

# Province of Alberta

The 27th Legislature First Session

# Alberta Hansard

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The Honourable Kenneth R. Kowalski, Speaker

# Legislative Assembly of Alberta The 27th Legislature

First Session

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[Errata, if any, appear inside back cover]

# Legislative Assembly of Alberta

1:30 p.m. Tuesday, June 3, 2008

[The Speaker in the chair]

# **Prayers**

The Speaker: Good afternoon. Welcome.

Let us pray. As Canadians and as Albertans we give thanks for the precious gifts of freedom and peace which we enjoy. As Members of this Legislative Assembly we rededicate ourselves to the valued traditions of parliamentary democracy as a means of serving our province and our country. Amen.

Please be seated.

#### Introduction of Visitors

The Speaker: The hon. Government House Leader.

**Mr. Hancock:** Thank you, Mr. Speaker. It's my pleasure today to introduce to you and through you to members of the Assembly a visiting delegation from the Department of Cultural Affairs and Education of Oslo, Norway, who are seated in your gallery. For many of them this is their first ever visit to Canada and certainly to Alberta. They're here visiting with the Edmonton public school board and learning about our educational system.

It was mentioned to me at lunch today that they had little problem choosing Edmonton because of its international reputation in education. In fact, the PISA results from Alberta have placed Alberta among the top four jurisdictions in education in the world. Our guests are here today exploring our education system and its best practices as well as examining some of our new initiatives that contribute to the success of our students. Of course, we have the opportunity of learning from them as well.

I would ask our visitors to rise as I introduce them, and I've already apologized for mispronunciations to the members at noon. With us today is the committee chair and leader of the group, Knut Even Lindsjørn; the commissioner of education, which is the equivalent to the minister, Torger Ødegaard; the municipal director, Bente Fagerli; the commissioner's secretary, Magnus Halle; director of agency for Cultural Affairs and Education, Gro Balas; Monica Kastet, special adviser, Department of Cultural Affairs and Education; Kjell Veivåg, deputy leader; Khalid Mahmood, committee member; Khamshajiny Gunaratnam, committee member; Andreas Halse, committee member; Anne Rygg, committee member; Kristin Vinje, committee member; Aamir Sheik, deputy member; Mazyar Keshvari, committee member; David Hansen, committee member; Lise Spikkeland, political adviser; Roy Hammerø, political adviser; Birte Stenrød, committee secretary; and from the city of Oslo Education Authority the director, Astrid Søgnen; and Sissel Sparre, department head.

We also have with us from the Edmonton public schools the person who has co-ordinated the delegation, a principal and coordinator of the event, Elisabeth Thomsen.

I'd like to thank the delegation for sharing their knowledge and experience with us – I'd like to apologize again for mispronouncing names – and I'd like the House to give them our warm traditional welcome.

# **Introduction of Guests**

**The Speaker:** The hon. Minister of Advanced Education and Technology.

Mr. Horner: Well, thank you very much, Mr. Speaker. It's an honour to introduce to you and through you to members of the Assembly four members of my Ministry of Advanced Education and Technology, two of which are talented students. Shaughnessy Fulawka and Philipp Grimm come from different backgrounds and areas of study. When they were in high school, both of these students participated in a national program run by an organization called Shad Valley, which provides learning opportunities for students in grades 10, 11, and 12. Summer program participants spend one month at one of 12 universities across Canada to take part in team activities and workshops to learn more about opportunities for lifelong learning. This summer these two students are gaining work experience within my ministry before returning to the university this fall. The Shad program focuses on developing future leaders.

They are accompanied by staff members Lisa Bowes and Kim Demedash. They are seated in the members' gallery. I'd ask them to rise and receive the traditional warm welcome of the Assembly.

The Speaker: The hon. Minister of Environment.

**Mr. Renner:** Thank you very much, Mr. Speaker. As you know, this is Environment Week, and every year for Environment Week one of the pleasurable duties that I have is to meet some outstanding students from across the province of Alberta who have qualified under our minister for the day program. Today I am very pleased to introduce to you and through you to all members of the Assembly our Environment minister for the day for this year, Mr. Liam Hawkins of Canmore. He is accompanied by his assistant minister, Ms Kassandra Moores of Elk Point. They are also accompanied by 13 of their peers, who I can tell you, as I had lunch earlier today with them, are as enthusiastic and energetic and concerned about the environment as any group of young people that I've had the pleasure of meeting.

The assistant deputy ministers are Matthew Bouchard and Brenna Dishan-Novik from Canmore, Owen Scheper from Bonnyville, Christian Fibke from Edmonton, Alyssa Birch from St. Albert, Hannah Latta from Strathcona County, Morgan Campbell from Stony Plain, Riley Hudson from Parkland County. From Calgary we have Krista Donkersloot, Lisa Khuu, Jordyn Mee, Joel Fong, and Madison McCoy. They are accompanied by their teachers and Environment staff, who are Ms Iris Ley, Mr. Shane Thompson, Ms Gail Langley, Ms Charlene Ohl, Mr. Sandy Adamson, Dr. William Kidd, Ms Marina Rees, Mr. L. Daubner, Ms Beatrice Fotty, Ms Bernice Capjack, Ms Sandra Duggleby, Mr. Scott Read, Shelleen Lakusta, and Aynsley Toews.

I see that they're all standing. I would thank them for coming to visit. I look forward to joining you at 3 o'clock in the press room for a media event. Thank you.

**The Speaker:** The hon. Minister of Service Alberta.

Mrs. Klimchuk: Yes, Mr. Speaker. It's a pleasure to rise today and introduce to you and through you to this Assembly Josie Jason and Hailey Hutton, my constituency office staff. They are seated in the members' gallery today. Josie is employed full-time in the office, and Hailey is her STEP student this summer. I am extremely lucky to have such capable and enthusiastic staff working for the people of Edmonton-Glenora. I would ask that they rise to receive the traditional warm welcome of the Assembly.

**The Speaker:** The hon. Leader of the Official Opposition.

**Dr. Taft:** Well, thank you, Mr. Speaker. I have a special introduction today. Now, I don't know – maybe it's the water in Edmonton-Riverview; I'm not sure – but every summer we get the very best summer students working in our office, and this year is no different. I'd like to introduce to you and through you to all members of the Assembly Graeme Dibden, who is seated in the public gallery. Graham recently completed his second year at Queen's University, and he is already fitting very well into our constituency office. He's a rugby player, but he recently injured his hand, so his rugby playing is on hold for a month, but that doesn't slow down his other work. I'd ask him to rise and receive the warm welcome of all members of the Assembly. Thank you.

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

**Mr. Horne:** Thank you, Mr. Speaker. I have two introductions today. First, I am honoured to introduce to you and through you to all members of this Assembly a very special guest and an exceptional Albertan, Ms Doreen Armstrong. Doreen is a founder and chair of the Lifestyle Helping Hands Seniors Association, a self-supporting community agency which has served seniors in southwest Edmonton since 2002. Helping Hands provides low-cost transportation, lawn care, housekeeping, and shopping services to an ever-increasing number of seniors in our community.

Tomorrow evening in a special ceremony at Government House Doreen will receive the minister's seniors service award in recognition of her exceptional dedication and outstanding commitment to improving the lives of seniors in Alberta. What began as a program to meet the need for low-cost transportation has become under Doreen's leadership a highly successful community-based organization that assists many seniors to live at home independently and with dignity. Mr. Speaker, I am honoured to have Doreen as my constituent. I would ask that she and her two guests, Sharon Lasychuk and Valerie Arnold, please stand and receive the traditional warm welcome of the Assembly.

1:40

Mr. Speaker, secondly, I'm delighted to introduce to you and through you to all members two members of my staff, Ms Katherine Zelt and Ms Laurie Dupuis. Ms Zelt is a summer student in my office, and she's currently studying political science at the University of Alberta. She'll lead several projects in the constituency over the summer. Katherine is pursuing a career in international relations and hopes to specialize in community development. Ms Dupuis is well known to members. Having worked for the government of Alberta for the past seven years in various positions, Laurie is now my legislative assistant. The professionalism and commitment to public service demonstrated by Katherine, Laurie, and their colleagues are, indeed, very important and much appreciated as they support our work as members in the Assembly. I'd ask them both to rise now and please receive the warm welcome and appreciation of the Assembly.

**The Speaker:** The hon. Member for Edmonton-Meadowlark.

**Dr. Sherman:** Thank you, Mr. Speaker. I'm truly humbled to rise here and introduce to you and through you to all of my colleagues and friends in this Assembly two people that play a very important role in my life – they gave me the gift of life and nurtured myself and my three brothers – both my parents, Kirti Sherman and Santosh Sherman. My father's father came to Canada in 1906. My father came in 1965. He worked in the logging industry and lumber industry. His father played an important role in helping to bring democracy to his home nation.

My mother comes from a family of doctors. When she came to Canada, she worked as a seamstress, worked in hotel rooms to ensure that her children could have a life. And it would be interesting to note that in the early '80s, when the Edmonton Oilers were in their heyday, my mother was one of the seamstresses who actually put all those uniforms together. Unfortunately, I didn't know who the Oilers were at the time. I was too busy playing sports and watching sports. Again, I'd ask my parents to rise and receive the traditional warm welcome of the Assembly.

The Speaker: The hon. Member for Whitecourt-Ste. Anne.

Mr. VanderBurg: Thank you, Mr. Speaker. It's a pleasure for me to rise today and introduce to you and through you to a good school friend of mine, Brady Whittaker. Brady was the former mayor of Whitecourt and is now working with the Alberta Forest Products Association through these difficult times in the forest industry. I'd ask Brady to rise and receive the warm welcome of the Assembly.

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

Mr. Webber: Thank you, Mr. Speaker. I'd like to introduce to you and through you to all members of the Assembly a constituent and friend of mine from Calgary-Foothills, who is sitting up in the members' gallery, Mr. Terry Horkoff, who drove up here today to visit us at the Alberta Legislature and to see exactly what we do here in the Assembly. Terry has been a great supporter of mine and has served as my campaign manager for the past two elections. He is the past president of the Calgary-Foothills Progressive Conservative Association and has served on the board for the last seven years. Before that Terry was the executive director of the Canadian Alliance party and has been in the oil and gas industry since 1967. And speaking of the Edmonton Oilers, apparently there is some relation between Mr. Terry Horkoff and some Oiler player in town here; I don't know exactly. Anyway, I would ask that Mr. Terry Horkoff please rise and accept the warm welcome of the Assembly.

**The Speaker:** The hon. Minister of Energy.

**Mr. Knight:** Thank you very much, Mr. Speaker. It's a pleasure for me to rise this afternoon and introduce to you and through you to members of our Assembly an individual that has been involved with this government for many years and currently serves the newly formed ERCB and works there as liaison person. We certainly do respect and appreciate what he does for us. I would ask Rich Jones to please stand and receive the warm welcome of the Assembly.

**The Speaker:** Did I, by chance, miss anyone? The hon. Member for Edmonton-Beverly-Clareview.

Mr. Vandermeer: Thank you, Mr. Speaker. It's my honour to introduce to you some people that I just recognized in the public gallery. Lou and I used to be cadet leaders in our local church group, and I see his wife there, Stella, and I think it's their daughter Shelby, who I haven't seen for many years. I'd ask them to rise and receive the warm welcome of this Assembly.

#### Members' Statements

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

#### Minister for the Day Program

Mrs. McQueen: Thank you, Mr. Speaker. I'm proud to stand today in celebration of Environment Week. I'd like to acknowledge the

group of students the hon. Environment minister previously introduced to the House. As the minister noted, these young Albertans are participating in a minister for the day program. Today these students are the teachers, sharing their excellent ideas about what should be done to protect our environment. They have wonderful suggestions on how each of us can take actions in our own homes, schools, and communities. These 15 exceptional students were chosen from more than 700 entries from across the province.

Later today these students will be pledging to commit one simple act to help make a difference to our environment. This marks the seventh year that Alberta Environment has been encouraging environmental excellence through its minister for the day program. I encourage all members to acknowledge this exceptional program and this year's guests, who are undoubtedly Alberta's future environmental leaders and are definitely exceptional Albertans.

Thank you, Mr. Speaker.

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

# World Elder Abuse Awareness Day

**Mr. Horne:** Thank you, Mr. Speaker. Sunday, June 15, is World Elder Abuse Awareness Day, a day when communities across Alberta and around the world focus on addressing and preventing elder abuse.

Thank you, Mr. Speaker, and to all members for wearing a purple ribbon today to demonstrate your support. Elder abuse is any action or inaction that jeopardizes the health and well-being of an elderly person. The most common form of elder abuse is financial abuse, and sadly the perpetrator is often someone whom a senior depends upon and trusts. These unscrupulous individuals gain access to seniors' money or property through manipulation, theft, or by force. All too often victims don't speak out. They may fear retaliation, blame themselves, or feel ashamed. Others simply lack the ability to report the abuse without assistance.

Fortunately, Mr. Speaker, there is much we can do to address the problem. We can watch for warning signs, educate ourselves and others, and offer assistance to those who may be suffering from financial or other types of abuse. The victims, seniors, who are in many ways responsible for the quality of life we enjoy in Alberta today, need to know we are there to support them.

As members of the Assembly we can also help prevent elder abuse by raising awareness. The government, for example, works with its federal, provincial, and territorial counterparts to develop and distribute educational materials. The government is also partnered with the Alberta Elder Abuse Awareness Network to develop specialized materials focusing on financial abuse, including a pamphlet designed to help seniors take steps to prevent themselves from becoming victims. More information on elder abuse is available by calling Alberta's toll-free family violence information line at 310-1818 or visiting the website www.albertaelderabuse.ca.

Mr. Speaker, I ask that on World Elder Abuse Awareness Day and throughout the year all members continue to spread the message that elder abuse will not be tolerated by Albertans. Thank you.

#### **Oral Question Period**

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

#### Seniors' Benefits

**Dr. Taft:** Thank you, Mr. Speaker. With rising property taxes and costs of living Alberta seniors are suffering in the shadow of a

booming economy. Thousands of seniors on fixed incomes are finding it harder and harder to get by, and some are at risk of being forced out of their homes because they can no longer afford the costs. Alberta's seniors deserve better. My question is to the Minister of Seniors and Community Supports. Why is it that this government does so little while the high costs of living, including taxes, electricity, rents, home heating, and gasoline, are threatening to force seniors out of their homes?

The Speaker: The hon. minister.

Mrs. Jablonski: Thank you, Mr. Speaker. I do understand that it is difficult for seniors on fixed incomes to meet some of their needs. We do have the most generous program of seniors' benefits in the country. We also have other programs to help them, with their gas bill, for example. There are other emergency programs that they can turn to in the EI system. We also have the Alberta seniors' benefit, which applies to seniors who are low income, and with that comes a special-needs benefit. There are a number of benefits that we do support our seniors with, and they are the best in the country.

1:50

**Dr. Taft:** Our seniors, Mr. Speaker, are learning otherwise. These are not the best benefits in the country.

Given that this government's half-hearted policy of freezing the education portion of property taxes for seniors at 2004 levels does little to keep seniors in their homes, will this minister concede that this simply is not enough and that greater action is needed?

The Speaker: The hon. minister.

Mrs. Jablonski: Thank you, Mr. Speaker. We do provide an education property tax benefit for seniors that has frozen the taxes for their property at the 2004 income levels. We also provide other benefits that he hasn't probably heard of, and one is the first-call line, the Lifeline, that nobody else in Canada offers to any of their seniors. That provides to low-income seniors a benefit of \$40 a month to pay for the Lifeline and to also install that Lifeline, the first of its kind in Canada. Going back to property tax, there are some communities, municipalities, that also support helping seniors with that

**Dr. Taft:** Well, Mr. Speaker, given that the word "seniors" only appears once in the throne speech, a sign of this government's weak commitment to seniors' issues, will this minister make a commitment today, here and now, to implement more rigorous measures, such as completely eliminating the education portion of property tax for seniors?

**The Speaker:** The hon. minister.

Mrs. Jablonski: Thank you, Mr. Speaker. I don't understand how the Leader of the Opposition can call the best benefit program in the country weak. We are looking at raising some of our levels at this time. It's going through the process, and we'll be announcing some improvements in the future.

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

#### **Electricity Prices**

**Dr. Taft:** Well, thank you, Mr. Speaker. Seniors would feel less pressured with their high property taxes were their electricity bills, thanks to this government's deregulation fiasco, not so high. The

Minister of Infrastructure's last recorded statement on electricity deregulation was that it was, and I quote, a failure. At the time the Minister of Energy said that this comment was, and I quote again, ridiculous. To the Minister of Energy: has his colleague in cabinet managed to convince the Minister of Energy that the deregulation policy is, indeed, a failure, or does the Energy minister still think his colleague's comments were ridiculous?

The Speaker: Well, this has to do with government policy. Proceed.

**Mr. Knight:** Thank you very much, Mr. Speaker. I think it might be advantageous for me to point out to the House and to all Albertans that as a result of government policy Albertans enjoy the second-lowest nonhydroelectric utility rates in the country. We also have a capacity to keep the lights on in Alberta. We've indicated 4,700 megawatts of additional capacity in the province since the introduction of our policy.

**Dr. Taft:** Well, given that during his leadership campaign the Premier stated that this government would implement a review of electricity deregulation, would the Minister of Energy please tell us when this review will be made public so that all Albertans can see the results? Did the Premier keep his word?

**Mr. Knight:** Mr. Speaker, again, like all policies that are relative to the energy industry in the province of Alberta, we continuously review the policies. What we do is make adjustments when adjustments are necessary for the good of all Albertans.

**Dr. Taft:** Well, for the good of all Albertans, given that the regulated rate option was the only remaining possibility for Albertans to have some kind of protection from huge price increases on their electricity bills, why is this minister scrapping the regulated rate option? Why isn't he doing something that'll benefit all Albertans and not just the power companies?

**Mr. Knight:** Mr. Speaker, it's very obvious that the member opposite does not understand the regulated rate option. We're not scrapping it. It's here forever.

**The Speaker:** Third Official Opposition main question. The hon. Member for Edmonton-Centre.

#### Seniors' Housing

**Ms Blakeman:** Thank you very much, Mr. Speaker. I'm hearing from an increasing number of seniors across Alberta that even with a small pension on top of their CPP they can't afford to live independently any longer with the enormous jump in rents. My question is to the minister of seniors. Has the minister reviewed the cut-off and eligibility amounts of seniors' benefits with an eye to the whopping increase in rents?

**The Speaker:** The hon. Minister of Seniors and Community Supports.

**Mrs. Jablonski:** Thank you, Mr. Speaker. We are always reviewing the programs that we have for seniors and keeping an eye on the benefits. The threshold amounts that we allow low-income seniors to receive support at are always being reviewed.

The Speaker: The hon. member.

**Ms Blakeman:** Thank you. To the Minister of Housing and Urban Affairs. As an example, the subsidized seniors' residences in my riding alone are full and have waiting lists of five years, or 500 people. What specific actions is the government taking that will quickly create new subsidized seniors' apartment buildings across Alberta?

The Speaker: The hon. minister.

Mrs. Fritz: Thank you, Mr. Speaker. We do provide subsidized housing to seniors. It's primarily through our seniors' self-contained program. That assists 14,250 seniors in this province. The units are apartment-type accommodations, and they're for low- to moderate-income seniors who are independent with or without the assistance of existing community-based services. A tenant's rent does include heat, water, and expenses that are based on 30 per cent of the household income. That is working for 14,250 seniors, and it's being extended now through our good housing authorities.

