisfied with the commission's report as the changes were considered to be of a relatively minor nature. However, when the final report was released, the constituents of Wetaskiwin-Camrose were faced with major alterations to boundaries for which there was no provision or opportunity for response or input. It was anticipated that if changes were to occur in the final report, they would be of a minor nature.

Mr. Speaker, yesterday I tabled three letters – from the town of Millet, the county of Wetaskiwin, and the city of Wetaskiwin — here in this Legislature. All three municipalities expressed concern over the significant change in the final report that separated Millet and Wetaskiwin into different constituencies in spite of the fact that they along with the county of Wetaskiwin are in the same economic development partnership. To clarify the point, I'd like to quote from the county of Wetaskiwin's letter.

The City of Wetaskiwin, County of Wetaskiwin and the Town of Millet have embarked on a regional economic development partnership funded by the Regional Partnership Initiative Grant from Alberta Municipal Affairs, in which three municipalities investigated the feasibility of establishing a tri-municipal partnership for Economic Development and Tourism cooperation. The three Municipal Councils have agreed, and are currently establishing the legal framework to form a Regional body such as a Commission for the coordinated promotion and development of industrial growth. The revision of the Wetaskiwin-Camrose constituency boundary would inhibit the MLAs ability to effectively represent the unified municipalities within this region. This change is likely to have negative impact on the economic growth of the region.

As well, to quote from the letter that I tabled from the town of Millet:

The council of the Town of Millet has unanimously passed a resolution that it adamantly objects to the Town of Millet and surrounding area being removed from the Wetaskiwin-Camrose Electoral Division . . . Historically, the Town of Millet has had economic and social ties to the City and County of Wetaskiwin. Council finds it ludicrous for the Commission to . . . transfer political boundaries without having the slightest knowledge of how it may affect our municipality.

Mr. Speaker, I wanted to pass on the concern of the municipalities in my constituency who are affected by what is viewed as a major change in the final report without any prior consultation or opportunity for input on that revision. Again, I do appreciate the many hours of work by the commission in producing the electoral boundaries report.

In conclusion, I would like to say that I am supportive of Motion 13 with the hope that there might be opportunity, when the electoral boundaries bill is debated, to consider a minor boundary adjustment that would address the concerns that my municipalities have raised.

Thank you, Mr. Speaker.

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

**Mr. Vandermeer:** Thank you, Mr. Speaker. As some of my colleagues have already done, I would like to acknowledge the work of the Electoral Boundaries Commission. Their task was extremely difficult, and it must have been hard to come up with solutions that would benefit everybody.

As an MLA for the city of Edmonton I am not happy with the final report of the commission. I do not like the fact that Edmonton will be losing a seat. I don't feel that it is fair to the city or to the province. I feel the numbers show that Edmonton should have at least kept all of its 19 seats and that the changes should have been made elsewhere in the province. We cannot, however, advocate for an additional seat in the province because that would not be fair to the taxpayers, who are, of course, the most important to us and would have to bear the costs of an additional MLA.

With all that being said and even though I am extremely disappointed in the final product, I do support the work of the commission. The process that we have in place to decide what boundaries go where is one which is far superior to many other systems around North America. We must support this system because we do not want it to end up like our federal system, a system where changes are based on political decisions and favoritism, where one constituency is eliminated because the electorate does not elect a member who is sympathetic to the governing party. That is not the kind of system that we want here in Alberta. I do not want to belong to a government – and I am proud to say that I don't – that makes decisions of this nature by playing favourites.

The commission has done its part, and now it is time for us to do ours. We knew that there were going to be changes to the electoral boundaries, and we now have to accept those changes that are made by an arm's-length commission that works independently of elected officials. Again, I am not happy with the outcomes of the Electoral Boundaries Commission, but I will support the results because it is the only way we can assure Albertans that this is indeed the best system.

Thank you, Mr. Speaker.

