

Legislative Assembly of Alberta

Title: **Thursday, April 1, 1999** 1:30 p.m.

Date: 99/04/01

[The Speaker in the chair]

head: Prayers

THE SPEAKER: Good afternoon and welcome. The prayer today is taken from the Legislature of the Northwest Territories. Let us pray.

Our Father, may Your spirit and guidance be in us as we work for the benefit of all our people, for peace and justice in our land, and for constant recognition of the dignity and aspirations of those whom we serve.

Amen.

Please be seated.

head: Presenting Petitions

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

MS BLAKEMAN: Thank you very much, Mr. Speaker. With your permission I would like to present a petition from the SOS group, and they are asking

the Legislative Assembly to urge the Government to increase funding of children in public and separate schools to a level that covers increased costs due to contract settlements, curriculum changes, technology, and aging schools.

Thank you very much.

THE SPEAKER: The hon. Member for Lethbridge-East.

DR. NICOL: Thank you, Mr. Speaker. It's a real privilege for me today to stand and present to the Legislature a petition on behalf of 43 people from Lethbridge. This is part of the SOS group that are urging

the Government to increase funding of children in public and separate schools to a level that covers increased costs due to contract settlements, curriculum changes, technology, and aging schools.

Thank you.

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

MR. DICKSON: Thank you, Mr. Speaker. I'm delighted this afternoon to present a petition signed by 113 Albertans in Lethbridge and Edmonton. This now makes a total of 6,539 Albertans that have signed petitions in support of adequately funded public and separate schools in this province.

Thank you very much.

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

MS CARLSON: Thank you, Mr. Speaker. I, too, am presenting a petition today signed by people from Hythe, Beaverlodge, Grande Prairie, Valleyview, and throughout Edmonton. It is an SOS petition where the people who have signed it are urging

the Government to increase funding of children in public and separate schools to a level that covers increased costs due to contract settlements, curriculum changes, technology, and aging schools.

Two hundred and thirty-five signatures today, Mr. Speaker.

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

MR. MacDONALD: Thank you, Mr. Speaker. I would also like to present a petition to the House on behalf of 100 Edmontonians. They are very concerned about the level of funding that is necessary to cover "increased costs due to contract settlements, curriculum changes, technology, and aging schools."

Thank you.

head: Introduction of Bills

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

Bill 29 Securities Amendment Act, 1999

MR. HLADY: Thank you, Mr. Speaker. I request leave to introduce Bill 29, being the Securities Amendment Act, 1999.

This bill will go a long way to harmonizing securities legislation across the country.

[Leave granted; Bill 29 read a first time]

THE SPEAKER: The hon. Government House Leader.

MR. HANCOCK: Thank you, Mr. Speaker. I'd move that Bill 29 be moved onto the Order Paper under Government Bills and Orders.

[Motion carried]

THE SPEAKER: The hon. Member for Banff-Cochrane.

Bill 30 Employment Pension Plans Amendment Act, 1999

MRS. TARCHUK: Thank you, Mr. Speaker. I beg leave to introduce a bill being Employment Pensions Plan Amendment Act, 1999.

This act amends legislation that governs pension plans in Alberta's private sector, setting minimum standards for funding and benefits. While building on the pension safeguards contained in current legislation, this act increases the flexibility of plan sponsors and members to meet and deal with retirement needs.

[Leave granted; Bill 30 read a first time]

THE SPEAKER: The hon. Government House Leader.

MR. HANCOCK: Thank you, Mr. Speaker. I would move that Bill 30 be moved onto the Order Paper under Government Bills and Orders.

[Motion carried]

THE SPEAKER: The hon. Member for Drayton Valley-Calmar.

Bill 31 Agricultural Dispositions Statutes Amendment Act, 1999

MR. THURBER: Thank you, Mr. Speaker. I beg leave today to introduce Bill 31, the Agricultural Dispositions Statutes Amendment Act, 1999.

A number of public land leasing issues have been of concern to Albertans for many years, Mr. Speaker, and have caused disposition holders and other members of the public to voice their concerns to government. This bill is a result of close to two years of consultation with stakeholders to try and determine and ensure the sustainable use and protection of Alberta's public lands in the white zone.

[Leave granted; Bill 31 read a first time]

THE SPEAKER: The hon. Government House Leader.

MR. HANCOCK: Thank you, Mr. Speaker. I would move that Bill 31 be moved onto the Order Paper under Government Bills and Orders.

[Motion carried]

head: Tabling Returns and Reports

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

MRS. MacBETH: Thank you, Mr. Speaker. I would like to table a letter which I have sent to the Hon. Paul Okalik, who is the new Premier of Nunavut today.

As well, a letter to the Hon. Brian Tobin, Premier of Newfoundland, to congratulate all Newfoundlanders on the 50th anniversary of their entry into Confederation.

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

MR. GIBBONS: Thank you, Mr. Speaker. I beg leave to table five copies of the Alberta Capital Region Alliance 1998 annual report.

MR. JONSON: Thank you, Mr. Speaker. It's my pleasure to table five copies of the final report of the independent governance and administrative review of the Lakeland regional health authority. This tabling is in response to Motion for a Return 8, which was accepted on March 17, 1999.

Thank you.

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

DR. MASSEY: Thank you, Mr. Speaker. With permission I would table five copies of *You're Fired: There's No Appeal*, a special insert in the *ATA News* expressing the concern of that organization at the deletion of the Board of Reference from the School Act.

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

MR. DICKSON: Thank you, Mr. Speaker. A number of tablings. Firstly, on Monday, the Minister of Energy encouraged Albertans to do some reading on electrical deregulation. So today I'm pleased to table a Reuters news service story regarding deregulation in the state of California showing only "1 percent of eligible customers were buying electricity from someone other than their traditional monopoly" retailer and also showing the average savings per household as estimated at about 2 percent.

In addition, Mr. Speaker, I have copies of an exchange of correspondence involving the Department of Advanced Education. This relates to a question put to the minister yesterday in question period, something he had not been familiar with.

The next item is a copy of the brochure produced by the Calgary Immigrant Aid Society about the Calgary multicultural health care initiative.

Then, finally, copies of a wonderful document called the Calgary Multicultural Health Care Initiative Model, and I encourage all members to access copies of that.

Thank you.

DR. PANNU: Mr. Speaker, I've got two tablings to make today. The first one is copies of a letter that the Premier wrote to environmental organizations; I think the Premier's letter is dated March 23.

This is the letter in which he turns down the proposal from these organizations for protection of special places. Attached to it is the environmental organizations' response to the Premier's rejection of their request. That's the first one.

The second one is a copy of a petition signed by 20 Albertans. The petition concerns Bill 20. The signatories to this petition request that the government withdraw sections of Bill 20 which remove the Board of Reference.

Thank you, Mr. Speaker.

1:40

THE SPEAKER: The hon. Minister of Advanced Education and Career Development.

MR. DUNFORD: Yes. Thank you, Mr. Speaker. I'd like to table five copies of my answers to the question received in question period yesterday. [interjection] Yes, these are my golf slacks.

head: Introduction of Guests

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

MR. LOUGHEED: Thank you, Mr. Speaker. I'm pleased to introduce to you and through you to the members of the Assembly Monique Sneider, a student from Ardrossan who will be representing Clover Bar-Fort Saskatchewan in your youth parliament in a couple of weeks' time. I'd ask that she rise and receive the warm welcome of this Assembly.

head: Ministerial Statements

THE SPEAKER: The hon. the Premier.