**Ms Blakeman:** Five hundred seniors waiting in one riding alone.

To the same minister: given that the Greater Edmonton Foundation: Housing for Seniors provides quality subsidized housing to close to 2,000 residents yet has a wait-list of well over 500 people plus 200 people waiting to be interviewed to get on the list to be considered, is the minister willing to increase the funding to the foundation in order to create additional needed subsidized housing units for seniors?

**Mrs. Fritz:** Well, as you know, Mr. Speaker, we did just announce recently increased funding for affordable housing. That increased funding is extended to the organizations that develop housing.

Dr. Taft: Come on, now. You know your file better than that.

Mrs. Fritz: It's because it's working; that's why you're upset, isn't

Mr. Speaker, this capital grant of \$142 million is through a request for proposals for nonprofit organizations, for private sector as well as all our municipalities in the province.

**The Speaker:** The hon. Member for Edmonton-Highlands-Norwood, followed by the hon. Member for Whitecourt-Ste. Anne.

#### Lieutenant Governor's Residence

Mr. Mason: Thanks very much, Mr. Speaker. Just before the election this government told voters that it was cancelling the \$10 million mansion for the Lieutenant Governor because construction costs were too high. Yesterday the Premier claimed that the government is moving ahead with this wasteful project out of respect for the Lieutenant Governor. But last November the Lieutenant Governor told the media that the cost of a new mansion had gotten out of hand and that he was perfectly happy with his current \$2 million residence and the public would perceive a \$10 million residence as excessive spending. My question is to the Minister of Infrastructure. If it's respect for the Lieutenant Governor that you're interested in, why not respect his opinion and cancel this project like you promised?

The Speaker: The hon. minister.

**Mr. Hayden:** Thank you, Mr. Speaker. In fact, there is nothing in our three-year plan for building a Lieutenant Governor's residence.

It's not in the budget. It's not on the books. It's on hold as we'd said before. I have no idea where this is coming from.

The Speaker: The hon. member.

**Mr. Mason:** Thank you very much, Mr. Speaker. Then why didn't the Minister of Infrastructure tell the Premier, who yesterday admitted that the project was going ahead and, in fact, defended it?

Mr. Hayden: Mr. Speaker, I was here yesterday, and I don't recall the Premier saying that there was a \$10 million project going ahead. There is not. It's not in my budget. We made the determination that we were not going ahead with it at the time, and we have stuck with that determination. That's where we are today. It's not in the three-year plan.

The Speaker: The hon. member.

**Mr. Mason:** Thanks very much, Mr. Speaker. Maybe the minister should consult with his boss then because also in his estimates he admitted that this project was going ahead. Can you tell the House now, once and for all, that this extravagant project for \$10 million is dead?

The Speaker: The hon. minister.

**Mr. Hayden:** Thank you, Mr. Speaker. I am not aware of any \$10 million project. There is nothing in our three-year plan. I don't know how many different ways to say it. It is not in the plan. It is not in the budget. If we decide to review something in the future, we will, and we certainly will make the House aware.

**The Speaker:** The hon. Member for Whitecourt-Ste. Anne, followed by the hon. Member for Edmonton-Gold Bar.

# 2:00 Community Treatment Orders

Mr. VanderBurg: Thank you, Mr. Speaker. Last fall the Mental Health Amendment Act, 2007, received royal assent on December 7. You know, I spoke on behalf of Whitecourt-Ste. Anne constituent families that were concerned about community treatment orders under this legislation. My first question is to the Minister of Health and Wellness. Could the minister update us on the status of this legislation and why it's taking so long to proclaim this new act?

**Mr. Liepert:** Well, Mr. Speaker, the member is correct that we did pass the bill last fall and that it has yet to be proclaimed. It's one thing to receive third reading in the Assembly, but it's another to make sure that we have all the regulations in place. I guess, more importantly, we need to ensure that if we're going to apprehend these particular individuals, we actually have somewhere that we can put them. That's one of the things that we will see that is coming out of our safe communities task force allocation in this year's budget.

The Speaker: The hon. member.

**Mr. VanderBurg:** Thank you. Again to the same minister. Well, again, my families are worried about their family members that need these community treatment orders. When you finally get around to proclaiming this, can you explain to the House what these community orders will do and what role they'll play in the mental health care of these needy Albertans?

**Mr. Liepert:** Well, Mr. Speaker, I think the member was here when we had the debate on the bill last fall and is probably as aware as I am that the community treatment orders are there to improve patients' compliance with the medication. It's clear that before a community treatment order is issued, it must be done by two physicians, one of whom is a psychiatrist. That's sort of the background on it, but the really important issue is that we need to ensure that when these individuals are apprehended, there is treatment for them and that we're not sticking them in the remand centre.

**Mr. VanderBurg:** Again to the same minister. The same families are worried that now we have this superboard for health services and that our Mental Health Board has been dissolved. Is this going to compromise the service to these needy Albertans?

**Mr. Liepert:** Well, Mr. Speaker, no, because the delivery of mental health services has been integrated some time ago into the regional health authorities. What I do believe will happen is that there will be a more streamlined effort to ensure that if there were jurisdictional barriers involving patients, that no longer exists.

**The Speaker:** The hon. Member for Edmonton-Gold Bar, followed by the hon. Member for Edmonton-Ellerslie.

#### **Federal Infrastructure Funding**

**Mr. MacDonald:** Thank you, Mr. Speaker. Alberta's portion of the building Canada fund is estimated to be at over \$840 million in a seven-year period. The President of the Treasury Board is apparently negotiating this deal on behalf of the province with the federal government. I would now ask the President of the Treasury Board to update the House and all Albertans on the progress of those negotiations. When will the deal for the building Canada fund be signed?

**Mr. Snelgrove:** Mr. Speaker, we have been negotiating with the federal government for months. We have a very comprehensive capital plan that we have put forward that is clearly laid out for Albertans, our objectives and the priorities as it relates to the different cities. The federal government has a little more problem, I think, moving the process along at the federal level, and we are simply awaiting confirmation of what we have agreed to from the federal government. When it will get back here for us to implement, I have no idea.

The Speaker: The hon. member.

Mr. MacDonald: Thank you. Again to the same minister. When you speak of different cities, you informed this House that your hon. colleague from Calgary-Glenmore was negotiating along with you. Why is there no MLA from Edmonton in on the negotiations? Would the hon. minister please consider appointing the hon. Member for Edmonton-Centre to help you with these rough negotiations?

**Mr. Snelgrove:** Mr. Speaker, I do need to clarify. I made a mistake when I said that the hon. Member for Calgary-Glenmore was negotiating with me. He is a signatory to the agreement after it's negotiated. Our department staff are doing the negotiating, so I was in error when I said that the Deputy Premier was negotiating with me. I can assure you that if I had to deal with Ottawa on an ongoing basis, I would be more than happy to have the hon. Member for Edmonton-Centre do it for me.

The Speaker: The hon. member.

Mr. MacDonald: Thank you, Mr. Speaker. I'm very pleased to hear that

Now, when the deal is signed, how much money can the city of Calgary expect to get from the building Canada fund, and how much money can the city of Edmonton expect to get from the building Canada fund?

Thank you.

Mr. Snelgrove: Mr. Speaker, the total amount originally announced by the federal government was something in excess of \$31 billion. However, \$14 billion of that was already spoken for through the fuel tax rebate. Of the \$17 billion around \$2 billion was identified for border clearances and customs issues, so over the seven years it left around \$12 billion. So our share, if we do the math, is not great. How it will be divided up amongst the different cities or municipalities in Alberta is yet to be determined, but it is nowhere near the amount that the hon. member has suggested.

**The Speaker:** The hon. Member for Edmonton-Ellerslie, followed by the hon. Member for Lethbridge-East.

#### **Nutrition Guidelines for Children**

**Mr. Bhardwaj:** Thank you, Mr. Speaker. Earlier today we learned that Alberta has developed new nutrition guidelines for children and youth. My first question is to the Minister of Health and Wellness. With all the information available on nutrition and healthy eating, could the minister explain why these guidelines are needed and how will they improve health?

Mr. Liepert: Well, the short answer to that is that our children and youth are getting too fat. We have 22 per cent of our children and youth who are overweight or obese. [interjections] And there are a few ministers that are also too fat. Mr. Speaker, 22 per cent of our children are either overweight or obese, and as we know, when that happens, it can lead to chronic diseases like diabetes and heart disease. What we want to do is ensure that schools, daycares, and recreation centres have policies that they can follow for healthy food choices.

The Speaker: The hon. member.

**Mr. Bhardwaj:** Thank you, Mr. Speaker. To the same minister: could the minister tell us who was consulted in developing these guidelines?

**Mr. Liepert:** Well, I guess that's a tough question, Mr. Speaker. I think what our department is responsible for is that if we identify that there's a problem, then we'd best be on it and find some solutions for it. I'm not suggesting that these particular guidelines are going to answer all of the questions, but certainly they start to put in place something to follow for schools, daycares, and recreation centres.

The Speaker: The hon. member.

**Mr. Bhardwaj:** Thank you, Mr. Speaker. My final supplemental to the same minister: can the minister explain how these guidelines will be used by schools, daycare centres, recreation centres, and other organizations in Alberta?

Mr. Liepert: Well, Mr. Speaker, one of the things that this govern-

ment likes to do is put forward encouragement and not rules and regulations. I believe that one of the reasons why so many Albertans are starting to see the bulge is because maybe they don't recognize what's healthy and what isn't healthy, so I think this will be a very good first step.

**The Speaker:** The hon. Member for Lethbridge-East, followed by the hon. Member for Leduc-Beaumont-Devon.

#### **Long-term Care Providers**

**Ms Pastoor:** Thank you, Mr. Speaker. Staffing in long-term care facilities continues to be a problem in our province. Whether it's staff to resident ratios or the levels of the training, this government needs to ensure that seniors have respect and dignity as they live and die in long-term care facilities. My questions would be to the Minister of Health and Wellness. Will the minister legislate clear, measurable, minimum requirements for the number of nursing staff and staff to resident ratios in long-term care facilities and, to avoid a "no" answer, if not, why not?

**Mr. Liepert:** Well, Mr. Speaker, what we want to ensure that we have out there is a healthy environment for our long-term care providers, and they will take care of what our seniors need in terms of care. What we did last week was announce an across-the-board 6 per cent funding increase for our long-term care providers. We met with them last week, and they felt that that was a very good first step to meeting some of the concerns that the member raised.

**The Speaker:** The hon. member.

**Ms Pastoor:** Thank you. Will the minister commit to introducing standards of training and ongoing mentoring for personal care attendants, who provide 70 to 80 per cent of the resident care hours within long-term care facilities?

**Mr. Liepert:** Well, Mr. Speaker, that may be easier said than done, but I certainly would take that as a suggestion and have the opportunity to discuss it with our long-term care providers. I know that we are currently involved in programs with long-term care providers to upgrade language skills to help our providers ensure that they give the care that's required for our seniors.

2:10

Ms Pastoor: Thank you for that consideration.

What is the timeline for the full implementation of the recommendations from the MLA task force on continuing care, that were released three years ago? There are still several recommendations that are outstanding, and that was a good task force report.

**Mr. Liepert:** Well, I would have to review which particular recommendations are outstanding. Mr. Speaker, I believe – and I stand to be corrected on this – that we have implemented all of those recommendations that we have accepted, but if there are some that we have accepted that have not yet been implemented, I would report back to the member on that issue.

**The Speaker:** The hon. Member for Leduc-Beaumont-Devon, followed by the hon. Member for Calgary-Varsity.

#### **Book Publishing Industry**

**Mr. Rogers:** Thank you, Mr. Speaker. To say that Alberta's book publishing industry is struggling is an understatement. There are very few book publishing companies remaining in Alberta, and for

those few that are still here, every day is a challenge. My question is to the Minister of Culture and Community Spirit. What is your ministry doing to help ensure that this important industry is not lost to our province?

**Mr. Blackett:** Mr. Speaker, one of the keystones of our cultural policy is ensuring that our cultural industries are supported and sustained long term, including book publishing. Our government's support for our cultural industries is provided through the Alberta Foundation for the Arts. The AFA is responsible for a number of supports for Alberta's book publishing sector, including several grant programs that support professional book publishing houses, postsecondary institutions, emerging publishers, and operating support for the Book Publishers Association of Alberta.

The Speaker: The hon. member.

**Mr. Rogers:** Thank you, Mr. Speaker. My first supplemental to the same minister: very encouraging, but are you willing to look at financial support to help these publishers stay in Alberta?

**Mr. Blackett:** Mr. Speaker, we're not only providing financial support; we're continuing to increase the dollars that are available. Last year the AFA's book publishers operating grant program provided \$360,000 in operations funding, which was a 27 per cent increase over the previous year. This year the program alone will provide \$835,000 to professional publishers in Alberta, which is an additional 132 per cent increase.

The Speaker: The hon. member.

**Mr. Rogers:** Well, thank you, Mr. Speaker. My final question to the same minister: Mr. Minister, are you willing to work with Alberta publishers to find solutions to help meet the many challenges, to turn around the fortunes of this industry?

The Speaker: The hon. minister.

**Mr. Blackett:** Yes, Mr. Speaker. Some of the challenges facing publishing are increased competition for entertainment dollars, global markets, increased production costs. Constantly evolving marketing methods and avenues also present opportunities for our publishers. Just last month I attended the Book Publishers Association of Alberta awards, and I had an opportunity to meet with a number of people in the industry. I will continue to look for new opportunities to engage the sector in this discussion and will also continue to work closely with the book publishing industry through the AFA's existing and future programs. I have a budding 10-year-old author, and I want to make sure our industry is there for her and all other young Albertans.

**The Speaker:** The hon. Member for Calgary-Varsity, followed by the hon. Member for Edmonton-Strathcona.

#### **School Construction and Maintenance**

Mr. Chase: Thank you, Mr. Speaker. The Calgary board of education continues to be faced with a nagging \$600 million and rapidly rising deferred maintenance problem due to this government's negligence. The \$48 million the government recently announced to subsidize horse racing this year alone would have come very close to resolving the CBE's next three years' modernization plans. My questions are to the Minister of Education. Are

ponies or pupils the priority of this government, which appears to be so willing to gamble on children's futures?

**Mr. Hancock:** Well, obviously, Mr. Speaker, this hon. member's pupils have been dilated by the ponies because if he'd been paying attention, he would know that the money that Horse Racing Alberta gets is money that they earned through an entertainment centre. If they didn't attract people to their entertainment centre and if they didn't actually bring in the revenue, there would be no revenue. When they do bring in that revenue, extra revenue goes to the government coffers which then can be used for essential projects like maintaining schools and making sure that more books are available for students.

**Mr.** Chase: Mr. Speaker, given that the government's promise to unnecessarily borrow against our children's future in the form of 30 new P3 30-year mortgage schools announced a year ago has yet to be fulfilled, will the minister at least commit to providing funding for the prioritized modernization projects so desperately needed by school boards throughout Alberta?

**Mr. Hancock:** Once again, Mr. Speaker, the hon. member was obviously preparing for the spring election, if March 3 can be called spring, instead of paying attention to the news when the previous Minister of Education announced in January that the RFP on the P3 project was going out and that the results would be coming back in early July. It's on schedule. It's going to be going ahead. I don't understand why he wouldn't want the nine schools in Calgary and the nine schools in Edmonton that are part of that first phase of the project.

**Mr. Chase:** Mr. Speaker, seeing is believing, and there's been nothing to see so far.

With a barrel of oil fetching over \$130, with the recovery of natural gas prices, and with the backstopping of a sustainability fund cushion in the billions of dollars, what excuse remains for not finally addressing the school infrastructure deficit, which compromises both students' ability to learn and their physical safety?

**Mr. Hancock:** Mr. Speaker, I fail to understand what this hon. member has been doing for the past year. Surely, he knows of the much-announced policy—the much-announced policy—with respect to unanticipated surpluses, where two-thirds of the surplus goes to capital and half of that goes to maintenance. The deferred maintenance has been dealt with in the past two years under that policy, I believe, and we anticipate, if I may look to my hon. colleague the President of the Treasury Board, that that might happen again.

**The Speaker:** The hon. Member for Edmonton-Strathcona, followed by the hon. Member for Calgary-Lougheed.

#### Labour Law Reform

Ms Notley: Thank you, Mr. Speaker. It's been five years since this government held any meaningful consultations about Alberta labour laws. In the meantime and after a nasty strike at Lakeside Packers the government promised to examine positive changes to labour laws, like first contract arbitration. Indeed, a previous minister of labour said to stay tuned and implied that it was coming. To the employment minister: will the minister admit that the promises to make it easier for working people to join a union were nothing more than pre-election deception designed to make this government appear more electable to Alberta's working families?

Mr. Goudreau: Mr. Speaker, I don't recall seeing any type of promises made to that effect. We had indicated that we would do some reviews from time to time, and we are still open to that particular suggestion. We're still quite confident that our labour laws generally meet the needs of Alberta workers, and generally when we talk about wages, benefits, and working conditions, we find that those in Alberta are amongst the best in Canada as we speak.

Ms Notley: Well, I would beg to differ, Mr. Speaker.

I would ask the minister: why won't he admit that, in fact, his real mandate appears to be revenge for legitimate political activities undertaken by unions during the last provincial election?

**Mr. Goudreau:** Mr. Speaker, the question is one of fairness and equity for all Albertans. This particular issue has been discussed amongst Albertans for the last seven years at least. I've been around for seven years, and I've been hearing about that. There have been numerous reports identified that showed that we needed to deal with the issues that are before us for discussion, and we're just moving forward on those particular issues at this stage.

**Ms Notley:** Well, today the Premier attended the drilling contractors' luncheon and the Minister of Transportation's meeting with the Merit Contractors, but the government refused to meet with labour groups before introducing labour law changes. Will the minister admit that employer groups and big businesses who give large donations to the Conservatives are the only people he listens to on labour law reform?

**The Speaker:** A point of order has been called on that last series of questions.

Go ahead, hon. minister.

**Mr. Goudreau:** Thank you, Mr. Speaker. Since being appointed Minister of Employment and Immigration, I've had a chance to meet with a number of the organizations, including the Alberta Federation of Labour, the Christian Labour Association, a Progressive Conservative group.\* So in the last few months I have actually met with some of them.

**The Speaker:** The hon. Member for Calgary-Lougheed, followed by the hon. Member for Calgary-Mountain View.

# 2:20 Physical Activity Target for Children

Mr. Rodney: Thank you, Mr. Speaker. Constituents of mine and I were very concerned last week to see several reports regarding the serious consequences of lower physical activity, especially amongst Canadian youth and children. Research shows that a staggering 90 per cent of the country's youngsters are failing to meet federal fitness standards, and the impact on our health care system and our society is significant. My first question is to the Minister of Tourism, Parks and Recreation. Can the minister please outline what's being done to help Alberta's children and youth lead more active and healthier lives?

Mrs. Ady: Mr. Speaker, the hon. member asks an important question. Physical activity targets were discussed at the federal-provincial-territorial meetings that were held in Victoria recently. The good news is that we're seeing that activity levels in adults are rising. But activity levels in children are descending. We're seeing kids watching TV and playing with computers for up to 42 hours a week. It's a deep concern. As ministers we talked about this quite

a bit, and we decided to set a national physical activity target for ages five to 19. By the year 2015 we want to increase daily physical activity in children by 90 minutes, 10 to 17 per cent up.