**10:10**

**The Acting Speaker:** The hon. Member for Edmonton-Riverview.

**Dr. Taft:** Thank you, Mr. Speaker. Well, many of us are left in dilemmas by Motion 13. I listened last night to the opening comments on the debate offered by the Minister of Justice, who had said something to the effect that the commission "did a good job . . . I just don't happen to like the results." I listened to the very passionate speech given by the Member for Lacombe-Stettler, who expressed her opposition to Motion 13 in no uncertain terms.

I also find myself in a dilemma with this motion. The simple fact of the matter is that when it comes to my particular constituency, Edmonton-Riverview, I believe the commission got it right. Edmonton-Riverview holds together and has three or four neighbourhoods added to it under the report of the commission, and all of those neighbourhoods were developed in a similar time in Edmonton, in the 1950s and the early 1960s. They are overwhelmingly single-family homes, similar levels of education and income, similar ethnic makeup, and as a result it will continue to remain, if this report is accepted, a coherent and cohesive constituency. So I feel very strongly that in the particular case of Edmonton-Riverview the commission got the answer right, but I also feel that in the case of Edmonton as a city the commission has made a very serious mistake. Edmonton should not be losing a seat in this Assembly.

This is an issue that cuts to the heart of democracy. The comments of many members have spoken to the importance of fairness, and I couldn't agree with those comments more. Ultimately our democratic system is based on the idea that every citizen is equal, at least when it comes to voting. One vote per person. There is no more fundamental principle to democracy than that one. We all recognize that the realities of a modern democratic society mean that those voters have to be formed into constituencies and not every constituency is going to have exactly the same number of voters.

It's a long way from the origins of democracy in ancient Athens, where every citizen had a vote and every citizen participated directly in government decisions. Now, there were huge shortfalls in that system. For example, to become a citizen, you had to meet very limited criteria. You had to be male, and you had to be born of previous citizens. You couldn't be a slave, and on and on. So we've come a long way from there, but the principle of one person, one vote remains at the heart of democracy.

I'm reminded a bit of George Orwell's great work – remarkable work – *Animal Farm* when I read this and the powerful line from *Animal Farm* that says that all animals are equal, but some are more equal than others. In some cases sometimes I read this report and I think that to some extent applies here. All voters are equal, but it seems that in Alberta some are more equal than others, and it seems that some are less equal. That's especially true if they're from Edmonton and particularly if they're from the poorer neighbourhoods of Edmonton.

The constituency that is being eliminated from the map of Alberta is I believe the poorest constituency, the most needy constituency in the province, the constituency of Edmonton-Norwood. I spent some time studying the demographics of Edmonton-Norwood, and I believe I'm correct in saying that it is the lowest income constituency in this province. Its levels of education are virtually the lowest in the province. It has perhaps the highest or one of the highest immigrant populations. It has a very high percentage of people who do not speak English as a first language. It has one of the highest unemployment rates. If such things were collected on the basis of constituencies, I would think we would find that it has one of the highest crime rates, one of the highest disease rates, and one of the highest poverty rates in this province. In other words, it's a very, very needy constituency. These are people who need a voice in this Chamber, and we are taking it away.

Beyond that, we're taking a voice away from the city of Edmonton, a city that, even going by the 2001 census, deserves 19 seats, not 18 seats. I think the minority report written by Bauni Mackay and attached as an appendix to the Electoral Boundaries Commission report is an eloquent and, to my mind, convincing argument about why Edmonton should not be losing a seat. She says that among many things "the residents of Edmonton will have their right to democratic representation compromised." As I have gone to some lengths to point out, the very residents who are compromised the most here are the ones who are in the greatest need. I think there's something nearly tragic about that, a betrayal of democracy.

I also found a couple of paragraphs of Bauni Mackay's report worth quoting for she takes the issue beyond the numbers, she takes it beyond the mathematics to the spirit of democracy. I'm just going to read two paragraphs from her report into my comments.