Nunavut

MR. KLEIN: Thank you, Mr. Speaker. Today is an historic day for Canada as the nation welcomes the new northern territory of Nunavut.

The establishment of Nunavut represents a milestone in the evolution of this nation. It has its roots in a vision of self-determination for the Inuit people and a hope for a better future for northern communities. Premier Paul Okalik and his colleagues have devoted themselves to this vision for many years and have demonstrated a commitment to the people of Nunavut that will be their most important asset as they take on the task of governing.

The years ahead are filled with challenges: geographic, economic, and social. It is a vast land, and there is the need to refine and strengthen their government structures. There will be the task of defining a place and a position within Canadian Confederation. With these challenges will come many opportunities.

Alberta and the Northwest Territories have always had a special relationship, unique, I would suggest, among the relationships between governments in Canada. I personally value our special ties and have worked with my colleagues to foster a strong mutual relationship. Over the last three years this province has entered into more than half a dozen agreements with the Northwest Territories. We hope and plan to have many of these agreements extended to the new territory of Nunavut. Alberta will continue to provide our support and partnership as they take on the challenges of government.

As this new era dawns for Nunavut and the Northwest Territories, it reminds us of what our forebears must have felt in 1905, when Alberta became a province. There is a sense of excitement, of hope, but most of all of renewal. The people and the governments of the

north have an opportunity to recreate themselves through a blending of old traditions and modern society to meet the new millennium.

On behalf of this Legislature I extend best wishes to the people of Nunavut and the Northwest Territories for much joy in their celebrations today and this year and much success in their future as they carve out a new page in Canadian history.

Thank you. [applause]

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

MRS. MacBETH: Thank you, Mr. Speaker. I join with the Premier today in acknowledging this very special and historic day for Canada and for the people of the eastern Arctic.

The new territory of Nunavut is a step forward for the people of this vast and beautiful region of Canada. It has created optimism, hope, and opportunity, but the people of Nunavut more so than perhaps anyone else are also aware of the challenges that they face. These include the reality of isolated communities, of difficult social issues, and of a need to diversify their economy. With the help of the rest of Canada, I am confident that many good times lie ahead for all.

Nunavut's first government, led by Premier Paul Okalik, is up to the challenge. They have been planning for this day for many years, and the time has finally come to begin the work of governing. The Official Opposition of Alberta wishes the people of Nunavut all the best in this endeavour.

Personally, this day has a special meaning for me as I have had the opportunity to work in Canada's eastern Arctic. My thoughts are with the people of this region today as they embark on a new chapter of their history. They have a proud tradition, and I hope that the creation of Nunavut is a new era in this enduring legacy.

Thank you.

THE SPEAKER: Hon. members, I would like to point out as well that provision has been made in our Assembly for all of the flags: the country of Canada and the provinces of Canada and the regions of Canada. When we do receive the flag of Nunavut, it will be placed here in this Assembly and will join the other flags of Canada and the provinces and the territories. To my knowledge this is the only Assembly in Canada that flies all of the national flags.

head: Oral Question Period

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

Private Health Services

MRS. MacBETH: Thank you, Mr. Speaker. The Premier tries to deflect the issue of private, for-profit hospitals by asking what a hospital is or if vanity surgery patients should be taking up public hospital beds. The Premier knows that these are bogus issues. The issue is whether this government will listen to the people of Alberta and bring forward legislation which strengthens and encourages the public system rather than promoting and allowing the expansion of the private system. My first question today is to the Premier. Does the Premier support the expansion of private health care in Alberta: yes or no?

MR. KLEIN: Mr. Speaker, what we support is a health care system that conforms with the fundamental principles of the Canada Health Act.

I'm going to read from the transcript of a radio program in which the hon. leader of the Liberal opposition participated just recently. She says in answer to a question:

Why does the government need to endorse it? Just let them set up. Why does the government need to set it up for them? The private sector can set up in this province . . . If it can find its place it should [be] in there. What I object to is government defining it . . . I think government's job should be to work to ensure that the public health care system works in this country.

Indeed, we're doing that. The hon. member herself says that the private sector can find its place in the system.

MRS. MacBETH: Well, Mr. Speaker, I can answer the question about expansion of private health care. This Premier refuses to do it.

Is the real reason this government appears so passive about this current health care debate because it is stalling until the College of Physicians and Surgeons has regulations in place to approve a two-tier, American-style delivery system?

MR. KLEIN: Mr. Speaker, I would like with your permission to file five copies of the transcript that I just read.

I'd like to go on. Here's an even more interesting document. It's the *Hansard* of 1992. The hon. Member for Edmonton-Highlands asked a question of the then Minister of Health. The question is:

This is a really serious issue. The government can save a lot of money if it doesn't allow hospitals to contract to the for-profit sector. On that basis alone, will the minister reconsider her position and tell hospitals the for-profit sector has no role in the public health care system?

Here's the answer. Maybe the hon. leader of the ND recalls this answer.

Again, Mr. Speaker, no, I will not, because the private sector does in fact have a role if it can prove that it is efficient, that it's operating fairly, and that it's meeting the responsibility of our health sector to provide access to health services.

Well, I guess that was then; this is now.

1:50

MRS. MacBETH: Mr. Speaker, does the Premier support the use of taxpayers' dollars to build a second tier of health care in this province, one for the wealthy and one for the rest of us?

MR. KLEIN: Mr. Speaker, I would like to also table five copies of the *Hansard* I just alluded to during the last question. It's just to refresh all of our memories.

Mr. Speaker, the answer to that question is the answer I provided to the first question, and that is that we want to put in place a publicly funded health care system that conforms with the fundamental principles of the Canada Health Act.

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

MRS. MacBETH: They say one thing; they do another. [interjections] It's true. It's true.

Education Funding

MRS. MacBETH: Mr. Speaker, my second question is to the Premier. At the start of the week the Premier held out the achievements of the students at John G. Diefenbaker high school in Calgary as an example. We applaud the accomplishments that have been made at that school, but you know, Mr. Speaker, there are many Diefenbaker parents who believe that their students' accomplishments are in spite of this government, not because of it. Like schools throughout Alberta, Diefenbaker high uses poinsettia raffles, casinos, and bake sales to pay for computers and essential equipment

throughout the school. My questions are to the Premier. In which year of his three-year budget plan will the Diefenbaker parents and students be able to stop fund-raising for essential classroom supplies?

MR. KLEIN: Mr. Speaker, I guess the parents can fund-raise all they want. It certainly is a legitimate activity.

Relative to basics, Mr. Speaker, as I was in my office, I was listening to the hon. Minister of Education respond to a similar question, and I will ask him today to repeat the answer relative to essential supplies.

MR. MAR: Well, Mr. Speaker, I am particularly familiar with Diefenbaker high school as it is in my riding and it is a school that I've been to on many occasions over the last five and a half years.