The Speaker: The hon. member.

**Mr. Rodney:** Thank you, Mr. Speaker. My next question is to the same minister. While it's all good and fine that federal physical activity targets have been set for 2015, my constituents want to know what Alberta is doing now to increase activity for our children and youth.

**Mrs. Ady:** He's right. We've got to do things at the grassroots level here in Alberta. We can't just wait for national programs to work, Mr. Speaker.

We have the Alberta active living strategy, that later this year will help us to achieve our federal targets. We also have the Alberta sports plan, that is in place to enhance sports participation and promote athletic excellence. We need to take this from the grassroots to the recreational levels to our future Olympians, all through those phases.

**Mr. Rodney:** Mr. Speaker, my final question is to the same minister. The minister alluded to the Alberta sports plan, but I think Albertans and members of this House would be better informed if we knew some more details. Could she please update us on the status of the plan?

**Mrs. Ady:** Well, that's another good question. Mr. Speaker, we're increasing the availability of recreation facilities throughout this province. We are out there repairing 40-year-old recreation facilities across this province. We're partnering with the federal government to increase participation in sports for underrepresented groups like aboriginals, women, and the disabled, and we've increased funding to provincial sports and recreation associations.

**The Speaker:** The hon. Member for Calgary-Mountain View, followed by the hon. Member for West Yellowhead.

#### **Endangered Species**

**Dr. Swann:** Thank you, Mr. Speaker. Wildlife are a public resource, and the public are very concerned with the weak action of this government to protect threatened species. On this government's website alone it says that 55 per cent of our 535 major species in Alberta are considered healthy, just over half. Too often wildlife are an afterthought with the no-brakes approach to resource development in Alberta. To the Minister of SRD: since fragmentation of habitat is the key contributor to the decline in species, what measures will be taken in the interim, until the land-use framework is in place, to protect threatened species like caribou and grizzlies?

**The Speaker:** The hon. Minister of Sustainable Resource Development.

**Dr. Morton:** Thank you, Mr. Speaker. This side of the House shares the concerns of the hon. Member for Calgary-Mountain View. We identified fragmentation as an issue in the land-use framework. We've proposed very specific proposals both on Crown lands in terms of integrated land management practices, which are already in place and working in the Grande Cache area, and also some new incentive programs for private landowners to do habitat conservation in the white zone.

The Speaker: The hon. member.

**Dr. Swann:** Thank you, Mr. Speaker. Nowhere in the province can it be said that grizzlies are better off today than they were in 2002. When will we see concrete steps to protect grizzly habitat?

**Dr. Morton:** Mr. Speaker, we've taken half a dozen concrete steps to protect the grizzly. We've put a moratorium on the grizzly bear hunt. I just extended the moratorium two weeks ago for another year. We've received the Grizzly Bear Recovery Team report, and we're acting on that. Certainly, the land-use framework will recognize the core habitat regions identified by the Grizzly Bear Recovery Team report. That will play an important role in land use in all of the mountainous areas.

The Speaker: The hon. member.

**Dr. Swann:** Thank you, Mr. Speaker. Given that philanthropic individuals initiated conservation easements such as the Glenbow and the Heritage rangeland initiatives, when will this government take leadership and make annual habitat conservation funding available?

**Dr. Morton:** Well, Mr. Speaker, in fact, we're already moving in that direction. There is a program in place now in Sustainable Resource Development to set aside funds to assist with land trusts, which are the primary movers of the type of conservation practices that I believe the member is referring to.

**The Speaker:** The hon. Member for West Yellowhead, followed by the hon. Member for Calgary-Buffalo.

#### **Geothermal Energy**

Mr. Campbell: Thank you, Mr. Speaker. Given all the attention on climate change in our province and around the world I was pleased to hear the Minister of Energy's answers to questions last week about how Alberta is a national leader in wind-generated electricity. Another renewable form of energy hasn't received quite as much interest, which is why I'd like to ask the minister about geothermal energy, which is steam or hot water captured from deep in the earth used to power turbines or to heat buildings and water. Can the minister advise the members of the House whether the government is exploring this emerging source of renewable energy?

The Speaker: The hon. minister.

Mr. Knight: Well, thank you, Mr. Speaker. Most certainly, as I have said before, renewable energy sources like geothermal energy in the province of Alberta are becoming increasingly important to us. Certainly, in Alberta's energy mix all of the alternative energy forms would be explored. Geothermal energy, you know, has a tremendous potential in the province, and we have the Alberta Geological Survey currently looking at a survey that would indicate where these opportunities perhaps exist in sweet spots in the province of Alberta. There are some challenges to this.

The Speaker: The hon. member.

**Mr. Campbell:** Thank you, Mr. Speaker. Given that geothermal energy offers the potential for both low emissions, heat, and power, can the minister advise whether the government offers incentives to increase the use of this renewable energy source?

**Mr. Knight:** Mr. Speaker, at this point the province doesn't offer any specific incentives for geothermal projects. As you know, greening our energy production is a key element to the climate change strategy that the Minister of Environment introduced earlier this year. That plan calls for an increased investment in clean energy technologies as well as incentives for expanding the use of renewable and alternative energy sources.

The Speaker: The hon. member.

**Mr. Campbell:** Thank you, Mr. Speaker. Can the minister advise the Assembly whether government is considering how or if Albertans should receive a return through royalties or tenure agreement for the extraction of this energy resource?

**Mr. Knight:** Well, Mr. Speaker, because this is an emerging area, that's not something that has been considered to date. Like all aspects of geothermal energy, it's something that we need to examine in more detail as we look ahead. Perhaps it's worth noting that the government of British Columbia has developed a competitive bidding, leasing, and development process under a new Geothermal Resources Act and regulations in that province.

**The Speaker:** The hon. Member for Calgary-Buffalo, followed by the hon. Member for Livingstone-Macleod.

#### Victims of Crime Fund

Mr. Hehr: Thank you, Mr. Speaker. Any time someone commits a statutory offence in this province, the Solicitor General collects a 15 per cent surcharge, which is distributed to the victims of crime fund. Although the fund was created to assist Albertans victimized by crime, it has generated a huge surplus in recent years. The fund now contains approximately \$42 million. My question is for the Solicitor General. Will he commit to auditing the administration of the victims of crime fund to ensure that it is providing maximum service to Albertans impacted by crime?

The Speaker: The hon. minister.

**Mr. Lindsay:** Well, thank you, Mr. Speaker. The victims of crime fund is audited internally and also by our Auditor General, and everything is in order there. Certainly, the fund revenue in the last few years has exceeded the money going out of that fund, and we have taken steps to address that.

**The Speaker:** The hon. member.

**Mr. Hehr:** Thank you, Mr. Speaker. Almost two years ago the Alberta Police-based Victim Services Association applied for a \$2.6 million increase to guarantee the continuation of services to victims of crime. Can the Solicitor General give us an update on the status of this request from this organization?

**Mr. Lindsay:** Mr. Speaker, as the hon. member knows, this year's budget has included an increase to victims of crime funding. I believe it was \$1.4 million. Again, we are taking steps to ensure that those who suffer the consequences of violent crime in this province receive the funds that they require to go on with their lives.

**Mr. Hehr:** Recently members of the Alberta bar expressed concerns that the Criminal Injuries Review Board may be denied extension of limitation periods in sexual assault cases where a valid claim for compensation exists. To the Minister of Justice: is any action being

taken to address the misinterpretation of the Victims of Crime Act's extension of the two-year limitation period in these situations, as outlined in T.R. versus Alberta?

2:30

**The Speaker:** The hon. Minister of Justice and Attorney General.

**Ms Redford:** Thank you, Mr. Speaker. I don't know the answer specifically to that. I know we have processes in place to deal with whether or not decisions that have been made by the board are correct, and they can be appealed.

**The Speaker:** The hon. Member for Livingstone-Macleod, followed by the hon. Member for Edmonton-Riverview.

#### **Spring Flooding**

**Mr. Berger:** Thank you, Mr. Speaker. My first question is for the Environment minister. Parts of southern Alberta have already experienced flooding in recent weeks, and I understand there is a significant snowpack, up to two and a half times normal in some areas. With the rain predicted for this week and the snowmelt, are we prepared and is your department prepared in case of more flooding?

**Mr. Renner:** Mr. Speaker, having lived through the floods in both 1995 and 2005 in southern Alberta, I can tell the member that there is always potential for further flooding, particularly during the month of June. What I can tell the member, though, is that the snowpack alone is rarely the cause of a flood event. It's when the snowpack is on top of a heavy rainfall event that we run the risk of flooding. Our department will continue on a 24-hour-a-day basis to monitor stream flows and work with Environment Canada to predict those extreme rain events.

**The Speaker:** The hon. member.

**Mr. Berger:** Thank you. My first supplemental is to the Minister of Municipal Affairs. Last week I asked the minister what his staff was doing to help communities that were affected by the flooding. I understand that staff from Municipal Affairs planned on meeting with municipalities to assess any damage caused by flooding. Has a decision been made on disaster recovery programs?

The Speaker: The hon. minister.

**Mr. Danyluk:** Well, thank you very much, Mr. Speaker. No, not as of yet. Our staff is gathering the information with Environment. We're also determining the scope of the damage. We're waiting for the municipalities to request assistance, and then we'll estimate what those costs are. At that time the decision will be made on the amount of assistance.

**Mr. Berger:** My final question is to the same minister. Can the minister update the House as to the status of the flood mitigation report that we're expecting?

**Mr. Danyluk:** Well, Mr. Speaker, the report is before government right now, and we are looking at that report. The issue of flood mitigation is very complex. We've been having meetings and discussions with other departments as well as the municipalities. We need to ensure that we have the right balance of the recommendations that are coming from that report, and we will bring those responses to this House very quickly.

**The Speaker:** The hon. Leader of the Official Opposition, followed by the hon. Member for St. Albert.

#### **New Royalty Framework**

**Dr. Taft:** Thank you, Mr. Speaker. Five months have now passed since this government said that it would have closed a deal with Syncrude to ensure that Albertans are getting a fair share in royalties. For this government to claim that the new royalty regime is working when the biggest oil sands producer doesn't have a deal is a sham. My questions are to the Minister of Energy. Why has this government failed to sign a deal with Syncrude five months after the deadline passed?

**Mr. Knight:** Mr. Speaker, I can tell you that this government is very, very confident in the new royalty framework that is in place, working now very hard on the implementation stages of that framework. I am very confident that by the time of implementation, which is January 2009, we will have the appropriate agreements in place with all of the players in the oil sands and across the spectrum of energy production in the province.

The Speaker: The hon. member.

**Dr. Taft:** Thank you, Mr. Speaker. Given that in the event of a failure to come to a deal, the government promised to, quote, take other measures, what measures is this government going to take, and when?

**Mr. Knight:** Well, Mr. Speaker, as I've said, this is a situation that is currently in negotiation stages. In fact, the new royalty framework will be implemented in January 2009, with the appropriate measures taken to be sure that Albertans receive the maximum value they should from the resources they own.

The Speaker: The hon. member.

**Dr. Taft:** Thank you. To the same minister: why was this government able to strike a deal with the other company involved, Suncor, and it has not been able to strike a deal with Syncrude five months after its so-called absolute final deadline has been broken?

**Mr. Knight:** Mr. Speaker, the truth of the matter is that it's quite obvious that the member opposite doesn't actually have a grasp of just the simplest piece of this particular business. Suncor is an entity in and of itself. Syncrude is a consortium, a joint partnership. There are seven, at least, or maybe eight different entities that form that joint partnership, a much more complex piece of business.

**The Speaker:** The hon. Member for St. Albert, followed by the hon. Member for Calgary-Bow.

#### **Information and Communications Technology**

**Mr. Allred:** Thank you, Mr. Speaker. The Minister of Advanced Education and Technology has tabled the Alberta Information and Communications Technology Institute strategy document, an update of the original strategy document from 1998. Can the minister tell us what progress has been made in this industry in Alberta in the past 10 years?

**Mr. Horner:** Well, Mr. Speaker, as part of, I guess, the next generation economy and diversification of our existing economy, we've been putting a lot of emphasis on a higher level of value-

added in our technology sector. Our province has now become a leader in a number of areas of ICT. That leadership grows out of the approximately \$500 million investment that the government put in place, which has given us things like the SuperNet and Cybera most recently. This strong research infrastructure has spurred our ICT sector to grow so that today Alberta represents about 15 per cent of the Canadian industry.

**Mr. Allred:** Mr. Speaker, enrolments in ICT programs in postsecondary institutions have been declining. My second question to the same minister: what is this government doing to address this situation?

Mr. Horner: Mr. Speaker, that is a good question. In fact, it has been brought to our attention by a number of companies that have been doing business in the ICT sector in the province that enrolments in our postsecondary in the ICT sectors have been declining. But it's not just in Alberta. It is a global trend in terms of enrolments in that sector. It is an enabling technology, and we have attracted some of the best and brightest in the world. Dr. McCreery at the University of Alberta is a good example of that. Dr. Saul Greenberg is another good example. Attracting these highly qualified, highly specialized people, well renowned globally, will attract students to their portfolios.

**Mr. Allred:** Mr. Speaker, my third and final question to the same minister: if enrolments have declined and this is a general trend, as you've suggested, why is this government pursuing investment in ICT education and the ICT industry sector?

**Mr. Horner:** Again a good question, Mr. Speaker. The answer is simply that, as I said before, the ICT sector, if you will, is an enabling sector. ICT crosses the boundaries of agriculture, nanotechnology, energy, technologies that are involved in medicine, in discovering those next generation medicines that we will be looking for. There's great demand in all of these sectors. What we need to do is tie that enabling technology to the careers that are available for students so that we attract the students into those enrolments. I think it's important that we continue to develop the kind of expertise within our universities that attracts those people because at some point in time there will be a whole new category of jobs for those students.

**The Speaker:** Hon. members, the hon. Minister of Employment and Immigration would like to supplement an answer given earlier in question period. I believe the exchange was with the hon. Member for Edmonton-Strathcona. If I recognize the hon. minister, then the hon. Member for Edmonton-Strathcona will be able to raise an additional question.

The hon, minister.

#### Labour Law Reform

(continued)

**Mr. Goudreau:** Thank you, Mr. Speaker. In responding to the question from the member opposite, I believe I said that Progressive Conservative was one group that I met with. What I meant to say was Progressive Contractors Association of Canada, just to have the record clear.\*

**Ms Notley:** Well, I'm wondering if he could actually delineate the names of any unions that he met with.

**Mr. Goudreau:** Mr. Speaker, at this stage I don't believe that there were any specific unions that I did meet with since being appointed as minister.

2:40

**Mr. Mason:** Mr. Speaker, I have a point of order arising out of the response I received from the Minister of Infrastructure today.

**The Speaker:** Well, that's fine. We'll get that later. We'll recognize your point of order at the conclusion of the Routine. Sure.

We're going to now revert to our Routine. In 30 seconds from now I'll introduce the first of three members to participate in Members' Statements.

#### **Members' Statements**

(continued)

The Speaker: The hon. Member for Airdrie-Chestermere.

#### **Calgary Regional Partnership**

**Mr. Anderson:** Thank you, Mr. Speaker. As many of my fellow members are aware, the Calgary region is one of the fastest growing urban regions in the country. Airdrie and Chestermere by the last census figures constitute the fastest growing city and the fastest growing town respectively in all of Canada. Calgary, Okotoks, Cochrane, and other nearby communities are growing almost as fast, and these trends show no signs of slowing.

In response to dealing with this unprecedented growth, the Calgary Regional Partnership, or CRP, has been recently formed to co-ordinate and solve regional growth challenges through intermunicipal co-operation. The CRP includes 19 communities, from Banff in the west to Wheatland county in the east, from Crossfield and Airdrie in the north to the MD of Foothills and Nanton in the south and, of course, Calgary in the centre.

Through this partnership participating communities can pool resources, speak with a unified voice, and take a more strategic approach to regional planning. The CRP's regional growth and sustainability framework will provide a regional vision concerning land use and density, urban growth boundaries, mixed-use areas, regional transportation, water/waste-water servicing corridors, open spaces, parks, and pathways and will co-ordinate with various provincial plans, including our government's newly released provincial land-use framework.

The CRP, which receives its funding from all three levels of government, has hired some of the best planning, engineering, and growth management expertise in North America to work with the CRP to resolve these aforementioned urban-rural and 'rurban' growth issues. I am proud to note that my own mayor, Linda Bruce of Airdrie, chairs the CRP, and I would like to commend her as well as the other members of the CRP in working together to tackle the difficult challenges which lie ahead for the people, families, and businesses of the greater Calgary region.

Thanks.

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

#### **Crime Reduction and Safe Communities**

**Mr. Hehr:** Thanks, Mr. Speaker. With the highest level of violent crime in the nation it's no wonder that a growing number of Albertans are concerned about public safety. This weekend's strip mall shootout in northeast Edmonton is just one of the latest examples of this increasingly dangerous problem.

Mr. Speaker, the people of this province look to their elected representatives to find ways to reduce violent crime. Every member of this House has a duty to do our part to fight crime from every angle. I am grateful the government has pledged to get a significant number of new police officers on the streets in our major cities and our townships. That's an excellent first step, but I think we can take things a few steps further by giving our police officers more tools, tools that will help them take a bigger bite out of crime.

During this session I brought forward a number of ways in which I believe the province could help police make our streets safer. I've suggested that we could make it easier for police officers to seize vehicles that gang members are using to transport guns or drugs. I've advocated for laws that would allow drug houses that are growing cannabis and the like to be sold to fund the victims of crimes' initiatives. I've raised the issue of fair compensation for corrections officers.

The government has promised to look into these issues, and I thank them for this. But may I suggest that when it comes to this particular problem, the sooner the action is taken, the better. My constituents and, indeed, all Albertans want to feel safe again.

Thank you, Mr. Speaker.

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

#### Reverend David Holmes

**Mr. Bhullar:** Thank you, Mr. Speaker. I rise today to recognize Reverend Dave Holmes and his 20 years of service as a United Church minister, 16 of which were served at the same church. He and his wife, who is also a United Church minister, are both constituents of mine in Calgary-Montrose.

I met Reverend Holmes many years ago when we both were involved in interfaith partnerships in our community. Through these projects Reverend Holmes demonstrated that great things can be accomplished if we focus on the fundamental values we share regardless of faith. In his time as minister Reverend Holmes has not only made interfaith partnerships a priority but also helped people develop integrity through community service.

Mr. Speaker, as an advocate for strong community involvement I truly appreciate the work that Reverend Holmes has done in the area of community service and all that it has done for the area. I wish Reverend Holmes well in the next phase of his life. I'm certain that his strong values and leadership will serve him well wherever he ends up.

Thank you.

**The Speaker:** The hon. Member for Edmonton-Meadowlark.

# Komagata Maru Incident

**Dr. Sherman:** Mr. Speaker, thank you. It is my honour to speak in this House about the *Komagata Maru* incident that occurred in 1914 in Vancouver, Canada, which recently led the governments of British Columbia and Canada to apologize to the Indo-Canadian community.

In the early 1900s the immigration of Indians to Canada was discouraged, so the government of the day passed stringent laws whereby immigrants had to come by continuous journey from their country of birth and enter with at least \$200 on their person, a rare feat in 1914. Canadian Pacific ran a lucrative shipping line between Vancouver and Calcutta; however, the Canadian government forced the company to stop this service. It was now impossible to come from India to Canada via this continuous journey.