The recommendations of the Electoral Boundaries Commission are based on a precise interpretation of the legislation and pertinent court decisions, with little visionary latitude. Exchanging three electoral divisions north of Red Deer for three electoral divisions in and around Calgary recognizes neither the geographic size nor the economic explosion of the top two-thirds of the province. Similarly, focusing on the numbers disregards the fact that Edmonton is the economic and social hub of the northern two-thirds of the province, extending from Red Deer to the Northwest Territories border and beyond.

Edmonton is the capital city, the seat of government, the gateway to the North, and the magnet site for health care, education, employment, recreation, and commerce for the major part of the province. Residents from Red Deer north to the Territories and beyond depend on Edmonton for all of these services, some within a 100 km. radius on a daily basis, others intermittently as the need arises. Government decisions affecting the central and northern part of Alberta have an impact on Edmonton, and Edmonton's voice in the Legislature must be strong enough to influence these decisions.

To me that summarizes, especially when it's combined with the census material, the argument that Edmonton should not be losing a seat.

Mr. Speaker, as torn as I am on this issue, for I do recognize that the constituency of Edmonton-Riverview is served well by this report, I must ultimately put my city's interests above my own and those of my constituents and oppose Motion 13.

Thank you.

**The Acting Speaker:** The hon. Member for Vermilion-Lloydminster.

**Mr. Snelgrove:** Thank you, Mr. Speaker. I guess I have a concern that we're kind of dealing with this from the wrong end. We set aside a commission, we give them the parameters to deal with an issue, then they go and do it, and then we start picking apart the work they did. Now, I don't agree with every line they've drawn on that map. As a matter of fact, lots of it looks illogical. But that's not the point here. If as a group we don't like the parameters that are set out or some of the guidelines that were in there previous, if that has to be changed, then we ought to have this discussion before we send them out on the road show to live under the rules that apparently many of us don't like.

10:20

I think that we have taken to an extreme the idea about one person, one vote being one of the end-alls. Quite frankly, in the situation we are in in this House, where it's a democracy run by party politics, if I win my riding by one vote more than the poor guy who didn't win, I come in here with every bit as much right to vote as the person who won by 55,000 votes. So the one man, one vote works at the constituency level and in this province. Every party has the ability to challenge at the constituency level for that seat in the House. Whether you're representing 20,000 or 30,000 or 40,000, that's where the race is run. That's how our system is based: on the party that gets the most seats. But the Liberals or the NDs have every bit as much chance of winning that seat with 20,000 or 50,000 as anyone else.

Keeping that in mind, we should have to wonder why it is so critical to keep boundaries we've had before. If government is a policy creature and we're treating schools and roads and our infrastructure from a position of fairness, and if it's dealt with on a constituency basis only because that's where the project is required, it shouldn't be a big leap to move over to the neighbouring community and serve them as an elected person. It shouldn't be a big problem for the opposition or the other parties that run at the election to also take in boundaries and challenge an election on what you as a party provide. Character is a big part of politics, but ultimately the policies of your party are what the people should vote on, and they have as much right in that size, their constituency, whether it be in Wabasca or Calgary, to win that seat and take their place in this House by one vote at that level.

I think we've done ourselves a disservice by leaving the guidelines there, as outdated as they might be. We use rivers, and I mean when was it all decided that it was that tough to get across a river? If you're quite friendly with the minister from Vegreville-Viking, maybe you get a bridge quicker now. Things that make your constituency different: in my area, for example, Lloydminster has become quite a regional hub. It's taken people from Vermilion many years to get over the fact that that's where the Wal-Mart store is, but now it's there, and the people from Tulabi Lake are using Lloydminster as their centre. It would be great to see them stay there, much to the discomfort of the hon. Member for Bonnyville-Cold Lake who I'm sure would love to have them, but in fairness, if an arbitrated . . .

I'm saying that things change. People travel maybe a little bit further. I think that if we ever get into the discussion of how hard it is to represent a rural constituency with 22 communities and three counties and several school boards and regional health authorities – it's much more difficult than a city. That's just the way it is.