When issues with respect to fund-raising for things like textbooks have come up, invariably my advice has been to school councils that they should not be fund-raising for such basics. Mr. Speaker, you know of course that school councils always want what is in the best interests of their sons and daughters, their students.

The whole issue of fees and fund-raising is a matter for local school boards to deal with. There are some schools that do not raise money at all for things such as textbooks and computers. The policy, Mr. Speaker, is one which is best left at the local level, and that's what's being done. Some relief from that perhaps will come because of the instructional grant rate increases of 3 percent this coming school year and a subsequent 2 percent in each of the following two years.

I wouldn't want anybody to be left with the impression that fund-raising is something that we approve of for basics, but it is a matter for school councils and parents to bring up with their local trustees.

MRS. MacBETH: Thanks, Mr. Speaker. In which year will Edson's Evergreen elementary receive the necessary funds to buy new language arts textbooks and cover the new curriculum requirements for technology and information management?

MR. KLEIN: I would remind the hon. member that the increase for school funding in this province is going to go up 19 percent over the next three years. That is a significant amount of dollars. That is \$600 million, Mr. Speaker, and that's even a lot of money for the Liberals. You know, I know how they like to wildly throw away money, but that is a lot of money even for the Liberals.

Mr. Speaker, again, I'll have the hon. minister supplement relative to the situation in Edson.

MR. MAR: Mr. Speaker, with the instructional grant rate going to just over \$4,000, that will mean that in a classroom size of 26 there will be over \$100,000 in funding available for just the instruction portion that is granted to school boards. That is not including money that we grant to them for transportation, for administration, for operations and maintenance. So when you consider that there will be \$100,000 available for a classroom size of 26, that is a significant amount of money that we charge school boards with the responsibility of administering, including for the purposes of buying things like textbooks in the schools in Hinton.

MRS. MacBETH: Well, thirdly, Mr. Speaker: in which of the next three years will the students at St. Francis junior high school in Lethbridge be getting sufficient support from this government to replace the 16-year-old textbooks that they are currently working from?

MR. KLEIN: Mr. Speaker, again I would remind the hon. leader of the Liberal opposition that we are increasing funding for education by 19 percent over the next three years. That's an average of a little over 6 percent per year. That amounts to \$600 million, which is a lot of cash.

Mr. Speaker, when the hon. member was leader -- or not leader. Well, just about. Tried to be anyway. When she was the Minister of Education -- you know, I can throw back her quotes to you. On November 11, 1987: I don't think education is solely dependent on the number of dollars spent; it's how those dollars are used.

The hon. minister alluded to how the school councils can work with the schools and the individual boards of education to make sure that those dollars are being used in the right places and for the right reasons, and again I'll have the hon. minister supplement.

MR. MAR: Mr. Speaker, the only matter which I wish to supplement on is with respect to *Hansard* dated March 30, 1988, page 233. The quote is:

The manner in which school boards designate the dollars provided to them by the province is an issue which local . . . boards have as their own responsibility . . . In fact, I think it would be an improper move to now direct [school] boards on how they should spend those dollars rather than the block funding concept which we have moved to.

That was spoken by the Leader of the Opposition.

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

School Amendment Act

DR. MASSEY: Thank you, Mr. Speaker. My question is to the Premier. To quote the Premier, "We have the greatest respect for all people involved in our province's education systems." My question then is to the Premier. Why did you fail to consult them on Bill 20?

MR. KLEIN: Well, again, Mr. Speaker, I'm not the author of the bill, nor am I the sponsor of the bill. It is now before the Legislature, but if the hon. Minister of Education wishes to respond, I'll leave that up to him.

MR. MAR: Mr. Speaker, the Board of Reference does indeed have a long history in the province of Alberta. It's also had a history in other jurisdictions throughout Canada. The labour relations act in this province has evolved to the point where we view the process of the Board of Reference to be a duplication of a service, of a process which is already in place pursuant to labour relations.

The number of cases that is heard by the Board of Reference is very small and, Mr. Speaker, we wish for teachers to have the rights that other members of professional backgrounds have pursuant to labour relations law.

Mr. Speaker, I'll look forward to the debate as the hon. member may bring forward when the matter comes up on the Order Paper, and we'll look forward to listening to that.

2:00

DR. MASSEY: I'd like to try the question again if I might, Mr. Speaker. To the Premier: why did you fail to consult people on Bill 20?

MR. KLEIN: Mr. Speaker, again I'll have the hon. minister supplement. He is the sponsor of the bill and is taking it through.

MR. MAR: Mr. Speaker, this is a matter that has been the subject of

requests by the Alberta School Boards Association to look at for some time, and we've responded accordingly. There will be ample room for debate, and I'll look forward to it.

DR. MASSEY: Did you specifically consult them on the changes to Bill 20?

MR. KLEIN: Did I personally, specifically, Mr. Speaker? No, I didn't. No, I didn't.

Relative to the process related to this bill that is before the Legislature now and will be debated, as I understand, it's in -- what? -- second reading or committee, but certainly when it reaches the committee stage, there would be ample time to raise these questions.

If the hon. minister again wishes to respond with respect to the process that took place prior to the introduction of the bill, I'll have him do that.

MR. MAR: Mr. Speaker, subsequent to the tabling of the bill I have had a meeting with Bauni Mackay, the president of the Alberta Teachers' Association. She has raised a number of points that I think are meritorious of consideration. She did express some concerns with respect to the provisions of Bill 20 and specifically with respect to the Board of Reference. I am, of course, prepared to entertain those concerns. Some I believe are legitimate concerns; others I do not believe are ones that I would be concerned with. However, that process for dialogue remains open.

Private Hospitals

MS BARRETT: Mr. Speaker, yesterday in response to my questions, the Premier said that space in public hospitals is being taken up by people who want "purely cosmetic surgery for pure vanity purposes." Well, according to the information I got from the Capital health authority today, the Premier is wrong. According to Capital health the purely vanity surgery requiring hospitalization is so small it doesn't even register in their statistics. Therefore, I'd like to ask the Premier: if we don't need private, for-profit hospitals for so-called vanity surgery why else does the Premier think that Alberta needs private, for-profit hospitals?

MR. KLEIN: Mr. Speaker, I don't think -- and again I want to come to grips with the . . .

MRS. SOETAERT: We know. You don't think.

MR. KLEIN: I don't think what she says. I do think.

We have the blue-ribbon panel. It was a good report. They put a lot of thought into the report. The report is out there for public consultation. I would respectfully suggest to both opposition parties that if they have constructive criticism and good input, then provide it to us, because we have put this document, this document here, the report of the Bill 37 review panel, out for public discussion, and that includes discussion, reasonable, sane, well-thought-out discussion by members of the opposition.

I will take my time, review the report, and offer my suggestions to caucus. Caucus members will offer their suggestions to me. The Liberal Party, I'm sure, will offer some comments relative to this report, and the NDs can do the same thing.

MS BARRETT: Mr. Speaker, given that the government got its knuckles rapped in that report for having failed to call private, for-profit hospitals what they are, will the Premier now agree to consult with both opposition parties prior to finalizing the ads that he plans

to take out in the newspapers and any other communication materials the government plans to distribute to make sure that Albertans are getting it factually correct?