So a businessman, Gurdit Singh, chartered a steamliner, the

Komagata Maru, which carried 376 Indians, mostly Sikhs who were also British subjects and entitled to arrive on Canadian soil, from Punjab, India, and reached Vancouver on May 23, 1914. The passengers were denied entry and forced to remain aboard the ship for two months, where they were denied many of the necessities of life, even food. They eventually were sent back to India, where at least 20 were shot, killed, or massacred in a riot and others imprisoned. Naturally, this inflamed nationalistic passions and was one of the sparks that eventually led to the democratization of India, which today shares values and good friendship with Canada.

Mr. Speaker, my family has a little bit of history with this, as well. My great-grandmother's brother was on that ship, and he survived the massacre. My father's father was a 24-year-old boy. He used to swim food to these people late at night under gunfire.

Mr. Speaker, today, nearly a century later this is not a white Canada, a brown Canada, a red Canada, or a black Canada. Rather, today's Canada is simply Canada, the greatest nation on the planet, a country where colour and culture no longer separate us; rather, they unite us. It's a country where ideas, good thoughts, tolerance, and decency are allowed to prevail. It's a country where if you have dreams and you work hard, you can live and realize those dreams. This is a country that's a beacon of hope and prosperity to those around the world, a defender of justice, freedom, and democracy to others. But really, Mr. Speaker, most importantly, this is a country we can all proudly call home.

Thank you.

#### **Presenting Petitions**

**The Speaker:** The hon. Member for Calgary-Varsity.

**Mr. Chase:** Thank you very much, Mr. Speaker. I add another 108 signatures to the growing thousands calling upon the Legislative Assembly to "pass legislation that will prohibit emotional bullying and psychological harassment in the workplace."

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

**Mr. MacDonald:** Thank you very much, Mr. Speaker. I have a petition to present to the Legislative Assembly this afternoon. It reads:

We the undersigned residents of Alberta, petition the Legislative Assembly to urge the Government of Alberta to commission an independent and public inquiry into the Alberta Government's administration of or involvement with the Local Authorities Pension Plan, the Public Service Pension Plan, and the Alberta Teachers' Retirement Fund.

This is at least 200 more signatures to be added to the thousands that have already been presented, and these concerned individuals are from all over the province.

Thank you.

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

**Mr. Taylor:** Thank you, Mr. Speaker. I rise to present a few more signatures to add to the petition as just read out by my colleague from Edmonton-Gold Bar. These are signed by people from Edson, Spruce Grove, Westerose, Lindbergh, Edmonton, Calgary, and even one signature from New Westminster, British Columbia.

Thank you, Mr. Speaker.

#### **Notices of Motions**

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

**Mr. Hancock:** Thank you, Mr. Speaker. I rise to give oral notice to the House of a motion to be on the Order Paper at the appropriate time:

Be it resolved that when further consideration of Bill 26, Labour Relations Amendment Act, 2008, is resumed, not more than seven hours shall be allotted to any further consideration of the bill in Committee of the Whole, at which time every question necessary for the disposal of the bill at this stage shall be put forthwith.

#### 2:50 Tabling Returns and Reports

The Speaker: The hon. Minister of Employment and Immigration.

**Mr. Goudreau:** Thank you, Mr. Speaker. I would like to table responses to questions raised during my ministry's estimates in Committee of Supply on April 30. These questions were raised by the members for Edmonton-Gold Bar, Edmonton-Centre, and Lethbridge-West.

Thank you, Mr. Speaker.

**The Speaker:** The hon. Member for Calgary-Mountain View.

**Dr. Swann:** Thank you, Mr. Speaker. I'd like to table the appropriate copies from a fundraising event held in my constituency last week by the community of West Hillhurst and attended by the hon. Member for Calgary-McCall, a fundraiser for an orphanage in India, initiated by Briar Hill's first rich man, poor man dinner.

Thank you, Mr. Speaker.

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

**Mr. MacDonald:** Thank you very much, Mr. Speaker. I have two tablings today. The first one is an article, Tackling Investment Challenges in Power Generation in IEA Countries. This outlines the significant incentives to encourage investment in new nuclear plants regarding the U.S. Energy Policy Act of 2005.

The second tabling I have this afternoon, Mr. Speaker, is a series of letters from constituents of Edmonton-Gold Bar who are very concerned about the direction the government is going in with the Alberta labour code. They have a number of improvements that they would like to see, which unfortunately are not included in Bill 26. These individuals from Edmonton-Gold Bar expressing their concern are Paul Delorme; Nicola Marrocco; Randy Koble; Lyle Okrainetz, one of the best rig welders in the province; Réjane Fechner; Andrew Anderson; and Rick Harasymchuk.

Thank you.

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

Ms Notley: Thank you, Mr. Speaker. I'd like to table to appropriate number of copies of letters from five Albertans, all calling for changes to Alberta's labour laws to create a fair labour relations climate in the province. The letters are from Edith Schmidt of Berwyn, Ray Walmsley of Bluesky, William Coates of Brownvale, Arthur Anderson of Grimshaw, and Tami Turner of Fairview.

Thank you.

# **Tablings to the Clerk**

**The Clerk:** I wish to advise the House that the following documents were deposited with the office of the Clerk. On behalf of the hon. Mr. Goudreau, Minister of Employment and Immigration, pursuant to the Workers' Compensation Act the Workers' Compensation Board 2007 annual report.

On behalf of the hon. Ms Evans, Minister of Finance and Enter-

prise, pursuant to the Alberta Capital Finance Authority Act the Alberta Capital Finance Authority 2007 annual report.

On behalf of the hon. Mr. Liepert, Minister of Health and Wellness, pursuant to the Health Professions Act the Alberta College of Pharmacists 2007-2008 annual report.

On behalf of the hon. Ms Tarchuk, Minister of Children and Youth Services, response to Written Question 17, asked for by Mr. Chase on June 2, 2008.

#### Point of Order Imputing Motives

Mr. Ouellette: Mr. Speaker, I cite 23(i). The member stated that I was meeting with a certain group, which would impugn a particular nonlabour beat. I am not meeting with this group, as the member suggests. In fact, I cancelled a speaking engagement with them, and that was for two reasons. Way back when they requested me to put it in my schedule if I would speak, I was the Minister of Infrastructure at that time, and I would imagine that they probably bid jobs to Infrastructure. The other reason is that I have a really hard time saying no to most groups. In fact, I just spoke to five or six of the different road-building groups within the last month. It is tough to cancel, but we have a labour bill in front of the House, and I didn't think it would maybe be appropriate. By suggesting that I would meet with one group and not another, the member has imputed false motives upon me.

**The Speaker:** The hon. Member for Edmonton-Highlands-Norwood.

**Mr. Mason:** Yes. Mr. Speaker, I would argue that this is not a point of order. As the minister had publicly indicated his intent to meet with the drilling contractors, it was a reasonable thing to say. However, given that he cancelled the plan, then we would certainly be prepared to withdraw the remarks since they are no longer accurate. We believe that it was an honest mistake.

The Speaker: Okay. That matter is resolved.

Hon. Member for Edmonton-Highlands-Norwood, you caught my eye with a point of order as well.

#### Point of Order Factual Accuracy

**Mr. Mason:** Yes. Thank you, Mr. Speaker. This point of order arises out of the questions that I asked today with respect to the Lieutenant Governor's residence. The hon. Minister of Infrastructure indicated that this was not in the three-year capital plan and, I believe, led us and the House to believe that in fact the project would not be going ahead.

I'd like to refer to *Alberta Hansard* during the estimates of the hon. Premier, and I just want to read a very brief excerpt from that. This is from the Premier.

Now, the Lieutenant Governor's salary is paid for by the federal government, and the residence is within Infrastructure. I do know that there is a delay as the construction of the residence was held back a bit only because costs kept escalating, and we had to put money into other priority areas, but we are continuing with the construction of the residence. It's really a tremendous supporter of tradition.

Well, Mr. Speaker, it's very difficult when the minister and the Premier give different answers with respect to essentially the same question from a member, and I would ask either that some clarification be provided or that you rule that one or the other has not provided accurate information in the House.

Thank you, Mr. Speaker.

The Speaker: Hon. member, please cite the page of that *Hansard*.

Mr. Mason: This is page 675.

The Speaker: Thank you.

The hon. Member for St. Albert on this point of order, then.

Mr. Allred: You've answered my question. Thanks.

**The Speaker:** The hon. Minister of Infrastructure on this point of order.

Mr. Hayden: Mr. Speaker, on this point of order. We will in the future continue to build roads, hospitals, schools, and residences for Lieutenant Governors when they're required. It's an ongoing process. As we see the need, it will happen. But with respect to the project right now there is nothing in the three-year plan. In November we announced that we would indefinitely halt the construction of a new residence. The confusion that has been caused out there has not been from me. There is no mention of a \$10 million residence anywhere.

At this time I'd like to table copies of the Alberta New Democratic Party's newsletter to Albertans talking about a \$10 million mansion. There is no record that I can find anywhere, other than this, that refers to any mansion. So I'm at a loss.

The Speaker: Any other comment on this matter?

**Mr. Snelgrove:** Even the quotation that the hon. member brought forward talked about the Premier's suggestion that we would continue to look into the construction of a facility for the Lieutenant Governor. As he mentioned in his answer yesterday, we believe that that is a very important part of the historical nature of Alberta. As the hon. Minister of Infrastructure has said, this is not to say that we will never build a house or a facility for him. At this time, there are no plans to continue with it. That has been clearly stated by the minister and not indicated otherwise by the Premier.

**The Speaker:** The hon. Member for Calgary-Varsity, on this point of order.

**Mr. Chase:** Yes. On this point of order. In the questioning the hon. member provided yesterday with regard to the Lieutenant Governor's residence, he pointed out what had previously been the residence and the availability of Government House to return to a potential residency for the Lieutenant Governor. Right now Government House is being used as an exclusive club frequently for government members.

**The Speaker:** What has this got to do with the point of order? Please get to the point of order. Okay?

3:00

**Mr. Chase:** Yes. The point of order had to do with whether or not \$10 million was being expended on a residence for the Lieutenant Governor. Part of that argument is . . . [interjections] Well, we seem to have various interpretations, Mr. Speaker. Can I have a ruling?

**The Speaker:** Okay. This matter is resolved by everybody referring to *Beauchesne* 494, which clearly points out that from time to time the House must accept varying views on the same subject from varying people. Very clear.

The chair was here, heard everything yesterday. Somebody made the suggestion that there was a \$10 million house being built. The chair never heard anybody else say: yes, a \$10 million house was being built. The matter would be reviewed ongoing basis. So if this is a matter of clarification, not a point of order, is it clear as we walk out of here that there's no \$10 million budgeted in the next three years for this? That doesn't mean that sometime in the future the plan would not be reviewed, and in the meantime somebody else puts out a press release so they have to all live with that.

Okay, we're moving on.

# Orders of the Day

# Government Bills and Orders Second Reading

#### Bill 26

#### Labour Relations Amendment Act, 2008

The Speaker: The hon. Minister of Employment and Immigration.

**Mr. Goudreau:** Thank you, Mr. Speaker. It is my pleasure to rise and move second reading of Bill 26, the Labour Relations Amendment Act, 2008.

This legislation is introduced with the best interests of Albertans in mind. For one, it will ensure the public receives emergency medical services without disruption. I can't stress how important this is. Currently about half of the province's ground ambulance operators and their employees have the right to strike or a lockout during labour disputes. This poses a serious threat to the public's health and safety.

My ministry's legislation will complement the announcement by Alberta Health and Wellness last week. It is important to recognize that the new governance model will only remove the right to strike or a lockout for employees directly employed by the authority. Should the authority decide to contract the ambulance services, those workers would retain the right to job action. This is why our legislation is so critical. It will capture all unionized employees not directly employed by the provincial health authority and make them subject to compulsory arbitration. It will bring about 1,500 ambulance operators and their attendants in line with the police, firefighters, and some hospital workers.

Secondly, the legislation will enhance fairness for workers and ensure a level playing field among contractors in the construction sector. When I refer to construction, Mr. Speaker, I'm referring to the definition found in the code. It does not include what is known as maintenance, which includes large-scale turnarounds and shutdowns.

The legislation targets two specific practices: salting and MERFing. Both practices could potentially have serious consequences for this competitive industry. Salting is a union organizing practice with a potential to cause project delays, cost overruns, or even lost contracts. What happens is that workers who are tasked with organizing from within may be pulled from the job site at a critical time once this is accomplished. Simply put, Mr. Speaker, salting can be extremely disruptive for construction employers. It can also leave workers with union representation whether they want it or not.

The intent of the legislation is to address all these issues through new eligibility requirements for certification votes. Under these new requirements only employees with 30 days of continuous employment prior to the date of application would be eligible to participate in a certification vote. This requirement is similar to employment requirements in other sectors outside the construction industry. The addition of a 90-day revocation window will also protect workers.

Employees will have the opportunity to rethink their decision to unionize the work site. What if long-term employees change their minds? Then they can decertify the union.

Some trade unions and critics may say this makes it impossible to unionize. Mr. Speaker, it will not. The legislation is restricting a potentially disruptive practice with the least interference possible. We are not restricting the legitimate practice of unionization as laid out in the code. Ultimately, the legislation protects our workers with a continuing employment relationship and their individual right to choose

Mr. Speaker, the second practice affected by the new legislation is market enhancement recovery funds, or MERFs. For example, unionized contractors agreed to pay into MERFs as part of their collective or other agreement. A trade union responsible for managing the MERF will provide funds to subsidize the bids of a contractor or the wages of a contractor's employees. The legislation being proposed will restrict this activity. It will preserve competition in the sector and ensure that project bidding in the sector is conducted fairly.

Not only do MERFs lower labour costs for contractors; they are also seen as an alternative to negotiating wage cuts. The legislation brings in some specific restrictions on how MERFs can be used to subsidize employee wages. By wages, Mr. Speaker, I'm referring to the definition of wages as found in the code. It captures salary, overtime, and any other remuneration for work such as employer contributions to pension plans.

Simply put, the new provisions do not allow MERFs to be paid to a contractor for the purposes of subsidizing bids or employee's wages. MERFs can still exist as long as they comply with the rules, and this includes that employees must consent to the contributions and that the funds must be paid directly to the employees, not through a contractor. This gives employees a say in how funds negotiated on their behalf are being used.

Mr. Speaker, if there are funds in a MERF that don't comply with the rules, they will be disbursed. I would like to emphasize that we will only require the disbursement of MERF funds that are noncompliant. The goal of the legislation is to give parties an opportunity to disburse noncompliant funds themselves first. It's anticipated that some MERFs or collective agreements will have the necessary terms in place to direct disbursement. This will minimize the impact of the legislation on existing agreements. Our government would only step in should there be no provisions for the parties in place. Regulations as to how this would occur are currently under development.

Mr. Speaker, in closing, I strongly support this legislation. The amendments address long-standing issues brought forward by key stakeholders in the construction and ambulance sectors. They will give more decision-making power back to workers, improve health and safety for the general public, and keep Alberta's economy competitive and business friendly. They are in Alberta's best interest.

Thank you, Mr. Speaker.

**The Speaker:** The hon. Member for Edmonton-Gold Bar, followed by the hon. Member for Olds-Didsbury-Three Hills.

Mr. MacDonald: Yes. Thank you very much, Mr. Speaker. It's interesting to have this opportunity to stand and participate in the debate on Bill 26, the Labour Relations Amendment Act, 2008, this afternoon. The debate hasn't even started, yet we have oral notice from the hon. Government House Leader to restrict and limit debate and discussion on this important measure. When we look at this Legislative Assembly, the bill was only introduced yesterday

afternoon about this time. Various groups – labour groups, it was determined in question period – had not been formally consulted regarding these changes. Certainly, contractors, from what I'm hearing, have had their opportunity to make their points. Yet a day later we are debating this bill. There has been very little time to prepare, and now we have this time restriction. It is quite interesting.

3:10

Now, no one during the election told me that we had to change the Labour Relations Code, and we had to eliminate MERFing, and we had to eliminate the practice of salting. No one was talking about essential services legislation for one group of workers, in this case the ambulance workers, and no one was talking about taking the eraser to the regional health authorities either and creating one superboard.

#### [The Deputy Speaker in the chair]

Now, the hon. minister talked about the need for MERFing and what it would do. In some cases the practice of MERFing was lowering labour costs – I believe those were his words – for contractors. If this is true, we should be leaving this practice alone. We need it now more than ever. In the government's own budget, Mr. Speaker, there is provision for cost escalations on approved projects. There is an \$803 million provision funded by the taxpayers. If this government was sincere in their wish to keep labour costs as low as possible, then why on earth at this time would you take this mechanism, which you claim lowers labour costs, and remove it through this legislation? Your reasoning, hon. minister, does not make any economic sense.

What are the economic reasons for proceeding with this legislation at this time? It's not in the best interests of Albertans, as you claim, simply because if the MERF funding is a mechanism to reduce labour costs, why on earth would you not leave it in there when you're faced with this fund, which is over \$800 million? You know that there are going to be cost escalations. Your argument there, hon minister, just doesn't make any sense.

Now, what people did tell me during the election, Mr. Speaker, about what legislation they wanted to see taken care of by this government was legislation that would monitor seniors' lodges and protect seniors who are in care. We all know what happened with that two years ago and three years ago, what the public said. Yet we have this measure coming forward, and we have no mention so far in this legislative session or any interest by this government in dealing with an act to protect seniors.

In fact, if we look at the Auditor General's report, we will see where the legislation to further protect seniors has already been drafted. The Seniors and Community Supports ministry has drafted a supportive living accommodation licensing act to establish in their licensing mandate supportive living facilities for all seniors. The legislation hasn't been tabled in this Assembly.

**Mr. Snelgrove:** And the relevance?

**Mr. MacDonald:** The relevance? This, hon. President of the Treasury Board, is what the citizens of this province want you to deal with.

The Labour Relations Code and the practice of salting and the use of MERF funding to get construction contracts is not an issue. It's not an issue. What is an issue with the citizens is how our seniors are being treated, and this government fails to deal with it. We have this legislative agenda, we have this bill drafted, yet you're not

making any moves to get this through the Legislative Assembly. But why are you so anxious to get Bill 26 rammed through the Assembly?

Again, how does this bill improve the construction industry in this province? What economic benefit, if any, does this have for Albertans? I'm looking forward to hearing an explanation from the hon. Member for Calgary-Nose Hill because, certainly, we didn't get it from the Minister of Employment and Immigration. Why now? Why do we need this bill now? What is the motivation? Is it just a measure to deal with labour groups after they publicly opposed this government in the provincial election? [interjection] Also, the hon. President of the Treasury Board says that he hadn't noticed.

The hon. Minister of Employment and Immigration talked about the 90-day revocation window, and the hon. minister said that Albertans would like this 90-day window to reconsider whether a site should be certified as a union site or not. Well, maybe if it applies to union drives, it should apply to the provincial election, and maybe we should give citizens a second chance. Maybe they regret giving this government this massive 72-seat majority because this is the consequence of that massive majority, a bill like this. There's not even enough shame, Mr. Speaker, in this government to go through the democratic process in the debate and discussion on this bill. Before we even started, we got a closure motion delivered. It just doesn't make any sense to me why we would want to proceed with this legislation at this time.