**Mr. Smith:** How do you do that?

**Mr. Snelgrove:** Well, we just work hard.

The simple fact is: we've set this commission up to fail if we're going to second-guess what they've done. We might not like it. Let's make sure that the next time we send them out to do it, we set the guidelines so they do it right, or we better do it and at least offer them guidelines that we can live with. But once it's done, it's a little bit late to start picking apart the pieces of it. So whether we like it or not, we hired them to do it, probably paid them a good dollar. Live with it, and let's get on with life.

**The Acting Speaker:** The hon. Member for Olds-Didsbury-Three Hills.

**Mr. Marz:** Thank you, Mr. Speaker. I'm pleased to add my comments tonight on Motion 13. Much has been said about the report that the commission brought in, and I'd just like to comment a bit on the commission members and remind everyone in here that we chose these members, and we chose the guidelines under which they were to operate. These commission members are highly respected in all our communities, from where they come. They're respected throughout the province, and they are very highly respected by members in this Assembly, or we wouldn't have picked them.

I'd also like to remind everybody again that we picked the guidelines, and now it seems that we have this great expectation that we should all be pleased with the report. When you look at the task that they had to do of changing all these pieces of the puzzle to accommodate the changing population in the last eight years, when you change one, it's not easy to change everything else to fit the way you want.

Now, my constituency of Olds-Didsbury-Three Hills this time was changed very, very little, but that hasn't been the norm over past boundary review commissions. This is probably the first time I can remember in my life that it's undergone such a small change. Just this morning the hon. Member for Airdrie-Rocky View reminded me that in '97 she lost a great deal of her area to me and all those good people in Trochu, Three Hills, Acme, Linden, and the Kneehill county. I can tell you that she worked very hard while she was the MLA for that area in developing relationships with the people and the boards and the county members and the town councils, and it was a tough thing for her to lose that.

The Deputy Premier also likes to remind me that she's losing another good part of her constituency this year, but back in '97 she lost her whole constituency. It was amalgamated into Drumheller-Chinook, and at the time she was I think minister of health or something. I know I was arguing about health issues with her at the time, so I think that it was minister of health. The other member was the Speaker of this Assembly. So two very well-respected members and both well known to me, as it's a neighbouring constituency, and I can remember that that was a very tough situation for both of those members to deal with, but they did. They found a way to deal with it.

This situation has created some tough things for some of our members. I can sympathize with that, and I can sympathize with the situation they find themselves in today. But what's the solution? What do we do? Do we reject this motion? Do we strike another committee of other well-respected Albertans? Do we change the criteria and hope that it won't be challenged in the courts, as it was in 1991? And we lost. Who would we pick for this new commission? Last night the members of the Edmonton city council were here. They're very well-respected members in their community. I have a lot of respect for them myself. I think that they're very fair-minded people. Would they be able to come up with a recommenda-

tion that would please any more of this Assembly than the current commission? I don't think so. I don't even know that if they were given the task with the same criteria, they would actually give Edmonton that extra seat.

There's a lot said about Edmonton losing a seat, but, you know, every time there's a boundary review it seems that rural Alberta loses a seat.

**Mr. Herard:** Because they're all moving to urban Alberta.

**Mr. Marz:** Well, exactly. So we adapt to that criteria.

Edmonton didn't increase at the same rate that Calgary did, unfortunately, and I think that the commission did what was expected of them under the guidelines. I believe that whoever we would reappoint for a commission probably wouldn't come up with any better solution. They'd just perhaps make a different group of people upset and angry with their conclusions.

**10:30**

I know, Mr. Speaker, that it's easier to criticize something than to come up with a solution yourself. Like I said before, I'm not sure that even if another group were given the task, it would be any more acceptable to us than in the past. I criticized myself I think every boundary review commission that I can think of because it seemed that every one of them resulted in a loss of rural members, and that is a concern to all rural representatives in here. Every time there's a boundary review, there are fewer rural representatives. I guess we can argue about cities being the hub of economic activity, but rural Alberta is where the wealth is generated to begin with. It may be managed from the cities, but it's generated from the rural, and there's a huge impact on rural Alberta where that economic activity takes place.