MR. KLEIN: Mr. Speaker, I ask the hon. leader of the New Democrats: what is her definition of a private, for-profit hospital? Is she talking about all of the medical clinics that exist that do surgical operations, all of which are for-profit? Mr. Speaker, we have a medical doctor in our caucus, and he tells me that when he was in practice, he wasn't there to lose money. He was there to make a profit. So what is she talking about?

MS BARRETT: Mr. Speaker, I wonder if the Premier would be at all interested in allaying the public concern about the incursion of private, for-profit motives onto public health care territory by agreeing to rip up the document this government signed with the federal government in the dog days of summer in 1996, four principles of which expressly promote private, for-profit health care in the public system. Will he rip it up?

MR. KLEIN: I'm sorry. If the hon. leader of the New Democrats would send over the document, I'll have a look at it, but if it's a signed document, ripping it up is not going to do any good. You know, it's still registered someplace. In this day and age, Mr. Speaker, everything's locked in a computer somewhere.

MR. JONSON: Mr. Speaker, if I might just supplement, it is interesting in the light of what appears to be the stance of the leader of the third party in the Assembly that when you look at recently proclaimed legislation in Saskatchewan -- and by the way, there does happen to be a New Democratic government there. We did look at this legislation when we were preparing Bill 37. It was passed in 1996 and just more recently proclaimed. I'd just like to quote from it, and I do have copies to file with the Assembly. This legislation is designed for private health facilities offering services traditionally provided in hospital and covered under medicare; they will be required to obtain a licence from government; they will be prohibited from charging a facility fee; they will be required to follow uniform standards; they will be subject to inspection, et cetera: very much like our legislation. It also corresponds almost exactly to the private clinic policy that we implemented in this province some months ago.

Finally, very important here, Mr. Speaker, just one other brief quote. The Minister of Health, Ms Atkinson, says: we are taking this action because our government deeply believes the people of Saskatchewan want high quality, publicly administered health care for the citizens of the province. Something that we have said over and over again.

THE SPEAKER: The hon. Member for Calgary-Fish Creek, followed by the hon. Member for Lethbridge-East.

Teachers' Board of Reference

MRS. FORSYTH: Thank you, Mr. Speaker. Alberta teachers have been able to appeal disputes over teachers' suspensions or dismissals to the Board of Reference. This board has been around for over 70 years. I met with Bauni Mackay and Dr. Hyman from the Alberta Teachers' Association, and they have told me how upset they are that our government is proposing replacing the Board of Reference with an arbitration process under the Labour Relations Code. My first question is to the Minister of Education. Mr. Minister, the *ATA News* dated March 30, front page, in bold red states, "You're fired: There's no appeal." Please clarify if this is correct.

MR. MAR: Well, Mr. Speaker, just by way of background the Board of Reference was established back in 1927, and since that time there have been a number of changes to the board. Originally the board consisted of a district court judge, a trustee, and a teacher. In 1934 the teacher and the trustee were dropped from the Board of Reference. In 1941 the jurisdiction of the Board of Reference was restricted only to disputes over terms and conditions with respect to cancellation of a contract. In 1995 there was a subsequent change to the Board of Reference where the judges were removed as members of the Board of Reference, and they were replaced with a body of 10 lawyers who were appointed to the Board of Reference. I wish to point out that of the 10 lawyers that are appointed to the Board of Reference, seven of the 10 of them are also adjudicators pursuant to the arbitration process under the Labour Relations Code.

So, Mr. Speaker, having heard this comment from Ms Mackay, whom I respect personally and also respect professionally, with respect to whether or not there is a process which is available to teachers upon dismissal, there is a process in place. It's pursuant to the Labour Relations Code, and the people who will hear those cases as arbitrators are often the same people that currently sit on the Board of Reference.

2:10

MRS. FORSYTH: Thank you, Mr. Minister. I appreciate that clarification.

Will the minister confirm or deny whether the Alberta School Boards Association is supporting this change?

MR. MAR: Well, Mr. Speaker, as a matter of policy, the Alberta School Boards Association for a number of years has asked us to review the process as it relates to the Board of Reference. They've reaffirmed in correspondence to me that they are in fact supportive of certain changes that are being made pursuant to Bill 20.

MRS. FORSYTH: Thank you. Would the minister consider grandfathering this change until such time as a process can be set up under collective agreement?

MR. MAR: Well, Mr. Speaker, as I indicated, Ms Mackay indicated to me that there were a number of situations where there could be a situation where some people who were covered under the Board of Reference might not be covered under a collective agreement. We of course want to make sure that that's not the case. We don't want to see teachers lose a process for grievance procedures, and accordingly we'll undertake over the next couple of weeks to hear from teachers and from others, labour lawyers and such, to try to determine whether or not an amendment needs to be made to the bill. Of course we'll also look forward to further debate during second reading and through the committee stage for the entertainment of such amendments.

THE SPEAKER: The hon. Member for Lethbridge-East, followed by the hon. Member for Calgary-West.

Business Taxes

DR. NICOL: Thank you, Mr. Speaker. Many small business owners in Calgary are being hit with increased business taxes from the move to market value assessment. The 1994 Alberta Tax Reform Commission pointed out that the business tax system was inconsistent with the principles of a simple, efficient, and accountable tax system that provides a level playing field and is easy to administer. My questions are to the Premier. Why does Alberta have the second highest level of local business taxes among Canadian provinces at \$66 per capita?

MR. KLEIN: Mr. Speaker, I don't know if that is a factual statement or not, but I'll have the hon. Minister of Municipal Affairs supplement, perhaps followed by the Provincial Treasurer.

MS EVANS: Mr. Speaker, again those facts as presented about business taxes are not something that we gather. We gather property tax information. Business tax is at the discretion of the individual municipality in conjunction with their businesses. In the introduction of the new MGA there is an availability of business tax to be charged in municipalities where farming operations seem to put an extra imposition on infrastructure.

In terms of Calgary's business tax or the debate that has gone on in Edmonton relative to their business tax, that is something that is at local discretion, and perhaps the Treasurer would care to supplement.

MR. DAY: Mr. Speaker, that's correct. We continue, no matter how it's evaluated -- and the tax system is evaluated right across the country by a number of financial institutions. No matter how you measure it out, Alberta, including on the business side, is the least taxed jurisdiction. Now, from municipality to municipality there may be some changes and alterations, but those are also taken into account when the overall taxation picture is looked at. The final proof of that -- you can look at our stats, or you can look at the stats that are produced by everything from the Conference Board of Canada on through. The real indicator is the number of businesses that are moving to this province. They don't move here because they're going to be taxed more.

DR. NICOL: Thank you, Mr. Speaker. To the Minister of Municipal Affairs: why has Alberta experienced the second highest increase in business taxes between 1992 and 1997 among all Canadian provinces?

MS EVANS: Well, Mr. Speaker, clearly the mill rate for education has not in fact put any additional imposition on the taxes that commercial operations pay. It has stayed again at 10.20, and there proportionately is a lesser or reduced ratio of commercial taxes that are collected in support of education. In terms of the specifics relative to comparatives from 1992 to 1997, I'll be pleased to get that information and table it at a later date.