Now, Mr. Speaker, when we look at the bill and we look at the study that was done – I believe it's the same study that was tabled yesterday afternoon in the House by the hon. Member for Olds-Didsbury-Three Hills – that study looked at these issues of MERFing and salting, and the study conveniently went on the shelf in the minister's office. With no disrespect to anyone, in fact I'm not sure that all members of that committee were in agreement with the final recommendations, but certainly there was an option on how to deal with the whole issue of salting.

I would like to know, first, from the hon. minister how often this practice of salting has been used in a union certification drive. I'm not hearing about it being an issue. Certainly, there are only two organizations that I know that use the MERF fund, and it seems to be working out well. Again, if it reduces labour costs, why would we want to eliminate it when we've got an \$800 million cost escalation fund because of high labour costs?

I think this is an ideological bill. It certainly is not one that is in our best economic interests.

However, when we look at this practice of salting, it doesn't seem to be a big issue, Mr. Speaker.

Workers are eligible to vote in a certification representation vote if they are employees of the employer in the entire 30-day period prior to the date of application and do not quit their employment in the period up to the day of the vote. (If, for any other reason, the worker's employment terminates after the application for certification is filed and before the date of the vote, they would still be eligible to vote).

This is one of the recommendations from the committee, this 30-day period.

How does that 30-day period work? This, hon. members, is a perfect Charter challenge. If we take away the other side of the issue, which is the right of MERF funds to exist, well maybe we're going to – I'm sure the hon. Treasury Board president has given this consideration, that if we outlaw MERF funds, then perhaps union members and union contractors will pool their money into a legal fund, and they will use this legal fund to have their interests and their members' interests protected in the courts. This government doesn't seem interested in protecting their interests and their rights, so perhaps this will be the consequence of this legislation, Mr. Speaker, if it's passed.

3:20

This 30-day period: it is interesting that that is the time, 30 days. What happens if the hon. Member for Calgary-Currie is on a job for 21 days or 25 days? He doesn't meet the requirement. Are his rights protected? That will be a decision that will be made, I think, sooner than later if we allow this Bill 26 to proceed. I don't understand why that recommendation would be going forward.

Now, it also goes on here in one of the recommendations on this salting practice: the "open period will commence 90 days after the date of certification, notwithstanding the presence of any collective agreement." "A majority of the committee agrees that the 'continuous employment' requirement and the special revocation opportunity provide greater protection to the longer-term employees of construction contractors." Now, they may or may not be on the same site. They may or may not have the same qualification. There may be a lot of variables here, Mr. Speaker, but

the committee members who support this recommendation believe that these steps will prevent abusive organizing practices while still allowing employees with a continuing interest in their company to choose union representation if they so desire.

I would like examples from the hon, members across the way and specifically the Employment and Immigration minister of these abusive organizing practices. I've been the labour critic for two or three months, and I used to have the job, and I enjoyed it quite a bit in the past. I have never encountered complaints of abusive organizing practices from either contractors or from workers. Now, I don't know where this is coming from. If there are abusive organizing practices, I would certainly like to hear about them and why it would be necessary to do this. I've heard of people being fired because they have been sympathetic to unions or union organizing drives. I have heard of a case – and it had nothing to do with construction; it had to do with a member of the United Food and Commercial Workers union. I believe the fellow was driven off the road. The president of the local was driven off the road during job action.

Now, that's not healthy. That's not a healthy environment. When we look at the whole labour relations environment in this province, I'm not going to go through the performance measures that we just debated in Employment and Immigration, but certainly there is every indication in there that labour relations in this province, as restrictive as they are, are reducing days lost to job actions or legal strikes in this province. It's very, very low. It doesn't seem to be an issue. It doesn't seem to be a problem.

In the construction industry there has been a long period of labour peace. In fact, not only do we have a resource, and we have a royalty structure that's very attractive to outside investors, but we have a history in this province of labour peace in the construction industry. For investors, I'm certain that they would like to see this continue. With this bill in its current form will that labour peace continue?

We saw a little bit of a disruption last fall. We saw, Mr. Speaker, a New Orleans style funeral where the Labour Relations Code was put in a casket, put on the roof of a very energy efficient car – I think it was a Smart car – and it was escorted from the front of the Labour Relations Board to the Legislative Assembly. I was in attendance at that funeral. I didn't realize that when Eric Klein put the Labour Relations Code in the casket, he was absolutely right: the Labour Relations Code as we knew it was deceased, and the government had quiet, secret plans to further restrict and limit the democratic rights of Alberta workers.

Now, when we look at this legislation, this is very controversial, these changes to the labour code. I don't know why we would want to restrict and limit the ability of the traditional building trades unions to organize and expand. The MERF funds, or market enhancement recovery funds, have been used in the construction industry to allow union contractors to be competitive in the bidding process for specific jobs. Most of them would be commercial contracts, not big industrial sites. The rationale, of course, is that the non-union contractors, Merit and CLAC, have an unfair advantage due to the fact that their wage component of their bidding process is lower than those of traditional unions.

Well, I've been a CLAC member. I've worked on a CLAC job. It wasn't pleasant. I saw good workers get laid off for no reason. In fact, we were up on the B.C. side of the Peace River building a gas plant, and I wasn't there as a salt either. Some people thought I was, but I wasn't. However, when there was a release of toxic sour gas and some of the guys were taken by ambulance to the local hospital, they never ever did come back to the job. They were laid off by CLAC. CLAC failed to represent them.

Thank you.

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

Mr. Marz: Thank you, Mr. Speaker. It's my pleasure to speak in support of Bill 26, the Labour Relations Amendment Act, 2008. In 2003 an MLA committee was established to examine two labour relations practices in the construction industry, salting and MERFing, or market enhancement recovery funds. I was a member of that committee; in fact, I was the chair of the committee. As the remaining government member here today, I'd like to share some of our findings and recommendations, finding and recommendations, I might add, which support the proposed amendments before us today in Bill 26.

To give you a bit of history, a year prior, in 2002, the government asked for public and stakeholder input as to the need to do a general review of the Labour Relations Code. The majority of stakeholders, including those in the construction industry, stated that the code was working well, was balanced, and provided labour relation stability; however, of the 314 submissions received, the majority identified key concerns around the practices of salting and MERFs. This resulted in the 2003 MLA committee.

Our mandate was to determine whether or not to amend the Labour Relations Code to specifically address these practices. We reviewed available literature, academic studies, and case law; we considered the potential impact within the fast-paced and evergrowing construction industry; we consulted with 18 key stakeholders, equally drawn from and able to provide a wide range of information and arguments; and that led to the following recommendations, which became the framework for Bill 26.

3:30

While our recommendations went some of the way, I recognize that additional refinements were necessary. For example, the committee recommended that the code be amended to restrict salting to only allow employees with at least 30 days of continuous service in the period up to the date of application to vote in union certification votes, and they must not quit their employment prior to the vote. Government strengthened this recommendation. Instead of a 60-day revocation window the amendment, as it stands today, increases the time frame to 90 days. The ability to close this 90-day window once there's an approved collective agreement was also added. The longer time frame and ability to close puts more decision-making power back into the hands of the employees. It ensures that employees with a continuing employment relationship have the necessary tools to decertify any union advances which are not wanted

The committee also had two recommendations for MERFs. They included: make it unfair practice for unions to make financial contributions to contractors for the purposes of subsidizing bidding and prohibit employers from making financial contributions to unions for the purposes of establishing and maintaining MERFs. Both recommendations are included in Bill 26.

Government, after continued consideration of the issues, added additional provisions, provisions necessary to preserve competitiveness in the sector and to ensure that all project bidding is conducted fairly. They were also developed with employees' best interests in mind. When passed, the additional provisions will ensure that no one faces disciplinary actions for not contributing to a MERF, MERFs are no longer used to subsidize union construction contracts and essentially outcompete non-union contracts, and stronger financial penalties will exist to get the message across to those who don't follow the rules.

Mr. Speaker, I've got no doubt that amendments are needed to address these two practices. As they stand today, they address salting and MERFs in a fair manner. They will ensure that Alberta's briskly growing construction industry will continue to be a dynamic and significant contributor to the province's economy. They will ensure that workers with a continuing employment relationship have the individual right to choose unionization. They will ensure that a level playing field exists between union and non-union contractors, and they will not take away the union's legitimate rights and obligations to the employees in this province.

I would like to assure this Assembly that the consultation process that was conducted by the committee was open and fair, where all participants had the opportunity to make a presentation to the committee in person or by written submission.

I'd like to close by thanking all those who participated in the process as well as the committee members and staff who assisted in drafting this report.

Thank you, Mr. Speaker.

The Deputy Speaker: The hon. Member for Calgary-Varsity.

Mr. Chase: Thank you very much, Mr. Speaker. Before the debate even began on this highly controversial, regressive Bill 26 undermining labour rights in Alberta, the Government House Leader invoked closure, limiting the debate to seven hours. Last year debate was limited on the affordable housing bill, which dealt with rent controls and condo conversions, and then came Bill 46 in the fall session. By limiting debate on Bill 26, any claims for greater transparency and accountability have been abandoned by this government. They do not live what they claim.

I'd like to go back to 1967 when I talk about the lack of protection for working individuals in this province. I had the good fortune in the summer of 1967 to work for Alberta Gas Trunk Line up in Rocky Mountain House. It was my first experience working away from Calgary. Fortunately, it was a pleasurable experience because there were very strong safety regulations that Alberta Gas Trunk Line provided. We had all the safety equipment that was required, whether it was the steel-toed boots, whether it was the construction helmet, whether it was the safety glasses. I had a very interesting experience working in Rocky Mountain House, and I thank Alberta Gas Trunk Line, which has since become NOVA, for that experience in Rocky.

In the summer of '68 I had the good fortune to again be employed by Alberta Gas Trunk Line. This time it was down in Fort Macleod. Again, safety requirements and regulations were very much part of the company's work ethic. I can remember on a monthly basis going through the safety films and having safety representatives talk to us about workplace safety initiatives.

Then for a couple of summers I was working as a labourer in Calgary. In the summer of 1970 I was working for an organization where safety was not a concern whatsoever. I was working on demolishing what had been a former ALCB vendor on 17th Avenue S.W. in Calgary. I was given no helmet. I was given no safety glasses. There was no oversight or concern on this site for the safety of non-unionized employees. Of course, being somewhat young and eager to prove my worth, I went about the project despite the fact that I didn't have the proper safety equipment.

The result was that a glass brick literally exploded in my face, causing me to be taken very frantically by the foreman to the Holy Cross hospital. He was so unnerved that he had trouble driving, and although my face was coated in blood and I had glass in my eye from the blow-up of the brick, I was able to direct him to the Holy Cross hospital.

It may seem, going back to 1970, like working conditions for workers would have improved tremendously. But as the MLA for Calgary-Varsity I have attended the Day of Mourning in Calgary over the last three years. This year it was noted that 154 individuals died. That statistic does not take into account farm workers, for which no union possibility has been provided. The onus has been placed on individual farmers as to whether or not they take out workmen's compensation for their workers.

The state of work and safety in this province and the lack of legislation fit right into Bill 26 in terms of limiting what few rights labour organizations have to stand up in a brotherhood/sisterhood fashion for their workers. The government's actions tend to drive workers away rather than attract them to this province. Alberta, in my understanding, has the least number of unionized workers on a per capita basis of any province in Canada. [some applause] I see individuals from the government commending that practice.

The purpose of a union is not only to represent workers in terms of fair bargaining procedures but to stand up for them in terms of their salaries and their safety conditions. This government would just like to forget about it and go back to the indentured service. In fact, with the temporary foreign worker program the government is trying to circumvent legitimate contracting for individuals employed or seeking employment in Alberta, whether it's First Nations individuals, farm workers, or any number of tradespeople who have received their training and certification in this province. The government, by hiring temporary foreign workers, attempts to undermine the possibility of fair contracts.

#### 3:40

In 1980, when I had been a teacher for nine years, the Alberta Teachers' Association local 38 struck over the lack of preparation time for elementary schoolteachers, and the resolution for that strike included in 1980 the Kratzmann report. The Kratzmann report indicated the need for a pupil-teacher ratio of 20 to 1. Here we are 28 years later and a Learning Commission as well, and we still don't have what was considered a teachable pupil-teacher ratio.

In 2001, following an arbitrated settlement of the province-wide teachers' strike, the government reneged on its agreement to teachers and only supplied school boards with half the salary increase required to pay for the agreement. The government still hasn't followed through with all the proposals of its own Learning Commission.

The government, when it commissioned its task force, rejected 32 out of 58 recommendations. When the government put forward its task force on long-term care, that, I am very proud to say, my hon. colleague from Lethbridge-East was a part of, again, the recommendations were largely either rejected or never acted upon. Those recommendations not only affected the lives of the individuals in long-term care but the long-term providers themselves.

In this province's more recent history, going back to 2004-2005, we have the creative version of division 8, whereby the first organization to reach a contract establishes the rules for all other organizations that follow. This is where the Member for Edmonton-Gold Bar brought forward the notion of the Christian Labour Association, otherwise known as CLAC, that pretends to be a union, basically follows the dictates of the company and the employer, achieves the least benefits and salary for its employees, and therefore undermines any agreements that follow.

This is just one of the many unfair labour practices that exist in this province, and when we add to it the further deterioration of labour rights that Bill 26 is putting forward, we can be expecting a mass exodus from this province. [interjections] Some of the members opposite are saying: well, they can leave now. Well, that's more of the arrogance of members of the government.

**An Hon. Member:** Why don't they leave CLAC if it's not a union?

**Mr.** Chase: Oh, I see. So it's not leaving the province; it's leaving CLAC. Okay.

With regard to the Brooks Lakeside Packers organization and the strike that occurred there that, again, the Member for Edmonton-Gold Bar referred to and the violence associated with that strike, the hon. Member for Calgary-Mountain View and I travelled down and spoke to workers on the line. The hon. Member for Calgary-Mountain View actually spoke with the workers three times – I happened to be with him on one of those three occasions – trying to bolster the spirits of individuals whose rights to a fair contract had been denied. A number of these workers came from Sudan, from Somalia, from a number of Third World countries, seeking a First World opportunity which, unfortunately, they could not find in Alberta. Bill 26 further undermines that process.

One of the settlements of the Lakeside Packers strike was at least the notion of enacting first contract legislation. Of course, we see that that never happened.

Last summer 250 individuals who had the legal right to strike while working for CNRL were fired when they set up picket lines outside of the plant. This is typical of the lax labour rules where employers dictate and employees are forced to kowtow or leave. There is no whistle-blower protection for workers in this province. We saw that with the white-collar workers of the Alberta Securities Commission who, when they brought out the questionable practices, were fired for daring to bring up the concerns that they were facing.

Bill 26 continues to undermine what little rights labourers, workers, union members have in this province. When the government runs into a circumstance and they're faced by thousands of individuals on a strike line, their first plan is binding arbitration, and as I mentioned, when the agreement doesn't work, they just simply ignore their end of the deal.

When it came to the nurses, one of the strongest union organizations in this province, the United Nurses association, the nurses stood up to the government. As a result of standing up to the government, when it came to the election of I believe it was 2001, the government very quickly came to an agreement with the nurses because they recognized that the nurses would not stand for the type of regressive legislation that the province had put forward. They were fined significant thousands of dollars for going on a strike that the government considered illegal, but they stood up to the government, and it's important that they stood up to the government.

Whether the government issued a court order or through the courts an order was issued just indicates the extent to which this government will go to repress workers' rights. An Hon. Member: Rule of law, Harry.

**Mr. Chase:** Rule of law as it suits. Who decides on the rule of law? The government passes the legislation.

Now, when teachers stood up to the government in 2001, again, they were ordered back to work. There have been organizations—and where I would like to continue is on the idea of labelling an organization an essential service. If a service is essential, then it's essential that they be treated with respect and be given the opportunity to bargain in good faith. With the recent alignments of the health districts into one, the paramedics have all of a sudden . . . [Mr. Chase's speaking time expired]

I'll look forward to Committee of the Whole.

**The Deputy Speaker:** We have Standing Order 29(2)(a), which allows for five minutes of comment and questions. The hon. Member for Edmonton-Gold Bar.

**Mr. MacDonald:** Yes. Thank you, Mr. Speaker. To the hon. Member for Calgary-Varsity: how does the hon. member feel about the 30-day period that is listed in Bill 26? Does he think that this 30-day period will violate the Charter rights of workers who may be involved in a unionization drive on a site?

Thank you.

The Deputy Speaker: The hon. Member for Calgary-Varsity.

**Mr. Chase:** Yes. A 30-day period. Some of the government members sort of laughed at the notion of having a 30-day recall period for individuals elected who within the first 30 days didn't fulfill their constituents' mandates. That would be an interesting concept.

It was suggested in B.C. that it didn't have legs, but the idea that there is an opportunity to reject an agreement within a 30-day period would, I do believe, interfere with Charter rights. The Charter rights of individuals working in Alberta are already severely restricted, and the government has talked about pulling out the notwithstanding clause as a further club to beat workers over the head with. I don't believe that this would survive a Charter challenge. It probably would go down in flaming defeat, just as a former private member's bill, Bill 208, went down in flames because it violated the rights of same-sex individuals. Thank heavens we've got a national government, even if it's a Conservative one at this time, to maintain those Charter rights.

3:50

The Deputy Speaker: The hon. Deputy Government House Leader.

**Mr. Zwozdesky:** Thank you very much. I'd like to just ask a question of the hon. member who last spoke, and that is with respect to the time allocation motion that was brought forward earlier by the hon. Government House Leader. My question to him is on whether or not he properly heard that time allocation does not apply to second reading. Time allocation does not apply to third reading. Time allocation of not more than seven hours only applies to consideration of the bill at Committee of the Whole.

There will be numerous opportunities and numerous hours of debate on this bill above and beyond the seven hours at the committee stage because we have everyone eligible to speak at second and everyone eligible to speak again at third. Then, of course, there's the issue of potential amendments and so on that frequently accompany these kinds of bills. That's my question to the hon. member: did he hear that correctly?

The Deputy Speaker: The hon. Member for Calgary-Varsity.

**Mr. Chase:** Thank you very much. I do appreciate the clarification. In other words: strike one, we'll have an opportunity to speak; strike two, in Committee of the Whole we'll have an opportunity to speak; and strike three, our opportunity is limited, and therefore our debate is limited. The government in its magnanimous manner is allowing us the privilege of speaking in second and in third and then limiting us in the fourth. Closure is closure, hon. deputy House leader, whether it's applied at second or third or in the final passing.

**The Deputy Speaker:** The hon. leader of the third party.

**Mr. Mason:** Thank you very much. Will the hon. Member for Calgary-Varsity acknowledge that with a small opposition totalling 11 members, the government doesn't need to bring in closure for second and third readings, where each member is only allowed to speak once anyway?

**Mr.** Chase: Thank you. The government has 72 members. The government in the debate over Bill 46 did not allow a single amendment from either opposition party to be tabled. If that isn't controlling the agenda, I do not know what is. How the 11 of us scare you to such an extent that you are forced to limit debate, I do not understand.

**Dr. Brown:** Mr. Speaker, it is my privilege to rise in support of Bill 26, the Labour Relations Amendment Act, 2008, on second reading. This is a small but important piece of legislation which will remedy some inequities in Alberta's contracting industry and level the playing field for all Alberta businesses and employers. This bill will benefit Alberta's economy, Alberta's businesses, and Alberta workers.