When we look at some of the changes that happen in rural ridings, you know, I could argue that when a rural riding changes, they always become bigger. I don't get more staff. I get the same amount of staff to help with the extra town or two or three, an extra rural municipality, maybe an extra health board, maybe an extra school board, and quite a few different people. That creates quite a different workload. I guess it depends on how you look at it. It's also an opportunity to meet more people, make more relationships, and that's one of the bonuses of this job. I was discussing this with my wife the other day. When I leave this job, the one thing I'll take with me is the relationships I was able to make and all the people I was able to meet over the course of my time spent here. It's something I'll take with me forever.

**Mr. Amery:** That's very nice for you.

**Mr. Marz:** Yeah. I think it is too.

I'm concerned, Mr. Speaker, with some of the comments that were aimed at the boundary review commission in the task that we gave them to do, and I think we owe a vote of thanks to this commission for doing a very difficult job under some very stringent guidelines. I wouldn't want them to think by reading *Hansard* that we weren't appreciative of the task they're doing, and I wouldn't want this commission to be something that no Albertan wants to sit on for fear of never being able to come up with something that is going to be pleasing to everybody and end up in a no-win situation. I think they did the best that they could do with the guidelines we gave them.

I believe we should accept this motion, and I would urge all the members in this Assembly to do so.

**The Acting Speaker:** The hon. Member for Edmonton-Castle Downs.

**Mr. Lukaszuk:** Thank you very much, Mr. Speaker. I'm honoured and pleased to join today's debate in the Assembly regarding the new electoral boundaries. First of all, I would like to make it clear that I am not happy with the fact that Edmonton will be losing one of its ridings. However, I must consider three important points about the final proposal put forward by the Electoral Boundaries Commission.

**Rev. Abbott:** How many points?

**Mr. Lukaszuk:** Three. The commission followed the law, used an objective statistical model, and balanced the needs of rural and urban communities.

Mr. Speaker, I believe that the balanced representation is compromised the moment politicians from any level of government take charge in constituency border drafting. We must respect the fact that the electoral boundaries process was as objective and unpolitical as possible. The Electoral Boundaries Commission remains an independent body whose members are appointed by the independently selected chairman of the Assembly. Names are provided from the government leader and the leaders of the opposition and are subsequently appointed.

The Electoral Boundaries Commission Act compels the commission to divide the province into 83 electoral divisions with a population within 25 percent of the provincial average in a way that will ensure effective representation for Albertans. Mr. Speaker, the commission must also consider factors that ensure effective representation as guaranteed by the Canadian Charter of Rights and Freedoms. The scarcity and density of Alberta's population is important because Alberta's rural communities must be treated with the same relevance as the province's growing urban centres. Common community interest and community organizations including those of Indian reserves and Métis settlements are important factors to ensure that the new boundaries cause as little friction among neighbouring communities as possible. The existing community boundaries within the cities of Edmonton and Calgary must also be preserved as well as the existing municipal boundaries, the number of municipalities, and the other local authorities. Geographic features such as road systems and understandable and clear boundaries should be maintained wherever possible as well, Mr. Speaker.

The report of the Electoral Boundaries Commission designed three guiding principles of effective representation. The first was to reiterate the tradition of Canada as a nation of "effective representation, not absolute parity as in the U.S." Second, "the process of achieving effective representation may involve diluting the political force of some votes but not unduly and not without reason." The third principle, Mr. Speaker, states that "the balancing of these interests is a delicate one, which involves an examination . . . of the social history, geography and demography of communities in every sense of the word."

The commission has been guided by the principles set out by the Supreme Court of Canada and the Court of Appeal of Alberta. In being guided by these principles, it has been mindful of the principles of effective representation as opposed to absolute parity. Mr. Speaker, it is very difficult to cry foul after considering the legal framework and guiding principles used to redraw Alberta's electoral boundaries. We must also remember that there is a relationship between the number of members in this Assembly and the population of Alberta.