DR. NICOL: Thank you, Mr. Speaker. Will the Premier now agree to examine the competitiveness of Alberta's local business tax regime under the Municipal Government Act, which wasn't done under the Tax Review Committee?

MR. KLEIN: Well, Mr. Speaker, relative to municipal taxation, first of all, that is a matter for the municipality, but with respect to participating in a review, whether that is being done or not or whether it has been done, I'll refer to the hon. Minister of Municipal Affairs.

MS EVANS: Well, Mr. Speaker, as I stated previously, the mill rate for education in municipalities is continuing to collect less from municipalities in support of education. I would suggest that municipalities have the discretion to collect business tax if they are not collecting machinery and equipment tax. An analysis of the comparatives as it has been effected since the machinery and equipment category no longer collects taxation for education or in support of public schools has not been done to the best of my knowledge. We can examine that, but I'm not aware of any additional imposition through the property taxes or through the

system of business tax administered by those cities that would cause any undue hardship.

Further, Mr. Speaker, I think I should state this. I have met with the Calgary Chamber of Commerce. We have met with the Alberta Chamber of Commerce and spoken with that caucus, and we have not in fact had any complaints from either of those sectors about the amount of taxes that businesses are paying. In fact, the question that arose most recently at the Alberta Chamber was how the tax was being ascribed to property, how the assessments were being done, and that is the only question that has come, to the best of my knowledge, to this government.

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

Health Care Policy

MS KRYCZKA: Thank you, Mr. Speaker. This week I read the organizational review of the CRHA, and I was pleased to read, for example, that staff share goals "to create an integrated health care system that serves the needs of our community" and also promotes general population health. I also recall presentations by guest speakers at Health Summit '99 and at the recent experts' presentations hosted by the Long-term Care Policy Advisory Committee. They stated that seniors 65 and over incur approximately 45 percent of total health care dollars in Alberta and, further, that the seniors population is expected to double by the year 2016. I'm very concerned about whether the health needs of seniors in the community will be adequately met. My first question is to the Minister of Health. What is the role of Alberta Health as RHAs develop their plans for a healthier future?

MR. JONSON: Mr. Speaker, Alberta Health has a very major role of course with respect to the development of regional health authority business plans. Along with the Alberta Mental Health Board and the Cancer Board, they are the major entities involved in delivering health care services in the province.

First of all, Mr. Speaker, we require that regional health authorities develop business plans and that they follow our outline in terms of reporting on the performance of their system in the context of that business plan. In addition to that, we have developed and are refining further an overall system of accountability within the health care system. That, I think, is very important.

Secondly, I would like to just indicate, Mr. Speaker, that if we take, for instance, the area of the increased need for quality and more innovative services for our seniors population, that is an area that in our activities in Alberta Health, doing the long-term care review and also in terms of priorities in the upcoming budget -- we're using both financial direction as well as policy direction to guide the overall health care system of this province.

MS KRYCZKA: Mr. Speaker, my first supplemental is also to the Minister of Health. What incentives exist that would encourage RHAs to share their innovative strategies for achieving better service delivery in the community?

2:20

MR. JONSON: Mr. Speaker, one of the initiatives we've had under way for some time has produced, I think, some very good results, and that is that we've had ongoing what is referred to as the Best Practices approach. This is an initiative whereby regional health authorities are encouraged to be innovative, to develop and apply new approaches to delivering other health care services. Albeit we as a system could be doing better in this regard, we are always

encouraging the various parts of the health care system to share with each other their successes, their experiences and accomplishments, because there are some very, very successful, innovative things going on in this province which should be applicable all across the health care system.

Secondly, Mr. Speaker, in the Alberta Health business plan for this year and in the budget that supports it, there is provision for an innovation fund which will be available for forward-thinking, creative, potentially very successful and applicable projects in the health care system. That, I think, will be available certainly for the area of long-term care as well as other aspects of the health care system.

MS KRYCZKA: My second supplemental, Mr. Speaker, is again to the Minister of Health. What is the government doing to prepare for the reality of the aging population bulge?

THE SPEAKER: Hon. minister, can you do that in 30 seconds, please?

MR. JONSON: Mr. Speaker, I would draw members' attention to the Alberta Health business plan, which puts an emphasis on long-term care. In addition to that we have under way the long-term care review, which has been alluded to several times in this Assembly and elsewhere. This is a very, very thorough look at what we need to do in terms of future planning for the seniors population in this province.

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

Health Legislation Review

MS LEIBOVICI: Thank you, Mr. Speaker. The definition of public relations is to create circumstances to make particular outcomes more likely without these circumstances appearing to be staged. It's no secret that this government has hired Hill and Knowlton, one of the largest public relations firms in the world, to provide support work for the government-appointed blue-ribbon panel on Bill 37. It is also noteworthy that Hill and Knowlton's single largest practice area in the United States is the provision of public relations for private, for-profit health care corporations. My questions are to the Minister of Health. Is this government so anxious to put a positive spin on private, for-profit health care that they will go to the lengths of hiring this large public relations firm rather than relying on your own Public Affairs Bureau?

MR. JONSON: Mr. Speaker, there are two points I would like to make. The first is that Hill and Knowlton provided administrative support to the blue-ribbon panel, and that was the extent of their involvement. The report has been received. Any news releases or publicity that we're providing vis-à-vis the blue-ribbon panel report is in fact being provided through Alberta Health staff and through our communications section.

The other thing, Mr. Speaker, as I've said, is that Hill and Knowlton were engaged as a credible firm which has handled these types of investigations and reports on a whole host of topics and issues. I am sure that if we handled it totally within the department in terms of developing the blue-ribbon panel report, we'd have been accused of being biased from an Alberta Health point of view. You just can't win with these people, but that's what we did.

MS LEIBOVICI: To the Minister of Health: is it not a conflict of

interest for a firm which represents private, for-profit health care interests to be involved in administrative support around the legislation dealing with private, for-profit health care in this province. Isn't it a conflict of interest?

MR. JONSON: Mr. Speaker, the firm that the member is referring to, as I understand it, is a well-established, well-respected firm that has provided services all across this country and, yes, all across North America. They have worked for governments; they've worked for the private sector. They have provided, as I understand it, very good service in terms of being a consulting company, and that can be said of a whole variety of firms that work in this particular area.

In my view, the support provided to the panel was administratively of top quality and professional in the way it was provided. I'd just like to emphasize, because this was the implication of the first question, that as far as any publicity occurring from government or supported by government from the time that the report was received, that is being provided by government.

MS LEIBOVICI: My last question is also to the Minister of Health. Has this public relations firm ever represented a private, for-profit health care firm in dealings with the Alberta government?

MR. JONSON: Mr. Speaker, certainly not to my knowledge.

THE SPEAKER: The hon. Member for Redwater, followed by the hon. Member for Edmonton-Manning.

Liquor Stores

MR. BRODA: Thank you, Mr. Speaker. My question today is to the Minister of Economic Development, who is also responsible for the Alberta Gaming and Liquor Commission. Recently there have been criticisms leveled in this House during question period and Committee of Supply about the commission's handling of liquor licences and regulations, particularly as they relate to small liquor retailers. Isn't it true that some small liquor retailers simply cannot make a go of it in the privatized industry?