The bill contains several amendments to Alberta's labour law. The first of these provisions deals with an abusive and anticompetitive practice surrounding what are known as market enhancement recovery funds, or MERFs. These funds are trust funds which are set up by a few unions, mostly in the industrial construction sector. The funds are then used to subsidize the bids on competitively tendered construction projects. Well, some might ask: what's wrong with that? It's a free world. Why shouldn't the unionized sector be allowed to indulge in this practice?

Mr. Speaker, this bill is not intended in any way to inhibit unions or to infringe on their legitimate rights. I want to explain to the House and to the hon. Member for Edmonton-Gold Bar, to my constituents, and to those who follow these debates beyond a number of reasons and some very good economic reasons why I believe that this MERFing practice is detrimental to Alberta's economy, Alberta's businesses, and Alberta's workers.

The first reason that MERF funds should be abolished is that they are fundamentally and patently unfair. They distort the free market of labour and services in the construction sector. While such MERF funds are only collected by a few construction unions, they have a considerable impact on the construction industry. They could create unfair competition between unionized and non-unionized contractors and workers by penalizing those workers who choose not to organize into collective bargaining units as well as their employers. In fact, the use of MERF funds might be specifically targeted to bid against non-union contractors and workers with the aim of depriving them of work, of making them noncompetitive, and ultimately driving them from business.

Secondly, Mr. Speaker, one of the foundations of the construction industry in Alberta, particularly in the commercial and residential sectors, is a process where contractors tender sealed bids to an owner or a project manager for specified work. The tendering system encourages construction businesses to sharpen their pencils, to become more efficient in their industrial methods, to work for productivity gains from their workers, and to lower their profit margins in order to be the successful bidder.

When MERF funds are used to supplement the bids of union contractors in the open tender bidding system, it might be possible for such contractors to win construction projects where they may not have the lowest costs or the best worker productivity. To encourage Alberta businesses to innovate, to become more competitive and efficient, and to increase worker productivity, those businesses which are more efficient should be rewarded by the marketplace and not unfairly disadvantaged. This is particularly so when one considers that Alberta competes in an increasingly global economy.

If a business can construct a head office building in Alberta at a lower cost than in British Columbia or Washington state or elsewhere, that would be one factor in encouraging them to locate here in Alberta. When Alberta realizes innovation and productivity gains in the construction sector, all workers will ultimately benefit, both union and non-union.

Mr. Speaker, another result of the collection of MERF-type funds from purchasers of construction services is that the additional cost would be added to the cost of projects where such MERF funds are collected. For example, in the industrial sector, particularly in the large industrial projects involving the oil sands and the upgraders in Alberta, the majority of work is carried out on a cost-plus basis. In those types of contracts the owner pays for labour or hourly wage charges and materials plus a specified profit margin and often a MERF assessment. Some collective agreements include provisions for MERF assessments on contracts which are paid into a MERF trust fund administered by union employers and unions. The result is an increased cost of doing business, an increased cost of building the industrial project, and ultimately a higher cost for the product produced such as bitumen, upgraded oil, or the end products such as gasoline.

Mr. Speaker, a fourth consideration, closely related to the one I've just mentioned, is the fact that when MERF funds are assessed on oil sands projects, Alberta taxpayers are indirectly paying for the added costs of those industrial projects where MERF funds are assessed. The reason for this is to be found in the way in which royalties are assessed on oil and bitumen extracted from our oil sands regions. Oil sands operators are assessed a lower royalty on production before payout of the total cost of the project than they do after the owner has recovered all of its costs. By adding to total project cost, the date of payout for oil sands projects would be deferred, and the royalty collected by the people of Alberta from their resource would be decreased. So to a considerable degree it is the taxpayers of Alberta who are paying for the collection of MERF funds and who are contributing to those funds, which are ultimately used to subsidize tenders by union contractors.

#### 4:00

Mr. Speaker, there could be cases where MERF funds would be used to subsidize bidding on construction projects outside the province of Alberta – and that, in fact, has happened – such as in the Northwest Territories, British Columbia, and Saskatchewan. In macroeconomic terms this would be similar to an import. Funds from Alberta would flow into the economies of other jurisdictions. The result of such payments is that funds that could be expended in Alberta would be expended elsewhere, and this amounts to a net loss to the Alberta economy.

For all of these reasons I believe the collection of MERF funds

and their use to distort the fair and competitive marketplace should be eliminated, and that is what Bill 26 will do.

Mr. Speaker, I want to turn to one other part of Bill 26, which is to deal with the issue of salting. This is the practice whereby unions solicit union workers to take temporary employment for a non-union shop with the explicit purpose of creating a local bargaining unit, in effect unionizing the business. The process has been acknowledged and, in fact, formally recognized by unions as witnessed by the union salting clearance agreements such as the one cited by the Labour Relations Board in 1995.

Such workers have in some cases been allowed to vote even though they quit before the actual certification vote was taken. In the labour relations case of Stuart Olson the Labour Relations Board ruled that certain employees can continue to have voting privileges even where they left shortly after the application for certification and before an official vote could take place.

Mr. Speaker, the provisions in Bill 26 do not preclude union organizing. They only place some reasonable time limits on the periods for which a worker must be employed before voting to unionize, and they allow a decertification vote to be taken within a 90-day period after certification except where a collective agreement is voluntarily agreed to. This will cure the mischief of a worker who takes up employment for a very short period and who then quits, depriving his employer of services, when his motivation may have been solely to act as a salt and would subvert the democratic will of the majority of employees. Such employees have no continuing interest in the workplace of that employer. The rationale for the salting provisions in these amendments to the labour code is very simply to ensure that there is true democracy in the workplace and that, indeed, the majority of employees in a particular workplace wish to be part of collective bargaining.

In conclusion, Mr. Speaker, Alberta believes in and respects the rights of employees to organize themselves into collective bargaining units and to have unions represent their legitimate interests in the labour market. Nothing in this bill derogates from that basic right. What this bill does do is redress some unfair practices which disadvantage those employers and employees who do not choose to be governed by collective bargaining. It would eliminate unfair practices which distort the free marketplace, which discourage productivity gains and increased efficiency, and would create a level playing field for all workers in the province of Alberta.

**The Deputy Speaker:** Standing Order 29(2)(a) allows for five minutes of questions and comments. The hon. Member for Lethbridge-East.

**Ms Pastoor:** Thank you, Mr. Speaker. Just a quick question to my hon. colleague from Calgary-Nose Hill. How exactly does this fit in with TILMA when, in fact, there's a very strong union movement in B.C.? Certainly, the labour numbers in B.C. are greater than they are in Alberta. How much discussion, if you're aware, has actually been taken under the TILMA agreement?

**Dr. Brown:** I have no information whatsoever regarding any discussions that might have taken place, and I can't offer any comment on what the implications might be with respect to TILMA in that regard.

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

**Mr. MacDonald:** Thank you very much, Mr. Speaker. I have a question as well at this time to the hon. Member for Calgary-Nose Hill. Earlier this afternoon the Minister of Employment and

Immigration indicated that it is possible for MERF funds to reduce labour costs. If these funds do reduce labour costs in this province, why can the hon. member not support it, given the fact that there is a provision in this year's budget of over \$800 million to deal with cost escalations from construction projects? If we can reduce the cost of construction through the use of MERF funds, why do you support eliminating them?

Thank you.

**Dr. Brown:** The hon. Member for Edmonton-Gold Bar indicates that it reduces labour costs . . .

Mr. MacDonald: Well, the minister said that, not me.

Dr. Brown: Well, the minister.

In fact, I don't believe that there is any net decrease in the labour cost. What happens in some instances is that there is a transfer of the costs from one industrial sector to another. In other words, when the MERF funds are exacted from certain contracts by reason of the union collective agreements in the industrial sector of the oil patch, they may be used to subsidize another project in a commercial or residential contract, so the net result is a wash. It's very true that there could be some projects in which the labour costs are subsidized to some extent by the use of those MERF funds in another field. But when you are taking from Peter to pay Paul, the net result is a zero-sum game.

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

**Mr. MacDonald:** Yes. Again to the same hon. member, Mr. Speaker. There are indications that have been provided to us that if we pass this Bill 26 in its current form, there will be more incentives for employers to delay certification votes than ever before and more issues to litigate before the labour board. Now, if this is true, it will add days of hearing time, thousands upon thousands of dollars in extra costs, and untold public resources just to help companies avoid unionization. How does this benefit Alberta economically?

**Dr. Brown:** Well, I think the hon. member is referring to the salting provisions, I presume, with respect to the time periods involved. I can only say that the purpose of those amendments would appear to be to ensure that there is, in fact, true democracy in the workplace, that we don't have individuals that are parachuted in for a very short period of time only to leave and have no continuing interest in the workplace.

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

**Mr. MacDonald:** Yes. Thank you very much, Mr. Speaker. Again, if the hon. member is so concerned about subsidization, the subsidies that are supposedly involved in the construction industry in the tendering and the acquiring of contracts, why are you not concerned about the taxpayer subsidizing Horse Racing Alberta?

**Dr. Brown:** I don't know how many times we have to explain this to them, but Horse Racing Alberta takes in money through the slot machines that they have on their premises. If people don't go to the horse races and don't put money into the slot machines, then Horse Racing Alberta doesn't get anything back. So that's a pretty simple thing. It's money in; it's money out.

**The Deputy Speaker:** We have 20 seconds left. I now want to recognize the hon. leader of the third party.

Mr. Mason: Thank you very much, Mr. Speaker. It gives me no particular pleasure to stand and speak to Bill 26, a bill to restrict the rights of working people in the province of Alberta. It seems to me that many Albertans must feel like the person waking up with a hangover who had too much to drink at the office party the night before and begins to realize what a terrible mistake they have made – and I know that because some hon. members have told me the stories – just waking up with a horrible realization that they've elected a government that is going to push through an agenda that runs contrary to their interests, a government that didn't tell them the truth about what they were going to do if they were re-elected.

Mr. Speaker, we've seen this in the area of health care reform. The government said nothing – absolutely nothing – about the plans to reorganize the health care system, nothing about their plans to turn it into a corporation, to adopt a shareholder's role, and to undoubtedly go through a whole process of privatization of the delivery of our health care system. The government misled Albertans about that in the election.

4:10

They never talked about the fat raises that they were going to give themselves with no justification, no additional work on the part of the cabinet members to justify the extra money. They didn't tell them that they were going to be restoring the decision to proceed with the vice-regal mansion for \$10 million. Incidentally, hon. members might want to know that the Premier today in Calgary said on the record that he is in favour of proceeding with the project notwithstanding what we heard today. They certainly didn't tell them that they were going to bring in labour legislation that would further restrict the rights of working people and ultimately limit the standard of living of working people in this province.

Mr. Speaker, any time the opposition raises these questions, challenges the government's legitimacy, challenges the government's mandate on any of these matters, we get the 72-member excuse: "We elected 72 members. You can do what you want. It doesn't matter." You know, the question really is whether or not the mandate of the government to do some of these things is legitimate, and I argue that it is not legitimate in any way. They achieved this majority by misleading the people of this province about their real intentions for this province in a number of areas. I think we've returned to a government that is every bit as arrogant as the government had become under former Premier Klein. We see this day in and day out in this Assembly. The government promised a more open, a more humble, a more responsive government, but they have returned with a 72-member excuse for arrogance.

We've seen that today, Mr. Speaker, where the Government House Leader introduced a notice of a motion for closure before debate on this bill had even begun. It's clear that they're hell-bent on pushing through this piece of legislation regardless of any points or arguments that are raised in this Assembly because they predecided that they're going to put through this legislation. The reason that they've done that is because the labour unions that are subject to this legislation had the unmitigated gall to exercise their democratic rights in this previous election and criticize and attack this government. This piece of legislation is nothing more and nothing less than a piece of political revenge for the legitimate exercise of democratic rights by trade unions in this province. So we're going to see closure on the bill. It's pretty clear that the government is intent on ramming it through.

This bill, Mr. Speaker, is part of a long history of one-sided labour policy in this province. After the bitter strikes at the Shaw Conference Centre and more recently at Lakeside Packers, where violence was used by the employer against the union, the government

suggested that they might consider first contract arbitration, which is used successfully in other provinces, to avoid these kinds of first contract strikes, which can often be long and bitter, but they didn't do anything about it.

During the recent, about a year ago, series of disruptions in the construction industry caused by the government's one-sided policy requiring arbitration after 10 unions in the construction industry have settled, again the minister suggested that she might look at it, but nothing happened. We see time and time again on Injured Workers' Day the government members and the responsible minister get up and wring their hands about the increasing number of deaths in this province. They always say one thing. They always say that one death is too many, but every year the number of deaths continues to climb and the government cries crocodile tears.

Mr. Speaker, this is a misuse and a distortion of democracy. It is, I think, a shame that the minister himself admitted today in the House that since becoming minister, he has not met with a single trade union. That is, pure and simple, a one-sided approach to labour in this province, and it's very clear, if we needed any further evidence, that this government is on the side of the employers and against the working people of this province.

Mr. Speaker, the government likes to talk about the tremendous growth of wealth in this province and the fast rise of wealth, but they neglect to say that Alberta has the widest gap between rich and poor of any province. That gap is getting harder and harder to bridge. One of the main reasons for that growing gap between wealthy and nonwealthy Albertans is the government's disregard of legitimate trade unions and the role of labour in this province.

Now, this bill does a number of things. All of them are designed to put restrictions on working people in the pursuit of their rights. The hon. Member for Calgary-Nose Hill talked about efficiency. He talked about increasing democracy in the workplace. Mr. Speaker, this is a misuse and distortion of language which is reminiscent of the novel *Brave New World* by Aldous Huxley, where language itself is twisted into meaning the opposite of what it really means as a means of controlling the way people think about issues. I believe that that kind of statement is so far off the mark in what's actually going on here that it doesn't really deserve further comment.

The whole prospect of workers not being able to be involved in the organization of other workers I think is a violation of their Charter rights. I believe that the recent Supreme Court decision on a B.C. case shows very clearly that this direction will be considered a violation of the Charter. I also feel the same about MERFs.

I want to talk just for a moment about taking away the right to strike. In our view the right to strike is a democratic right akin to the right to freedom of association, freedom of assembly, the right to freedom of speech, and so on. It ought not to be abridged in any way unless there are very, very strong reasons that can be shown to justify a limitation on that right. The government has not shown this here. They have simply declared that ambulance workers are an essential service and are proposing to take away their right to strike. They have not shown examples of where strikes by ambulance workers or other essential services in the medical field have led to consequences that are unacceptable. There's no evidence of a strike causing problems, no evidence of a strike meaning that people don't receive the medical care, no evidence that having the right to strike for ambulance workers in some way has damaged the health of any Albertans. No. They have just gone ahead and declared ambulance workers an essential service.

Mr. Speaker, I do not believe that this particular legislation should even have been introduced. It's the wrong policy introduced for the wrong reasons, and it will have the effect of weakening the position of working people in this province, reducing their share of the wealth of the province even further and, of course, in the process enriching the friends of the Conservative Party of Alberta.

[The Speaker in the chair]

Mr. Speaker, I want to indicate in the strongest possible terms that we will not be supporting this piece of legislation and urge the government to come to its senses and withdraw this onerous and odious piece of legislation.

Thank you.

**The Speaker:** Standing Order 29(2)(a). First of all, the hon. Member for Calgary-Nose Hill, then Edmonton-Gold Bar.

4:20

**Dr. Brown:** Well, thank you, Mr. Speaker. I would like to ask the hon. member, first of all: who said that privatization of health care was on the agenda, and why does he believe that that was a misstatement of what was said during the election?

Secondly, he mentioned that the motivation, in his estimation, was political revenge. I think this is absolute nonsense. There is absolutely no evidence that this is meant to be revenge or in any way related at all to any advertising that might have taken place during the campaign.

Thirdly, with respect to his allegation that the government is hell bent to have this thing through by reason of the fact that time allocation is brought in. As the hon. Minister of Aboriginal Relations has stated, that only applies with respect to Committee of the Whole. There are opportunities of 15 minutes for all of the members of the opposition to speak on second and third reading of those bills as well in addition to the seven hours. So we've got at least 10 hours of debate there. I'd like to ask the hon. member: what argument cannot be made by the opposition members within their allocated 30 or 40 minutes or whatever they desire? It's a minimum of 30 minutes. Is there any particular arguments that he feels that he can't be succinct enough to make in half an hour's argument on second and third reading of the bill?

**The Speaker:** The hon. Member for Edmonton-Highlands-Norwood.

**Mr. Mason:** Thank you very much, Mr. Speaker. Well, with respect to the first question I think that there is ample evidence from the minister's comments with respect to health care that he's moving towards a corporate model and that he favours the Mazankowski report, which the hon. member should know includes proposals for increased user fees, greater private delivery, and the delisting of services. Nobody on the opposite side has repudiated any of those particular directions.

Secondly, with respect to the allegation, my suggestion and many people's suggestion that, in fact, this is an act of political revenge, I would point out that a government caucus committee looked at this five years ago, and no action was taken. It was only after the election, where obviously Albertans for Change, which was supported by some of the building trades' unions, got in the government's face, that these otherwise dormant proposals were resurrected. You know, pardon me for drawing appropriate conclusions from that set of facts.

Finally, with respect to closure, as I indicated earlier, it is not necessary for the government to bring in closure on second reading and third reading because each member of the very small opposition is only entitled to speak once, so it's completely required. But it's very curious that before debate would actually begin, before we've

had a word, the government would decide just how much time the opposition actually needed to put its case, to make its amendments, and to ask its questions. The government in its infinite wisdom has decided for us how much time it will take in order to work through this bill, Mr. Speaker: the height of arrogance.

Thank you.

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

Mr. MacDonald: Thank you. To the hon. Member for Edmonton-Highlands-Norwood. The government members indicate that seven hours in committee is adequate time. I did a little bit of math on this, and that is 420 minutes that's going to be devoted to this bill line by line in committee. If we divide 420 minutes by 82 members, minus the Speaker, who is independent and impartial, if each member wanted to speak, that's five minutes of discussion time or debate time for each member if they were to take it. Given that every member of this House would represent citizens from their constituency who are union members, does the hon. member think that five minutes is adequate at committee for each member to speak on Bill 26?

**The Speaker:** The hon. Member for Edmonton-Highlands-Norwood.

**Mr. Mason:** Thank you very much. I think that if the government members actually each all spent five minutes debating this bill, that would be real progress, hon. member. Unfortunately, I don't think that they'll do that. I think the vast majority of the time will actually be used by the opposition . . .

**The Speaker:** Alas, the time has expired.

Before I introduce the hon. Member for Whitecourt-Ste. Anne, might we revert briefly to Introduction of Guests?

[Unanimous consent granted]

#### **Introduction of Guests**

(reversion)

The Speaker: The hon. Minister of Municipal Affairs.

Mr. Danyluk: Thank you very much, Mr. Speaker. Indeed, it is an honour for me to introduce to you and through you to members of this Assembly the region 7 north-central Alberta child and family services authority. If I can be allowed just a little bit of time, I want to read very quickly the mission of that board. It's to enhance the lives of children, youth, families through engaging our communities and leading in the creation and delivery of quality community-based services with respect to individual beliefs, cultures, and spirituality. Their vision — children, youth, and families reaching their full potential within a safe and nurturing environment — is key to who they are.

If I could ask them to stand when I call their names, please: the co-chairs Brian Broughton and Audrey Franklin, Sandra Young-chief, Elmer Harke, Claudette Sheremata, Irene Zarowny, Robert Lee, Gina Potts Alexis, Candice Maglione, and the acting CEO, Eldon Block. Ladies and gentlemen, if you could give those individuals the traditional warm welcome for all of their services to the children of our province.