Section 12(1) of the Electoral Boundaries Commission Act requires that the commission is to use the most recent census data as well as the population on Indian reserves provided by the Department of Indian and Northern Affairs. The most recent census

available in the 2001 Canada census counted 2,974,807 Albertans. Indian and Northern Affairs Canada indicated that 9,113 persons who were not included in the census count live on Indian reserves. The commission concluded that the total population used to calculate the boundaries would be 2,983,920 persons. The members took the number, divided it by 83, and came up with 35,951. This was to be the provincial quotient, or the average population per electoral division. This number, of course, was only a guide as the act also legislated a certain degree of flexibility. The allowable range for standard electoral divisions under the act is 44,939 to 26,963 plus or minus 25 percent. The commission had the flexibility to allow special consideration for an electoral division to have a population as low as 17,976, or 50 percent below the average population.

I am disappointed with the final results of the Electoral Boundaries Commission in Edmonton. In an ideal world no jurisdiction would lose their representation, but there are other emerging issues as Alberta's population changes. Travel time will continue to have a major impact on effective representation in rural ridings because the area will continue to expand, causing constituencies to be more spread throughout the land mass. The combined effect of the projected population growth in Alberta's urban centres and the reduced number of rural electoral divisions is that there will be fewer geographically larger rural areas within the new division.

**10:40**

The report has a rational explanation for the definition of a major city as a sound argument for increasing the number of ridings in Calgary and reducing the number in the capital city. Mr. Speaker, the commission defined a major city group, which included Edmonton and Calgary, as arising from the population density. The geographic area of the electoral divisions in the two cities is relatively small. There is one municipality, one regional health authority, and one of each type of school authority. Both cities are major regional service centres for a large area of the province in which most provincial services are delivered including specialized services. Both major cities also tend to be the initial entry point both to Canadians from other parts of the country and for immigrants from other countries to Alberta. I would note that in both cities there are more MLAs than there are members of the city councils.

Mr. Speaker, I spoke earlier of a rational approach to the use of the commission to redraw Alberta's boundaries. The 1995-1996 Electoral Boundaries Commission developed a matrix which is used to apply a variety of factors reflecting effective representation. The matrix took into account several variables including geographic area, population, number of households, and distance to the Legislature and scored each on a scale from one to 10. The 2002-2003 commission decided to build on and refine the matrix to assist in developing its recommendations. Other variables in the matrix included the area of the division in square kilometres and the density of the population, or the number of people per square kilometre. The dependent population proportion is the number of children and seniors compared to the total population, with a higher ratio indicating a larger number of persons eligible to be dependent on various provincial programs.

The way the matrix is structured, a higher score indicates greater difficulty in providing effective representation. A lower score indicates less difficulty. Edmonton's population in 2001, Mr. Speaker, according to Canada's census, was 666,104, but after including St. Albert, Sherwood Park, and surrounding area, Edmonton's total population was 776,830. The metro Edmonton area is still far less than Calgary's 2001 population of 878,866. In addition to the 2001 Canada census numbers the report from the Electoral Boundaries Commission revealed a major population growth

difference between the two cities over the previous decade. Between 1991 and 2001 Calgary experienced a 24 percent population growth increase compared to 8 percent in Edmonton. Edmonton is enjoying an incredible period of economic growth, but this growth pales in comparison to the boom experienced in Calgary since the mid-90s.

Mr. Speaker, I may not like the fact that Edmonton stands to lose a riding, but the fact is that between 1991 and 2001 Calgary grew much faster than Edmonton. Several prominent leaders in Edmonton worry that the city will be underrepresented in this Assembly. After studying the report, it becomes clear that this potential problem of underrepresentation currently exists in Calgary.

The Electoral Boundaries Commission adopted a scientific approach to ensure effective representation for Albertans. I am not happy that Edmonton loses a riding in the proposed changes. However, I cannot ignore the significance of the statistical data or the validity of the commission's objective approach. The process to redraw Alberta's boundaries depends on statistics to ensure an impartial ruling. This ensures a rational, scientific approach to an emotional issue. As I said before, I'm not happy with the results, but the results seem to balance the needs of urban and rural Alberta.