MRS. NELSON: Mr. Speaker, I'm pleased to have the question come from the hon. member because I think that the other day there was some misinformation coming from the side opposite, the side that looks for ghosts and goblins behind every move that is made by government.

The privatization of our liquor industry in this province again has been one of the most successful that I think we've seen, not only in Alberta but across Canada. In fact the hon. Member for Edmonton-Rutherford even acknowledged himself on November 14, 1998, that privatization had "gone a lot more smoothly than anticipated. A lot of our fears were unfounded." This was his quote in the *Calgary Herald*. I appreciate his acknowledgment in recognizing that this privatization was very good.

What brought the concern up, I think, was that prior to privatization, Mr. Speaker, we had roughly 260 liquor stores in the province of Alberta. Today there are 747 liquor stores in the province of Alberta. Obviously people believe that this is a viable business that they want to enter into, and they've assessed the market and gone into the market to serve the people.

The other thing that I think is important is that anyone in the liquor business today is obviously serving the needs of the client. Through customer surveying and assessment, they're able to determine what the client wants. That to me is the success of privatization.

MR. BRODA: Thank you, Mr. Speaker. My first and only supplementary question is to the same minister. What is the minister doing to ensure that small retailers can compete in Alberta's privatized market?

MR. WICKMAN: Good question.

MRS. NELSON: I agree with the hon. Member for Edmonton-Rutherford; that is a good question. Part of the privatization model that was put in place was to make sure that there was a level playing field so that people could go out and actually compete in a marketplace that was market driven. Some of the elements that were put in place were to make sure that there was a free market on liquor pricing and retailing and that all liquor retailers would pay the same wholesale price through the commission -- in other words, there wouldn't be any special bulk deals allowed anywhere throughout the system -- and that there would be a same-cost delivery charge for all liquor retailers no matter where they lived in the province so there wouldn't be discrimination on the cost of transportation. If larger liquor stores came into play in some of the centres competing against smaller ones, there wouldn't be cross-promotional advantages, cross-advertising advantages allowed in the marketing of the liquor. One of the other things was that some of the smaller facilities were allowed to subdivide their facilities provided they did not exceed a certain square footage.

2:30

Mr. Speaker, on this whole issue of privatization I just wanted to say, because there isn't another supplementary, that if we look at some of the responses in magazines such as *Vendor*, it's amazing to me that other provinces -- the British Columbia Restaurant and Foodservices Association says: we want legislation more like Alberta. That's what they're asking for in British Columbia.

THE SPEAKER: The hon. Member for Edmonton-Manning, followed by the hon. Member for Livingstone-MacLeod.

Pine Shake Roofing

MR. GIBBONS: Thank you, Mr. Speaker. My questions are to the minister responsible for housing and consumer affairs. My first question to the minister: what action did the minister take to alert 30,000 homeowners about the fungus attacking their pine shake roofs?

MS EVANS: Mr. Speaker, the only time that our department was directly involved was when there was in fact incorrect advertising that was attached to the distribution of shakes early in the '90s. There was an immediate stop put on any indication on the distribution of those shakes that they were Alberta approved. It was identified that that was false advertising, and there was an immediate order for change.

MR. GIBBONS: My second question to the same minister: why are the people who contact the government for information on dangerous roof sprays put on hold for 20 minutes, directed to an answering machine, and then forced to wait while the department responds at their convenience? Is this customer service?

MS EVANS: Mr. Speaker, we pride ourselves on customer service. If the hon. member would wish to provide me with any detail of the actual complaint that he's raising in the House, which he has not previously afforded me the courtesy of responding to, I would be delighted to get him the information.

MR. GIBBONS: My last question to the same minister: given the minister's comments that resources are spent and, I quote, right there in the front lines, why was money spent on her self-promotion CD-ROM instead of protecting the consumers and the 30,000 homeowners?

MS EVANS: Well, Mr. Speaker, I'm delighted that the member asked that question because throughout Alberta we have been doing our very best to provide incentives and information for municipal councils and for elected officials about the kinds of things that new technology, new e-commerce is bringing. When I assumed this portfolio, we actually had municipalities that didn't even have a fax, and I think it's clear that in this global economy with the rapid advances in technology, it is necessary to provide people with information in a timely fashion, allowing them to be agile and informed at the local level. In our co-operative arrangement with the University of Alberta and Telus we are clearly hopeful that the increased understanding of people in the local government sector will enable all of the council to get up-to-date information, will enable the administrative staff to take courses.

Mr. Speaker, I was doing my best to inform members in an innovative way so that when they in fact talked to their local councils and people in their communities, they could be up to the minute with that information themselves.

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

Protected Ecological Areas

MR. COUTTS: Thank you, Mr. Speaker. My questions today are all to the Minister of Environmental Protection. The made-in-Alberta protected areas program known as Special Places 2000 is truly every Albertans' program in that the nominations came from Albertans; it was co-ordinated by Albertans and received input on local committees from Albertans before government designation. Other provinces have completed their designations with a different top-down approach. In fact Ontario's Lands for Life program will add 2.4 million hectares with 378 new parks and protected areas. Mr. Minister, Albertans have done a lot of work on Special Places 2000 and want to know how their protected areas program compares to the Ontario model.

MR. LUND: Well, thank you, Mr. Speaker. As the hon. member indicated, this is a program that had tremendous input from Albertans. I want to take this opportunity to thank the hon. member, who chaired the provincial co-ordinating committee, and also that committee, who have done a tremendous amount of work.

When you look at where Ontario is with the most recent designation, they are still behind where Alberta is. Since we started the special places program, we have added 60 percent to our protected areas. The fact is that in Ontario when they talked about adding 12 percent, it was 12 percent of 40 percent of their land base, because they only have planning in 40 percent of the province. So the numbers are not as large as they thought they were.

We are still in second place. We are still ahead of eight other provinces. I think we are doing very well.

MR. COUTTS: Thank you. The Ontario government has also established a trust fund that will provide \$30 million in compensation for forestry companies. Why doesn't Alberta offer similar compensation?

MR. LUND: Well, Mr. Speaker, the decision was made right to start with that we would honour current dispositions and that we would not pay compensation. In order to accomplish that, we've dealt with dispositions in three ways. One, if there is a disposition, we try to put the boundaries of our designation around that disposition so that it is not in. Secondly, there are ways that in fact they can access the disposition with no new disturbances, or of course there is the ability for the disposition holder to give up the disposition. We have never ever said that a disposition holder must go ahead with their disposition in a designated area.

MR. COUTTS: My final question then, Mr. Speaker, to the minister: as we add these protected areas under the Natural Heritage Act, Bill 15, will an unlimited variety of new industrial uses be permitted?

MR. LUND: Mr. Speaker, absolutely not. The fact is that under Bill 15 there will be no commercial logging in a designated area, in a protected area. There will be no new accesses for dispositions in four of the five areas, and there will be no mining in those protected areas. So Bill 15 is actually making it tighter, making the protection better than we have today.

head: Members' Statements

THE SPEAKER: Hon. members, three members today have indicated their intent to participate in Members' Statements, and we'll begin in 30 seconds with the hon. Member for Calgary-Bow.