Thank you so much.

**The Speaker:** The hon. Member for Whitecourt-Ste. Anne.

**Mr. VanderBurg:** Thank you, Mr. Speaker. I, too, recognize the individuals that are here visiting us today. Many of these members do some great work in Whitecourt-Ste. Anne.

# Government Bills and Orders Second Reading

#### Bill 26 Labour Relations Amendment Act, 2008 (continued)

**Mr. VanderBurg:** Now back to the topic, Mr. Speaker. The legislation we're discussing here today is something that I personally feel strongly about. As many of my colleagues will know, I worked for a number of years in the construction trade as a welder, and I've been a small business owner. I think these experiences give me a unique and a bit of a different view on this bill and on some of the issues before us here today.

The issue that most concerns me is creating a climate where a diversity of businesses can grow, Mr. Speaker. This is what Bill 26 accomplishes by restricting salting and market enhancement recovery funds. Both of these practices pose a real threat to business, especially the small business in the construction sector. MERFs and salting are barriers to natural competition that can potentially cost an employer a construction contract.

I'll start by explaining why MERFs can be so damaging. Imagine that you own a construction business, Mr. Speaker. You put together the best bid you can on the project, but you aren't successful. That happened to me, and it happened to many of us in small business. Sometimes you win; sometimes you don't. It's fair and square. You move on to the next job. But when MERFs are involved, fair and square is out the window. You just can't compete with your opponent. They have access to a fund that subsidizes the cost of wages that a small business doesn't have.

Instead of allowing competition to thrive, MERFs distort the bidding process. Unionized contractors can easily squeeze out non-unionized competition. The results, especially for smaller businesses, can be significant. They're finished before they can even get started, Mr. Speaker. It's important that we restrict this practice now and create an even playing field where union and non-union contractors are free to compete with one another.

Likewise, salting can also pose challenges for smaller businesses in Alberta's construction sector. This can be a disruptive practice, particularly if salts are stripped from the work sites at a critical time, Mr. Speaker. It may lead to delays, cost overruns, and at the end of the day potentially cost the contractor the construction contract.

The amendments put in place a process that will protect the collective aspirations of those who have an ongoing relationship with their employer. They also reduce the likelihood that those who have no intention of entering into an ongoing relationship would artificially skew the vote. By restricting salting, Bill 26 would protect employers and employees alike.

4:30

In conclusion, Mr. Speaker, these amendments will strengthen the construction industry in Alberta. Given the growth we are experiencing and we anticipate in the future, this industry needs our attention. Restricting salting and MERFs will ensure free competition and ensure that small businesses are able to take hold and grow in our province. It's how we became what we are today, and that's why I'm in support of Bill 26, the Labour Relations Amendment Act, 2008.

Thank you, sir.

**The Speaker:** Standing Order 29(2)(a) is available. The hon. Member for Edmonton-Highlands-Norwood.

Mr. Mason: Thank you very much, Mr. Speaker. Well, I'd like to ask the hon. Member for Whitecourt-Ste. Anne if he doesn't think that it is really the lower labour costs of non-union contractors that give them an advantage and why a union trying to level the playing field in support of their own members is a distortion in the market when, in fact, union and non-union employers have different labour costs, and therefore an unlevel playing field automatically exists, which leads ultimately to the exclusion of unionized companies from the market and thereby eliminating union membership in the building trades altogether.

Mr. VanderBurg: Mr. Speaker, it's a good point if you're talking about Alberta construction and maybe construction down in Mexico. When you're talking about an example in Whitecourt versus Edmonton versus Fort McMurray, it's a small labour pool. If the small business doesn't pay that same labour rate, you don't keep your staff. So to say that there is a competitive advantage for small businesses and the businesses that I had with, you know, three welding trucks and a few helpers and a fitter and a couple of labourers, that you wouldn't compete and your costs would be lower, is false. That's only in the *Edmonton Sun* or *Edmonton Journal*. That's not what reality is. The reality is that if you're not competitive in the wages you pay, it doesn't matter how small or how large your business is, your staff won't stay.

I think, Mr. Speaker, that if you read the report, the committee met with 18 stakeholders. They represented trade unions, the Building Trades Council, construction employers, employers' associations, and also the Labour Relations Board. It lays out very clearly some of the problems that were recognized, and I think this bill is going to in part at least correct those problems.

**The Speaker:** The hon. Member for Edmonton-Highlands-Norwood.

Mr. Mason: Thank you very much, Mr. Speaker. Well, again to the hon. Member for Whitecourt-Ste. Anne: if, in fact, the practice of MERFing presents such a tremendous competitive advantage for unionized contractors that they can win all the bids, why is it that the unionized contractors represent a relatively small proportion of the total market in this province? The vast majority – and I think it must be in the range of 80 per cent although I'm not certain of the exact figure – of the construction industry in this province is not unionized. It would seem to me that if MERFing created such an enormous advantage for unionized contractors, the proportion would be reversed.

**Mr. VanderBurg:** Well, again, Mr. Speaker, there's the size of the project. If you look at a lot of the small projects, especially in the oilfield sector, you know, where you call a tradesperson in to do some work, it may involve four or five cross-skills that you have. The small construction sites are different from the large sites that are organized. I would say that the large projects are mainly unionized in this province, but I could be wrong.

Again, page 6 of the report, the recommendation from the committee:

After some discussion on various policy approaches, a majority of the committee believes that MERFing is a significant problem affecting construction and service work and agreed that the best way to regulate MERFing would be to make it an unfair labour practice.

I think it lays out the answer very clearly in that report, Mr. Speaker, on page 6. It's pretty interesting reading.

**The Speaker:** The hon. Member for Edmonton-Highlands-Norwood.

**Mr. Mason:** Thank you very much, Mr. Speaker. Again to the hon. Member for Whitecourt-Ste. Anne: is he of the view that unionized contractors compete for a lot of small jobs in this province? The information that we have is that they don't compete for small jobs. They operate for just the larger contracts. Does he have personal experience of losing a contract to a unionized contractor where MERFing was involved?

**The Speaker:** The hon. member.

**Mr. VanderBurg:** Thank you, and thank you to the member. I think this last question just contradicted the question before because the member said completely the opposite in the question before. What I was talking about . . . [Mr. VanderBurg's speaking time expired]

Thank you.

**The Speaker:** The hon. Member for Calgary-Currie, followed by the hon. Member for Battle River-Wainwright.

**Mr. Taylor:** Thank you very much, Mr. Speaker. I join debate on Bill 26, the Labour Relations Amendment Act, 2008. To echo what the Member for Edmonton-Highlands-Norwood said earlier, I do not take any particular pleasure in joining this debate either, and I will not be supporting Bill 26.

I want to come back, if we can, to a comment made by the Member for Calgary-Nose Hill some minutes ago in which he talked about the provisions in Bill 26 having the effect of democratizing the workplace. Well, the workplace ain't a democracy. The workplace never has been a democracy. If you want a workplace that's a democracy, I refer you to that scene in *Monty Python and the Holy Grail* where King Arthur comes upon the serfs harvesting – well, you know what they were harvesting. He asks to be taken to their lord, and they say: we don't have a lord; we take it in turns; we're a semiautonomous collective. When he asks more questions, they accuse him of repressing them. It's a very, very funny scene in that movie by a very, very funny troupe of very brilliant and highly educated comics, who can poke fun at just about anything in a very nonpartisan way without regard to any political stripes, sacred cows being, in fact, sacred.

In the real world, Mr. Speaker, the workplace is not a democracy, never has been a democracy, and cannot function as a democracy because you have a hierarchical system where you have bosses and you have employees, reports, underlings, however you want to describe them. Because the workplace is not a democracy, because business is business and business is not a democracy, and because there is no expectation that business should be a democracy, there does however exist the need in some cases for employees, workers, underlings, reports, whatever you want to call them, to have some degree of protection of their rights and recognition of their rights so that the more powerful in the equation, the bosses, can't run roughshod over the workers. It's about balance.

Mr. Speaker, that's where I come from. I'm about balance, too. I'm not pro-union. I'm not anti-union. I'm not pro- or anti-business. What I'm in favour of is doing everything that we can to get as close as is humanly possible to striking a balance between the interests of any one group and the interests of any other. I think society works better that way, when we try to get to that point. I really do.

4:40

Doomful and alarmist arguments are being advanced by the members of the government side this afternoon about what will happen if we do not approve Bill 26. According to the picture that is being painted in this House this afternoon, the story that's being told by government members in this House this afternoon, this incredibly booming economy is apparently teetering on the knife-edge of doom and disaster if this bill does not pass. Exaggeration aside – and I've been known to engage in a little bit of hyperbole myself, perhaps just there – I think I made a point. I'd be far more likely to buy into this, I'd be far more likely to believe this, I'd be far more likely to swallow this bill of goods that I'm being handed if two-thirds of our workforce were unionized or 75 per cent of our workforce were unionized or even 50 per cent plus one or 50 per cent minus one or maybe one-third and growing or 40 per cent. Pick a number.

Here's the thing. You know, with the exception of the section dealing with ambulance attendants, this is all about the construction industry. Union representation in the construction market, according to Merit Contractors' own data, is less than 20 per cent today. It was less than 20 per cent in 1996, and it has been less than 20 per cent from then through now. There is no evidence to suggest that that 20 per cent mark or just a little less than 20 per cent has ever increased. So we're talking about a bogeyman here. We're talking about a ghost, a threat that we're being told by members opposite is imminent, of which there's no real evidence that said threat exists. However, there is plenty of evidence in this bill that the way in which it is worded and the things that it seeks to do are anti-union, antilabour.

Now, what is this bill really all about? Well, there are a couple of things that it does. It designates ambulance attendants for ground ambulance services as essential services, and it removes their ability to strike or to be locked out during labour disputes. I know the members of the third party have a problem with that. I know the members of the third party have a basic philosophical problem with denying anybody the right to strike. I don't particularly like to do it myself, but I do embrace the concept that there are essential services and that workers in those essential services should be denied the right to strike because it puts the health and safety of the greater population, in my view, in too much jeopardy. For ground ambulance services, you know, making them an essential service is not necessarily negative for them, and I don't necessarily have any particular problem with that provision.

Back in Calgary in 2004 and even earlier than that in Edmonton, in 2000, there were attempts by EMS unions to strike, and in both cases the unions were told by the provincial government that if they went on strike, they would be legislated back to work. I don't know whether to describe that as a threat or a promise or maybe both. In other words, in two previous cases we've set a bit of a precedent in saying that they were basically essential, anyway. Of course, ambulance service is one of three prongs to emergency services, police and fire being the other two. We already consider police and fire essential services, so if we do that, it only makes sense that ambulance should be considered as well.

We've talked with paramedics, Mr. Speaker. While I won't claim that we've talked with every paramedic in the province of Alberta – and, you know, within that group, as within any other, there's bound to be a difference of opinion, although we hardly ever see any evidence of the difference of opinion within the group that calls itself the government sitting opposite, but I digress. With the paramedics, you know, they expressed that they were not overly concerned by this change because they see themselves as basically an essential service, an emergency service, regardless of this change. So that's thing number one.

The other two things that this really does is it prohibits union salting and it prohibits the use of MERFs, market enhancement recovery funds. Well, okay. How much of an issue is salting,

really? Well, it's so much of an issue that the consultation that we've done with unions has indicated back to us that the unions aren't even particularly concerned about this aspect of the bill because this salting notion, in the opinion of the unions we've talked to, is a very small aspect of the unionization process. Yeah, I'm sure it happens from time to time, but there's no evidence to suggest that salting is used to any great degree in attempting to organize an unorganized business.

You can go back to 1988 and look at cases before the Labour Relations Board, and there have only been a few cases of this practice. Unions, frankly, aren't overly concerned about the legislation concerning salting because it's not a comprehensive tool in their attempts or their ability to organize. You don't really necessarily need to plant an enemy agent, you know, in the workplace to undermine everything that's right and true about that workplace. You know, if the workplace is ripe for unionization, I would argue, Mr. Speaker, that the workers are going to sign up to be certified because they're getting the shaft the way it is now.

The other issue is MERFs. Again, with respect to the Member for Whitecourt-Ste. Anne and his own personal experience as a small contractor, his story is anecdotal. I would like to see some hard and absolutely objective, statistical analysis, negative or not, of the economic impact—positive, negative, or neutral—that MERFing has had on the cost of doing business in the construction industry in the province of Alberta. Again, I find it very, very difficult to believe. I find noses being stretched around this notion that MERFing, when fewer than 20 per cent of the workers in the construction business are unionized, so therefore it stands to follow that they are represented in bids for contracts by a minority of contractors who are unionized, can have this amazing impact to the bad, to the negative on the cost of building projects relative to the effect of market forces in an overheated economy of the sort that we have.

Now, let's consider this. You've got fewer than 20 per cent of the workers that are allegedly solely responsible for driving up the costs of construction. Well, even if you just isolate out the labour section, the labour portion of the costs of construction, if fewer than 20 per cent are determining the rules for the other 80-plus per cent, it's hard to believe. It's hard to believe when you compare it to the shortage of workers generally, whether they're unionized or not unionized, whether they belong to a real union or a made-up union like click or clack or smack or flack or pack or Hackensack or Hacky Sack, you know, or they don't belong to any kind of union, real or alleged. They're just in from P.E.I. with the P.E.I. plates still on their 15-year-old Datsun, and they've just picked up a little work framing somebody's garage, you know?

There's a shortage of construction workers everywhere, and construction workers right now in the province of Alberta and for the last several years have been moving from job to job. But the worst of it, you know, leaving one job at lunchtime to take on another job that pays more money because, Mr. Speaker, of market forces, because one contractor is trying to outbid another contractor so he can get his work done, without regard to whether those workers are part of a union or not – I certainly don't think, Mr. Speaker, that the less than 20 per cent of unionized construction workers in the province of Alberta have much to do with the amazing cost, the phenomenal cost, or shortage of concrete or asphalt or steel or any other building material in this province.

4:50

I do think that a number of massive megaprojects in the oil sands happening simultaneously, our desire as the public sector to try and catch up on the multibillion dollar infrastructure deficit that exists in this province, sometimes, it seems, by trying to build everything at

once except, apparently, the sound attenuation barriers along the Anthony Henday, you know, and the cumulative effect of every private organization that's trying to develop its own housing project or office building or just homeowners who want to build that garage that I talked about, those guys from P.E.I. coming in to frame before they get a better offer in the afternoon is causing material shortages. That cumulative effect is causing labour shortages. That cumulative effect is what's driving up the cost of construction. I find it very, very difficult to believe that MERFing is more than a small portion of the effect of driving up costs here.

**The Speaker:** Hon. members, 29(2)(a) is available. The hon. Member for Calgary-Nose Hill.

**Dr. Brown:** Thank you, Mr. Speaker. With great respect to the hon. Member for Calgary-Currie, I believe that he missed the point on workplace democracy. It's not about the relationship between the employer and the employees. The employer does not have a vote on whether or not the workplace will be organized into a union. It is the workers, in fact, who have that democratic right to determine whether or not they wish to have their relationship with their employer governed by collective bargaining or whether they wish to remain as individual employees under a contract with their employer.

The purpose of putting some time requirements on the voting rights is to ensure that there is, in fact, democracy in the workplace, that the democratic will of the majority of the employees in the workplace is carried out and that it is not subverted by someone who is parachuted into the job for a short period of time and then the services are withdrawn and who has no continuing relationship or no continuing interest in that particular workplace.

**Mr. Taylor:** Hon. Member for Calgary-Nose Hill, I don't expect it would happen for a moment that a poor hard done by, put-upon employer – remembering the golden rule here, Mr. Speaker, that he who has the gold makes the rules – might import a bunch of workers to come in and vote down the union in a certification process who really have no vested interest in staying on that job site for more than a few days or a few hours either.

My heart bleeds for the poor put-upon employer who is the victim of this unruly mass of great unwashed workers who are just trying to — I don't think I can use the word "screw" here; it's probably unparliamentary — get his money and drive him into the poorhouse. If it was unparliamentary, Mr. Speaker, I apologize and withdraw the remark.

This cuts both ways, though, Mr. Speaker. This really does. In fact, in a workplace the boss, the owner, has ultimate authority as to whether he's going to continue going and growing the business, as to whether he's going to continue to employ and pay those employees, or whether he's going to shut it down and, you know, move to Montana or wherever else he wants to conduct business. The employees have very, very little say in that. Now, my belief is that if he's a good employer, there's probably not much pressure to unionize the workplace to begin with. If he's a fair employer, the employees don't need a union. But if they do need a union, it says something, I think, about the employer's sense of fairness and justice, if not democracy, in the workplace since I already said that his respect for his workforce is a semantic impossibility.

Thank you.

**Mr. Oberle:** Mr. Speaker, I might point out the Member for Calgary-Currie's example of the unscrupulous employer, I suppose a situation that could exist, is also addressed by this bill.

But I do have a question of the member, and in doing so, I need to refer him to another scene from that same Monty Python movie, the scene in which a bunch of villagers have dressed a woman up as a witch. They've dressed her as a witch. They put a carrot on her nose to make it look like she had a long nose. Through a process of, well, pretty convoluted logic, they arrive at the conclusion that if they throw her in the pond and she floats, she's a witch. I kind of feel that's what the opposition has concluded about this bill.

I'm going to dispense with the word "democracy" for a moment because the member has such a problem with that word and ask him a couple of questions about fairness. Does the member think that allowing subsidized bidding is somehow fair? In the absence of hard evidence, which he would argue, let's suppose for just a moment that because we have a busy economy right now, nobody is invading anybody else's territory. Everybody is working. Let's just suppose that for the moment. What if that were the case, and what if there was a downturn? What if the dollars from the good times, those very dollars that caused inflationary pressures in our oil sands construction, for example, were used to protect one sector of the workforce at the expense of another by subsidized bidding? Is that somehow fair?

Mr. Speaker, I have one more question for the hon. Member for Calgary-Currie. Does he believe that all...[Mr. Oberle's speaking time expired]

**The Speaker:** Unfortunately, we will never get the answer. The hon. Member for Battle River-Wainwright.

Mr. Griffiths: Thank you, Mr. Speaker. It's my pleasure today to rise to speak to Bill 26, the Labour Relations Amendment Act. In short, this legislation makes sense for Alberta. It makes sense to put the health and safety of Albertans first. It makes sense to protect workers from practices that disrupt and create animosity in the workplace. It makes sense to create a level playing field for employers in our construction sector. That's exactly what these amendments do, that's what they'll accomplish, that's why they're necessary, and that's why they make sense.

It's true that we're experiencing a time of relative labour peace in Alberta. For example, the ambulance sectors in Calgary and Edmonton respectively have contracts signed for 2009 and 2010. But, Mr. Speaker, we shouldn't let the current situation dissuade us from planning for the future. To put it another way, we all buy insurance for our homes. It's not that we necessarily anticipate a disaster, but we know that the possibility is there and that we had better be prepared for such a possible occurrence. Given the possible consequences of a strike or lockout in the ambulance sector we have to be prepared for the health and safety of all Albertans. Bringing compulsory arbitration in now will ensure that Albertans will continue to have timely access to key lifesaving emergency services. That's a good example of why this legislation is necessary and good for Albertans.