Thank you, Mr. Speaker.

**The Acting Speaker:** The hon. Member for Calgary-Currie.

**Mr. Lord:** Well, thank you, Mr. Speaker. It's my pleasure to rise this evening to make a few comments as well on the divisive and difficult issue before us, and I will try to be quite brief, considering the late hour.

Change, of course, is always tough, Mr. Speaker, and this is no surprise at all to we who have been involved in politics for some time. This issue has always been divisive. In this province there are issues between rural and urban. There are issues between ridings, you know, larger or smaller populations and distances. Frankly, this is an issue I've been interested in for some time because of sitting on city council in Calgary. This was a subject of much discussion.

So during that discussion I decided to do some research and to look at the larger issues and see what we could perhaps learn from other jurisdictions because, frankly, we're not the first to go through this. In fact, all democracies go through this throughout the world wherever there is growth or decline in the populations.

It's not a surprise to find out that in many jurisdictions, in fact, ultimately decisions had to be made through judicial processes as opposed to political processes, and court decisions ultimately had to rule to force change because change was not desired. For example, in the United States you look at the 1963 Baker versus Carr decision in which this subject was brought all the way to the Supreme Court resulting finally in a Supreme Court decision. One man, one vote. I believe the 14th amendment specified that after that decision, and frankly it did change politics right across the United States. That one Supreme Court decision changed the dynamics and the nature of politics. In fact, I credit that with much of the success of the civil rights movement in the United States.

Some people would say that it resulted in a worse situation, but it depends on which side of the fence you're on, rural or urban. As one who grew up in rural Alberta and who now lives in urban Alberta and having been on both sides of that issue, you can certainly see the complications and why we're having the division before us. It's not an easy issue.

Having said all of that, I've looked at the situation and my first question was – well, in 1979 we had 79 MLAs. We had approximately 2 million in population. It's now 20 years later. We have 3 million in population, yet we've only seen a very small number increase, 79 to 83. In that same time, the cost per capita of MLAs to

taxpaying Albertans has actually declined dramatically, and the workload on MLAs with 50 percent more population has gone up considerably. So I guess I had the question of why couldn't we add a few more MLAs, which would have resolved much of the division that we see before us. The decision, I guess, was made not to do that.

We often hear arguments that, for example, in Calgary there were only 14 aldermen and a mayor and we have many more MLAs than that. I actually see the two issues as completely unrelated. I don't believe that's a valid comparison at all. In fact, I think it's very important that in an area that's growing as fast as Calgary is, people continue to have solid representation and fairly equal representation and that the urban vote not be diluted as much as it is compared to other areas of the province because there are important issues there.

So I guess the comment I would make is that I felt it would not have hurt to add a few more MLAs, and I think that would have resolved the issue. However, those arguments did not carry the day when this commission was set up. The commission did their work. They did their work as requested. I believe that we now have to support the work the commission has done.

The way this relates to me personally in the constituency that I have the privilege of representing now, Calgary-Currie – yes, there have been substantial changes made. Quite frankly, I am saddened and disappointed to see that some of the areas that I've been privileged to serve as their representative will now no longer be in Calgary-Currie moving forward, so for the folks in those districts I would only, I guess, say that I thank them for supporting me. New districts have been added, and I'm looking forward to making new friends and meeting new people in those districts and hopefully earning their support. So I am looking forward to that, and I guess the changes that are before us we will try and get ahead of them and make them positive, make them work for everyone.

With that, I thank you for being able to make those comments, Mr. Speaker.

**The Acting Speaker:** The hon. Member for St. Albert.

**Mrs. O'Neill:** Thank you very much, Mr. Speaker. I'm just going to take a moment here tonight to explain why it is my intention to support Motion 13. Only from my perspective. I do not understand the demographics nor the distribution as it relates to a number of other areas of the province, but I want to speak specifically with respect to the constituency of St. Albert as it relates to and also shares the municipality of St. Albert with Spruce Grove-Sturgeon-St. Albert constituency, and I also want to speak about the capital region. I believe both demonstrate the fact that we in this particular House can address the needs, the wants, the desires, and respond to the queries, if you will, and the needs of good provincial government to the community of interest of the capital region.