Tartan Day

MRS. LAING: Thank you, Mr. Speaker. On April 6 Tartan Day will be celebrated across Alberta. Tartans have been worn and displayed through centuries as symbols of belonging and family history. Just as the weave of a tartan is tightly bound together so are the traditions and history of every family. Tartan Day is celebrated on April 6 to commemorate the anniversary of Scottish independence in 1320. Tartans have become synonymous with Scotland and Scottish clans, and traditionally the colors and weave of a tartan not only identified the clan but the area of Scotland it was from. The tartan remains a very popular symbol throughout the world, and new tartans are continually being created by families, organizations, and regions to identify themselves.

2:40

Many Canadian provinces, including Alberta, have special tartans. The Alberta tartan was first recognized in 1961. The tartan is woven with the colors of green for our forest, gold for the wheat, blue for our skies, pink for the wild rose, and black for our coal and petroleum.

All Albertans owe a debt of gratitude to the pioneers who built our province. Many of these founding pioneer families were originally from Scotland, including Alexander Rutherford, Alberta's first Premier; James Macleod, the founder of Fort Macleod and Fort Calgary; as well as William Douglas, John A. McDougall, and Tweed and Ewart, who were among the first merchants in Leduc, Edmonton, and Medicine Hat.

Alberta was also home for many years to Jack Whyte, who was a very famous Canadian author born in Scotland. While residing in Calgary, he wrote the poem, A Toast to Canada, Our Adopted Land, as a tribute to his new home and the opportunity they found here.

Many events will be held in celebration of Tartan Day. For instance, St. Andrew-Caledonian Society of Calgary will hold a special church service called Kirking the Tartan.

Mr. Speaker, Tartan Day is not just for those of Scottish heritage.

It's a day for families of all cultures to celebrate the stories of their ancestors and the traditions that make them unique.

Thank you.

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

Calgary Multicultural Health Care Initiative

MR. DICKSON: Mr. Speaker, a recent Ontario court decision awarded damages to a woman who was sterilized by a physician. She thought she was only consenting to have a perineal infection cleaned. The doctor thought she was consenting to a tubal ligation, and he performed just that. The injury was compounded since the woman was Muslim, and under Islamic law sterilization is not permitted. The trial judge found the woman did not consent to sterilization. He noted -- and I quote -- that we live in a multicultural country where conformity to values and norms is variable and where careful inquiry must be made to ensure that our own values and norms are not inadvertently imposed on those who do not subscribe to them.

There was no careful inquiry in that case, and the doctor made a tragic error. The problem was language and inability of the doctor and patient to communicate about something as important as sterilization. Could that happen in Alberta? You bet. Direct immigration and indirect immigration from other parts of Canada is putting huge pressure on an already taxed health care system to deal with language, cultural, and religious challenges.

It's against this backdrop in response to those factors that the Calgary Immigrant Aid Society has developed a very exciting project known as the Calgary Multicultural Health Care Initiative. The vision is

a health care system in which first generation Canadians who presently face barriers to services can benefit equitably from culturally and linguistically appropriate services in Calgary via a network of collaborative working relationships

The very broad collaboration in Calgary involves immigrant-serving agencies like Calgary Catholic Immigration Society, Calgary Immigrant Aid Society, the 8th & 8th clinic, and CRHA. It has received encouragement, I'm delighted to note, from Mr. Don Ford, Deputy Minister of Health, and Calgary members of the government caucus.

I've tabled copies of the Calgary Multicultural Health Care Initiative, and I encourage all members to take time to read it and consider how we can support improved access by all Albertans to our essential health care services.

Thank you very much.

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

Passover and Easter Celebrations

MRS. O'NEILL: Thank you, Mr. Speaker. Today we're in the midst of a holy season that is being celebrated by many in our province. The Jewish observation of Passover and the Christian celebration of Easter are observed within a few days of each other.

In the Jewish community, yesterday was the first day of Passover, which is the weeklong celebration which commemorates the deliverance of 600,000 Israelite slaves and their families from Egypt, the land of the pharaohs. This weekend Christians celebrate the passion, death, and resurrection of Jesus Christ.

For many Albertans whose belief system encompasses the Judeo-Christian tradition, today is called Holy Thursday, commemorating the day on which Jesus participated in a Passover or Seder meal with his associates. We Christians have come to call this the Last Supper.

For many of us that meal is the origin of our Eucharistic celebration. Holy Thursday is followed by a day which is commonly designated as Good Friday, a seeming contradiction of name considering the event being commemorated, that being the crucifixion of Jesus of Nazareth. However, it is a day so named because Christians believe that it is a good deed for one to give his life for others. On Sunday Christians celebrate the resurrection of Christ from the dead, thereby giving the hope of renewed life, or as some theologians identify it, the symbolic victory of life over death.

And so at this season I wish to extend greetings of joy to all. Whether it be matzo, the unleavened bread, or the braided Ukrainian Easter bread -- both are symbols with strong historic significance -- or whether it be the traditional Easter lily that by its very shape trumpets the good news of the season, these are signs that this is a season to celebrate deliverance. I trust we will all enjoy the holidays that surround these holy days.

head: Statement by the Speaker

Special Days and Weeks

THE SPEAKER: Hon. members, there is a possibility that hon. members may be away for the next several days. The Legislative Assembly of Alberta would like to note that April will be Canadian Cancer Society Month. April will also be the International Prevention of Cruelty to Animals Month. It will be National Dental Health Month. It will be Parkinson's Awareness Month. The Canadian Liver Foundation will undertake its Easter chocolate campaign. The Easter Seal mail campaign will come in. One hon. member has already alluded to the fact that we are now in Passover, March 31 essentially through to April 8. April 4 to 10 will be National Wildlife Week. April 7 will be World Health Day. April 2 will be Good Friday and April 4 will be Easter under the Christian tradition, but under the Julian calendar those events will be April 9 and 11.

head: Projected Government Business

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

MRS. SOETAERT: Thank you very much, Mr. Speaker. Pursuant to Standing Order 7(5) I'd like to ask the Government House Leader to describe not what's next week but possibly the week after. Thank you.

THE SPEAKER: The hon. Deputy Government House Leader.

MR. HAVELOCK: Thank you, Mr. Speaker. I'd be pleased to do so.

On Monday, April 12, we will in the afternoon be looking at second reading for bills 21, 24, 27, and 20, and if we get through all of those, as per the Order Paper. That evening we will be in Committee of Supply, Assembly reporting with respect to the designated supply subcommittees of Health, Education, Family and Social Services. We will also be into day 18 of the budget main estimates for Advanced Education and Career Development. Depending on the time that concludes, second reading for bills 24 and 20 and as per the Order Paper.

Tuesday, April 13, 4:30 p.m., under Government Bills and Orders second reading of Bill 22 and as per the Order Paper. At 8 p.m. we will be in Committee of Supply, Assembly reporting for designated supply subcommittees, and those will be Environmental Protection, Municipal Affairs, Transportation and Utilities, Community Development, science, research, and info technology. That's day 19 of the main estimates. Then, again time permitting, second reading of bills 23, 30, and 25 and as per the Order Paper.