Now, I'd like to address some of the concerns about the legislation as it relates to the subjects of salting and MERFing. Let me just state for the record, Mr. Speaker, that Alberta's unions will always play a valuable role in creating safe and fair workplaces for thousands of Albertans. I recognize their importance, and I know that almost all of my colleagues recognize their importance. The goal of this legislation is not to limit or subrogate unions in any way, shape, or form. If workers want to be represented by a union, that's their right, and it's their decision.

What this legislation will do is ensure that they're able to make the decision for themselves as individuals without outside interference from other workers. In many ways this aligns with the core beliefs of most unions and all Albertans. It gives the power, Mr. Speaker, to the unions and individual employees. Unions are free to continue organizing in all the ways they traditionally have, and workers are free to seek their own representation.

Likewise, restricting market enhancement recovery funds levels the playing field. Albertans have always understood the value of competition in the marketplace. MERFs distort this competition by allowing unionized contractors to subsidize wages and undercut bids from nonunionized contractors. They can pose a real threat to the bottom lines of nonunionized employers. There are people who would say: yes, MERFs do give an advantage to union companies, but isn't finding your advantage what true competition is all about? I know many that would say that. However, MERFs do more than just give someone an edge and strengthen their competition. They are an opportunity to dramatically, Mr. Speaker – dramatically – underbid others to a point where they will be forced out of business altogether, and it's not fair competition.

And then there's the way MERFs are collected, Mr. Speaker. Union members support MERFs through their wages. The new legislation will protect workers who do not wish to contribute to MERFs, which is ultimately the worker's choice. This legislation is in favour of fair competition and fair workplaces.

#### 5:00

I'm confident most Albertans, union members or not, Mr. Speaker, wholeheartedly support these ideas. We've certainly been hearing from stakeholders who support these actions, and it's important that from time to time and as issues arise, they be addressed on their own. Given recent changes to governance of the ambulance services, now is the right time to introduce compulsory arbitration.

Likewise, we've consulted with construction stakeholders on the issues of salting and MERFing in the past. This consultation, Mr. Speaker, concluded in 2003. Ever since, we've continued to hear from employers and others who are waiting for us to implement this recommendation and have been waiting since 2003: five years now.

We have proceeded very cautiously on this issue, taking time to review it carefully and make further refinements to what we were going to do. With this work completed, we're now ready to follow through on what we've heard and what we believe is right. In the future we will want to look at the labour code more broadly at some point, with input from a wide variety of Albertans. For now we're introducing amendments that make sense.

We want to put the health and safety of Albertans first and foremost. We want to protect workers from practices that disrupt and create animosity in their workplaces, and we want to create a level playing field for employers in the construction sector.

Mr. Speaker, I appreciate the opportunity I've been given to speak to Bill 26. I urge all my colleagues in this House to support it. Thank you very much.

The Speaker: Standing Order 29(2)(a) is available.

**Ms Notley:** I just noted that at the end of his comments the hon. member talked about pursuing the objective of decreasing the disruption at the workplace. I'm sure you're aware that whenever we are in situations in workplaces that are unionized where there is a campaign to decertify going on, that invariably increases disruption within the workplace a hundredfold, typically because those are campaigns that are often led by the employer or engage the employer.

I'm wondering, then, through this act, significantly increasing the opportunities for decertification efforts to occur within the work-

place, how the member might see that as an opportunity to actually decrease the instability at the workplace rather than leading to the obvious increase that arises from ongoing decertification campaigns.

The Speaker: The hon. Member for Battle River-Wainwright.

**Mr. Griffiths:** Well, thank you. I really appreciate the member's question. To explain very briefly, what this bill does is level the certification and decertification processes so that workers have the same opportunity to do both, Mr. Speaker.

When one side is advantaged on certification processes over another side that may not want to certify or may want to decertify, that has the opportunity to create animosity between workers and within the workplace, but as long as there is a level and fair playing field for the certification and decertification processes, Mr. Speaker, then all is fair. It's a process that can be worked out in the workplace, perhaps not perfectly peacefully, but having unlevel processes for certification and decertification can lead to some severe conflict between employees.

**Ms Notley:** Well, I appreciate that, but I guess I have to question your initial presumption there that these changes somehow right what was previously an unlevel opportunity for certification or decertification or – let me go a step further – one where I think you're assuming that the employees had more rights than employers vis-à-vis those opportunities.

I'm just wondering if you're aware that, for instance, in most other jurisdictions most labour relations codes include provisions for automatic certification so that when a certain number of members sign up, you automatically go to the certification. Study after study after study which underlie those types of legislative provisions being put into most other labour relations schemes across the country recommended those kinds of provisions because when you go to vote, you open the opportunity for the employer to push back.

So people will sit down. They'll meet with their union reps. They'll sign their cards – and they are not forced to sign their cards. They sign their cards, and if enough of them sign their cards, then they're certified. Only in Alberta do they then have to wait around for another 30 days or 90 days or however many days while the employer is given the opportunity to exercise their great amount of influence within the workplace to negate those decisions that were made by people by signing their names. Study after study after study has shown that that actually creates a great deal more instability in the labour force.

Now, we already had a situation where the employer had a right to get a vote. There was never an automatic certification. We don't have that. That's one of the things that the unions have been calling for for a long time. It doesn't exist, not in Alberta, in lots of other places but not here. What we're doing now is we're looking at expanding the amount of time within which these decertification opportunities can be employed by the employer. It seems to me that what we're doing is we are expanding what most jurisdictions recognize is the opportunity for more destabilizing efforts within our workplaces across the province.

The Speaker: The hon. member.

**Mr. Griffiths:** Well thank you, Mr. Speaker. I'm not sure how much time is left for me to answer the myriad of questions that were brought forward, but I think the hon. member misunderstood what I said about levelling the playing field. It wasn't a levelling of the playing field between employees and the employer. It was a levelling of the playing field between employees of different

perspectives: some that may want to certify, some that don't. If the ones that want to certify can do it easily and quickly and it takes a longer process to decertify, it's not a level playing field between employees. The employers have nothing to do with it. I didn't mean to give the hon. member the impression I was referring to levelling the playing field between employers and employees.

As far as other jurisdictions, I have to confess I haven't . . . [Mr. Griffiths' speaking time expired]

Thank you, Mr. Speaker.

The Speaker: The hon. Member for Calgary-Mountain View.

**Dr. Swann:** Thank you, Mr. Speaker. I'm privileged to stand and discuss with the members this important bill, Bill 26, Labour Relations Amendment Act, 2008, which I've not had an adequate amount of preparation time to look into but wanted to make a few comments on and ask a few questions to try to clarify some of the issues. We've had excellent discussion back and forth today, and I've learned a lot from that.

The three issues have to do with ambulance attendants being designated as emergency workers for the purposes of preventing them from striking, union salting as a practice employed by unions to achieve union certification in non-union workplaces, and a prohibition on market enhancement recovery funds and whether or not this is a fair approach to bidding on contracts. I've heard good arguments on both sides.

On the issue of designating ambulance services as emergency and essential service, it seems logical to assume that, Mr. Speaker, and I don't have any difficulty with identifying ambulance services as emergency and essential service. They clearly do perform an essential service. With that issue I don't take any umbrage.

I'm not quite so clear about salting and MERFing. The use of salting by unions appears to be a very minor practice, if at all, in Alberta, and I haven't seen or heard clear evidence that it has a significant impact on workplaces. Apparently there have been a few cases brought before the Labour Relations Board since 1988, and indeed I gather that there is a federal Competition Act, that allows them to be addressed in some other ways. It's not clear to me that that's a significant issue.

In the balance of power one, I guess, has to think about in this Alberta context, where there are so few unionized workers, that it may be a very difficult and onerous task for many of the larger work sites particularly. I'm thinking about an experience I had in southern Alberta at the meat-packing plant in Brooks over their strike, their bitter strike, and how difficult it was for them to get certified.

**Mr. MacDonald:** Did you give out apples to any of those striking workers?

**Dr. Swann:** I was attending there, and as a physician I always take apples wherever I go, and I handed out lots of apples that day, it's true. It was a very good experience for me to see the results of a very bitter bargaining process without any first contract arbitration leading to, I think, an unfortunate ongoing tension, that needn't have been there, for several months and caused bitterness on both sides. The issue of salting, then, is a difficult one, and I certainly look forward to having some more contact with people in unions who have experienced this, the pros and cons of salting in the context of Alberta, where it's such a difficult challenge for unionized workers to be recognized and to make the certification process.

5:10

On the issue of MERFing, it does appear that it would allow a

different playing field for those who are competing for a bid, and it raises questions about fairness in competition and, indeed, the market forces that can be subverted in some ways. MERFs allow workers to earn the same wages and benefits, however, no matter what the job they're working on. If there is a fair standard of return, for example, for an electrician or a pipefitter or a builder, it would seem to me that it would be in some ways unfair for them to be forced into a position where either they're unemployed entirely or they're being forced to take conditions that are less than fair. I'm still trying to understand what the implications of that might be in the context of this legislation.

The federal Competition Act gives jurisdiction to the Competition Tribunal to investigate and determine where certain activities constitute a restraint or a deliberate attempt to injure competition, so there is a remedy in place already if MERFing was seen to be an unfair or predatory practice. Apparently there has been very little recourse to that mechanism to challenge MERFing, so I'm not sure how big a problem this is and how much it affects the competition and the free market in this province.

I guess the basic question would have to do with: what benefit is there to Albertans by making this change in the labour code, and would it in fact increase labour unrest? Would it increase the dissatisfaction of licensed workers, who have been under union rules benefiting in what has been a negotiated, fair labour agreement?

The whole question of the employer-friendly associations like Merit and CLAC and PCAC, the Progressive Contractors Association of Canada, throws into some relief the whole question of: well, which one is an unfair trading practice or an unfair labour practice? One could argue that these employer-friendly associations are also underbidding and getting access to contracts on the basis of what could be seen to be undermining a decent, appropriate, fair salary that has been negotiated legally by union organizations.

I haven't decided yet, Mr. Speaker, where I stand on this particular bill, but it's a very important one, and I look forward to hearing more discussion and learning more about these important contract issues.

Thank you, Mr. Speaker.

The Speaker: Hon. members, Standing Order 29(2)(a) is available.

**Mr. Oberle:** Mr. Speaker, I have a question, I guess probably the same question I was about to ask the Member for Calgary-Currie. I would point out to this member that he just made the same argument, that maybe this practice is happening on the other side. I'd point out again that this legislation will address both sides of any unsavoury practices that might be happening out there. Whether it's on one side or the other, it's certainly addressed by the legislation.

I guess I have a little bit of a philosophical question for the member. He said a number of times that we're probably talking about a minor practice and that there's no evidence and they're not sure. I wonder if the member could muse for a moment on whether he believes that all legislation should be reactive, in that we build up a large body of evidence of some unsavoury practice happening – we could debate lots on how big that body of evidence has to be before we do something – or occasionally legislation should be proactive to prevent a problem from happening. If it's the former, that he believes it should be reactionary, that we should wait till we have the evidence, then I would ask how he would reconcile that with a seemingly radically different position that he has on environmental legislation, that he asks us about every day in the House.

The Speaker: Hon. member, if you choose.

**Dr. Swann:** Well, thank you, Mr. Speaker. An excellent question. I think it is appropriate for government to take a leadership role and to be proactive on issues that they see as significant risk to wellbeing, to health, to safety. That is a fundamental role of government. In the instance where we're talking about competing beliefs about what is fair and what isn't fair, I would put that into a different category.

We're really debating what is fair and what is unfair about labour practices, and we've got arguments on both sides of the question whether legislation would create a more level playing field or whether it would actually favour one side or the other. It's not at all clear to me how that would apply. In fact, it's impossible now to be preventive because it's already happening. The member has already admitted that salting and MERFing is already being practised, at least that's what the literature is saying, so prevention is obviously not an option at this time. It's a reality, and we are intervening, we are reacting, and that's also appropriate at certain times.

Thank you, Mr. Speaker.

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

**Mr. MacDonald:** Thank you very much. My question to the hon. Member for Calgary-Mountain View is this: given that you attended the strike – you mentioned a legal strike that occurred in Brooks, and you were there showing support and giving out apples, I believe you said – do you think that the public interest would be better served if this government were to change the Labour Relations Code to eliminate the use of replacement workers during a legal job action?

**Dr. Swann:** Well, clearly, if striking is legal, it seems totally inappropriate to bring in replacement workers – there are other names for them – but if we believe that workers have rights and the right to strike is one of them and that that is the only way that they see that they can get the attention of management and get conditions that are safe and fair, then it's entirely appropriate to block replacement workers in legislation. This would seem to me to be a natural extension of our fairness principle.

**Mr. Snelgrove:** I was wondering: if the hon. member truly believes that the right to strike is a right, what about the right to work?

**Dr. Swann:** I think there is an inherent right to work for all of us and to gain adequate living to support ourselves and our families. I think that is a basic right. Having said that, I assume you're referring to a work site where there is a strike ongoing. I don't believe there's a right to replace legitimate workers who are taking the very difficult and costly act of striking. I don't think it's right for people to be able to subvert that action and, therefore, force people into conditions that are not safe or fair.

Thank you, Mr. Speaker.

#### The Speaker: Are there others?

Hon. members, I'm going to recognize next the hon. Member for Calgary-Bow but also give you the outline of the speakers that have indicated their interest in participating. Then it would be the hon. Member for Calgary-McCall, the hon. Member for Airdrie-Chestermere, the hon. Member for Lethbridge-East, the hon. Member for Calgary-Egmont, then the hon. Member for Edmonton-Centre, the hon. Member for Edmonton-Castle Downs, then the hon. Member for Calgary-Buffalo, and then the hon. Leader of the Official Opposition. Now, this is the list that has been provided to me at this point in time. We have approximately 11 minutes before we adjourn at 5:30 this afternoon, so my understanding is that when

we return at 7:30, that's the list. Needless to say, if the individual's not here, we'll just do some substituting.

The hon. Member for Calgary-Bow.

Ms DeLong: Thank you very much, Mr. Speaker, and thank you for this opportunity to speak in favour of Bill 26, the Labour Relations Amendment Act, 2008. This act makes some important changes to the province's labour code, changes that will protect Albertans, foster true competition in our marketplace, and help create fair workplaces for both employees and employers. Now, the way I see it, this legislation is a positive step with benefits for all of us. Given some of the initial reaction, especially to the amendments related to salting and MERFs, you may wonder what I mean by that, but I can explain.

5:20

There was a time in the not-too-distant past when many workers were virtually at the mercy of their employers. The labour movement gave these workers a voice and empowered them to bring about real and meaningful changes. Today labour unions continue to provide representation to thousands of workers across this province. With Bill 26 we're striving to balance the interests of unions with those of employers and their employees.

Both salting and MERFs can be very disruptive for employers and employees in the construction sector. By prohibiting salting, we protect the collective choice of workers who have an ongoing relationship with their employer. At the same time we allow unions to continue organizing in all the ways they traditionally have. By restricting MERFs we eliminate artificial inequities between contractors, and we ensure an even playing field for everyone, unionized or not unionized. I'm also very supportive of the provisions that will protect employees who do not wish to contribute to MERFs.

I've relied on the examples of salting and MERFs to make my point about the value of the legislation we're discussing today. I'd also like to speak briefly to the right to strike in the ambulance sector. While legislating against salting and MERFs is a matter of doing what's fair, preventing strikes and lockouts in the ambulance sector is a matter of public safety. Reliable ambulance services are absolutely vital to Albertans. They do not just bring people to the hospital; they provide way more than just that. In fact, about half of the province's ambulance services are already unable to strike. This is also consistent with emergency service workers like police or firefighters.

In closing, I would like to reiterate just how important Bill 26 is. The Labour Relations Amendment Act will protect Albertans and ensure fair workplaces for employees and employers. Thank you very much, Mr. Speaker.

**The Speaker:** Hon. members, Standing Order 29(2)(a) is available. The hon. Member for Edmonton-Gold Bar.

**Mr. MacDonald:** Yes. Thank you. To the hon. Member for Calgary-Bow: could the hon. member explain to the House what will happen with these MERF funds if Bill 26 becomes law? How does the hon. member propose that those MERF funds be eliminated or wound up? What happens to the money?

The Speaker: The hon. member.

**Ms DeLong:** Thank you very much, Mr. Speaker. My understanding is that the unions will do their best to return the money to the employees that they took it from.

#### The Speaker: Others?

Then the hon. Member for Calgary-McCall.

**Mr. Kang:** Thank you, Mr. Speaker. I, too, join the debate on Bill 26. This bill is a very controversial change to the labour code, and it directly impacts the ability of traditional unions to organize and expand. With this bill the labour groups have not been consulted, and there's closure that has been put on the bill.

When I was door-knocking during the election, there was no talk about labour issues at the door. What I heard at the door was no talk about having essential services law. At the door people were more concerned about AISH, health care issues, long waiting lists, long emergency wait times. They were concerned about more doctors and nurses. There was more talk about education: not enough schools, busing issues, class sizes. There was never, never a labour issue that came up at the door.

We have had a history of labour peace in the province, excluding some incidents like the Lakeside Packers strike, but I think that was also one too many. Mr. Speaker, we should have a fair and balanced approach for the workers and workers' rights and also for the employers. We have to respect the rights of the workers to have labour peace in the province. We are trying to fix what ain't broke. You know, that's exactly what is happening here. We don't need to fix, you know, what is not broken. I think we are rushing to fix it, but I think we are opening Pandora's box here. This Bill 26 undermines the rights of workers. Bill 26 will bring more labour unrest, and it will hurt all the economic gains we have made with the labour peace we have enjoyed so far.

Mr. Speaker, I have worked in non-union shops as a welder. I've been there, done that. Right now, you know, we've got a worker shortage, and maybe there is no worker abuse going around, but when the economy is slow – I had first-hand experience when the economy was slow. I even had the experience of the heavy-handedness of the employers such as not getting paid for lunchtime, not getting paid overtime after 40 hours, and having no benefits. Employers will try to get away with paying close to minimum wages to do the work. They will really exploit the workers because, you know, the job situation is bad out there.

I think we need to have the unions organized for fighting for the rights of the workers so even temporary foreign workers are not left at the mercy of the employers, as is the case now. Those workers have nobody to turn to because they have, probably, language problems or they are not very well educated about our labour laws here

I'm going to come back to the use of market enhancement recovery funds, which are used in the construction industry to allow union contractors to be competitive in the bidding process for specific jobs. The rationale is that non-union contractors have an unfair advantage due to the fact that their wage component of the bidding process is lower than those of the legal unions. Unionized construction contractors lower their wage component for their bid to be competitive and then apply the MERF relief to the union. In order to apply for the MERF enhancement, all members must vote on the use of their after-tax wages to fund MERFs.

Ms Blakeman: It's very democratic.

Mr. Kang: It is very democratic, of course.

There's also salting. The use of salting by unions – you know, it hasn't been used much. In their opinion it's a very small aspect of the unionization process. There is no evidence to suggest that salting is used to a great degree. There have been only a few cases of this practice before the Labour Relations Board since 1988. It has been expressed by the unions that they are not overly concerned by legislation concerning salting as it is not a comprehensive tool in their attempt or ability to organize.

For the ground ambulance services, making them an essential service is not necessarily a negative for them. They're an essential service anyway.

**The Speaker:** Excuse me, hon. member. The House will now stand adjourned until 7:30 tonight. At 7:30, when the House reconvenes, the chair will recognize the hon. Member for Calgary-McCall to continue his debate.

[The Assembly adjourned at 5:30 p.m.]

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