It dismays me to think that there is, of course, a seat being lost within the city of Edmonton, but I would hasten to add that that does not mean that the people in Edmonton, any section of Edmonton, have lost a voice in this Legislature. It is just being redistributed. There are many things in the capital region that are of common interest, and those of us who represent areas that are in what we would call and have come to call the doughnut – that is, around the capital city – share those interests, and we advocate for and respond to the people and their projects, if you will, and their policies that they want to see implemented and their legislation that they want to work under as it relates to this particular community, and I'm very happy to be part of it.

**10:50**

However, if the formula that was used by the electoral boundaries review committee was to be applied, then there would be probably

an interest in having some of the Edmonton constituencies reach into some of the other communities that are in the outlying areas. That would have been an encroachment, in my estimation, on the integrity of that municipality's boundaries. I do recall several years ago when the city of St. Albert was divided in a very, very awkward fashion, in such an awkward fashion that my residence, where I live, was 12 houses from the constituency and was joined to another one and allocated to it. It still is an awkward allocation. However, I can say that from my office in St. Albert it doesn't matter where the individual lives. It just matters that we are there to respond to them. So for that reason I would like to say that I think the boundaries commission served my area as best it could, recognizing the formula that it decided to work under, acknowledging the community of interest that is integral to the municipality, and also recognizing the fact that the capital region does have a voice that extends beyond the boundaries of the city of Edmonton.

With that I just wanted to indicate that I think the people can be well served from my perspective in the area that I'm familiar with. Thank you very much, Mr. Speaker.

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

**Mr. Herard:** Thank you very much, Mr. Speaker. I'm responding to the urges of all my colleagues at five minutes to 11 to say something on this issue. Actually, the hon. Member for Vermilion-Lloydminster I think said some of the things that I was going to say, so I won't say them again, but I think he was right in saying that sometimes we do things and we may be setting them up for failure. Essentially, it's my belief, my personal belief, that until such time as we look at what is effective representation in the 21st century and until we ask Albertans what it is that they feel is effective representation, then we will continue to have the same kinds of difficulties that we've had with this commission and with many others because essentially no one can win working on one of these commissions. They all work very hard, but everybody in the end has problems with what they've done.

We live in a different world, and I think that the hon. member also

talked about things like horses and buggies and rivers and bridges and things like that. Well, in today's electronic age I think things are a whole lot different, and even though it is probably more difficult to represent a rural constituency when you've got so many boards and so many towns and villages and councils and municipalities and all those people, I would venture a guess that most rural MLAs will tell you that they deal with a whole lot more people today than they ever did because of the way that we are wired today with respect to communication. I mean, most MLAs, I think, probably have a cell phone, and most MLAs today also have a blackberry where they receive their e-mails wherever they go. So you can get the raspberry from your constituents pretty much from anywhere.

Anyway, the bottom line, though, is that technology, I think, is also at the root of some of the problems we've seen with this report. Many hon. members have said, you know, that it's relationships, and politics is about relationships. When you tell a computer to divide a province into 83 constituencies with as close numerical comparisons as you can, it'll do that, but it won't care about the relationships. It won't care about the fact that it's splitting up communities here and there and everywhere. So I think that's really where the root of the problem is, and I think we've had an opportunity and we've been told that there will be an opportunity as we debate this bill to perhaps right a few of those wrongs. In other words, where communities have been split, perhaps we have an opportunity to redress those kinds of problems.

So, all in all, I think that I'm going to be supporting the motion, and I would adjourn debate.

[Motion to adjourn debate carried]

**The Acting Speaker:** The hon. Government House Leader.

**Mr. Hancock:** Thank you, Mr. Speaker. I'd move that we adjourn until 1:30 p.m. tomorrow.

[Motion carried; at 10:56 p.m. the Assembly adjourned to Thursday at 1:30 p.m.]