Wednesday evening, 8 p.m., Committee of Supply, Assembly reporting for Public Works, Supply and Services. It will be final estimates day, day 20 of the main estimates. Votes will be taken. Then we'll be in second readings for bills 29, 26, and 31 and as per the Order Paper.

Then Thursday, April 15, in the afternoon Committee of Supply, Assembly, lottery fund, day 1 of 2. And second readings, which will basically cover any bills not yet moved for second reading; for example, bills 26, 23, 29, and 25 and as per the Order Paper.

THE SPEAKER: Hon. members, may I take this opportunity to wish you all the very, very best in the next number of days.

head: Orders of the Day
2:50

head: Committee of Supply

[Mrs. Gordon in the chair]

THE DEPUTY CHAIRMAN: I'd like to call the Committee of Supply to order.

head: Main Estimates 1999-2000

Transportation and Utilities

THE DEPUTY CHAIRMAN: I would ask the hon. minister if he would lead off, followed by the hon. Member for Lethbridge-East. Go ahead, hon. minister.

MR. PASZKOWSKI: Thank you, Madam Chairman. As the hon. member from St. Albert has illustriously said, we're on the road again. First of all, I'd like to take this opportunity of introducing three of my key staff: my deputy, Ed McLellan, my assistant deputy Lyle O'Neill, and my assistant deputy Jay Ramotar, who are very infinite in their wisdom and guidance and provide us with a very clear direction as to where our programs should go.

I'm going to spend a little time talking about some of the programming that we're involved in other than actual infrastructure, because I think at this stage we're probably dealing with some of the issues that have been so long on the table and are basically coming forward to some sort of resolve. I'd like to talk a little bit about the Estey review, the national highways program, the western ports and corridors initiative. I'll perhaps touch a bit on the Traffic Safety Act, but we'll be dealing with that in debate, so I don't plan on spending much time there. Also delivery of our disaster services program.

First of all, as far as the delivery of the disaster services program is concerned, the hon. Member for Edmonton-Calder had raised some concerns. When I talked to him the other day, he'd indicated that if I could answer the questions he had raised, he would very much appreciate it. That really dealt more with issues that are interprovincial and how we deal with the risks that are there regarding delivery of disaster services programs that involve other provinces.

With that, I'd just like to share that indeed the directors of this particular program within the province meet on a regular basis. They meet at least once a year and sometimes twice a year and co-ordinate and advise and share experiences. They share the risks that are there. They share the situations that may indeed involve other provinces. Consequently, if there is a risk that's out there, there is very rapid communication. There are programs that are put in place to deliver the disaster services program, and they advise the neighbouring provinces as to any possible risk that might indeed be encumbering the neighbouring provinces.

The response that we have in Alberta is considered to be the best

in Canada, and I heard that personally when I attended the disaster services course in Arnprior, Ontario, when I was a municipal official and have subsequently heard that from various representatives. The process that we have in place is that the province is broken up into regions. There are regional directors that are in place that deal with particular regions. The delivery of a service is really conducted by the municipalities. All municipalities are trained to deal with impending possible disasters. The regional director simply sees that the regions are properly trained and are in a position to properly deliver the service when indeed that does happen.

In 1997 we had a whole series of disasters that came about, and certainly that was a very, very good time to measure the success of these particular abilities to deliver the service. We have to all agree that the delivery was really an unqualified success. Disaster is not easy. Whether it was the floods in Peace River, whether it was the flood in Fort McMurray, whether it was the terrible bus accident out of Fox Creek, whether it was the terrible fire in southern Alberta, we certainly were able to co-ordinate and come together very, very quickly and deliver the service in a fair, responsible way. The communities themselves have to be complimented for the implementation of the program because indeed it is the communities that do deliver that service. Certainly to each and every one of those communities I want to take my hat off and congratulate them for their delivery of service.

The items that are included under the emergency plan are things like dangerous goods: the risks involved with dangerous goods, the emergency response plan. For example, with the upstream petroleum industry there's certainly high risks involved there. The emergency public warning system and the operational plan that's put in place and even such things as critical pest infestations can indeed become a major issue. So those are some of the areas that they are particularly prepared for.

Some of the major events they've been prepared for and trained for are things like the '88 Winter Olympics, the '90 international law enforcement games in Edmonton, the '90 international Scout jamboree at Kananaskis, where there were thousands of people coming together in an outdoor setting in a very limited space, the '94 Winter Games in St. Albert, and the '95 Winter Games in Grande Prairie. In all cases it was handled very, very well.

The disaster services have developed models that are extensive throughout the province, and indeed there are models for municipalities. First Nations communities are involved, public health authorities are involved, and health care facilities are involved. Seniors, group housing, school boards, schools, reception centres, business resumption guidelines for provincial government departments: these are all part and parcel of the process.

The hon. Member for Lethbridge-East had asked for a list of regional response improvement programs for '99-2000. As you know, we have a working arrangement with the federal government where the federal government provides us with funding in the '99-2000 season. That amount is \$298,500, so that was allocated to these projects: hiring a federal officer; the Y2K Alberta project; municipal training funds; the county of Athabasca for rescue equipment; the town of Beaumont for a generator; the city of Calgary for rescue equipment; the town of Crossfield for communications equipment; the town of Edgerton, communications; the village of Galahad, communications; the town of Hardisty, communications; the town of Innisfail, a rescue vehicle; the town of Morinville, a generator; the town of Peace River, a generator; the MD of Pincher Creek, communications; the town of Raymond, communications; the town of Sylvan Lake, a generator; the town of Vegreville, a generator; the town of Viking, a generator; the county of Vulcan, communications; the village of Youngstown, a generator. The grand total was

\$298,490.40, so that really consumed the entire portion of the grant. No doubt some of these applications have stemmed from the ice storm that took place in eastern Canada in Ontario and Quebec.

The particular grant that was alluded to was a good project, and it was on the priority list. It was one that was on the list for funding. Unfortunately, we just didn't have enough to go around. I would urge the resubmission of that particular project because it is a good project and one that does merit funding. The unfortunate part of that was that it would have consumed \$183,800, which would have been a substantial part of the overall grant. That's one of the issues that when it got down to the priorities, there just wasn't a sufficient amount of money to deal with it. Nevertheless, it's certainly, as I said, a good project and one that we would encourage reapplication for.

I want to spend a little time on the Estey review because I think that's probably one of the most critical elements we are involved in at the present time. It's probably the greatest opportunity that we've had to make a difference as far as agriculture is concerned. It couldn't have come at a better time. We are basically once again experiencing a strike that indeed is hurting the grains industry. We're experiencing a shutdown of the industry, and that's what the judge really was involved in: to find a better way, to find a more efficient way, to find a more all-encompassing way.

3:00

I really appreciate the opportunity that the provinces were given. I appreciate it, and I want to thank both the federal minister and the judge as well, because indeed he has encouraged participation. Both have encouraged participation from the provinces and have been willing to participate and hear the provinces. Up until now I think it's been very fairly conducted. I have no qualms about the sincerity of both the federal Transport minister or the judge in making the presentation.

First of all, the judge's recommendations basically dealt with 15 key elements and 15 key points. The recommendations dealt with items -- they all varied. Indeed, when we look at this from a holistic approach, which I've always been a very strong advocate of -- and I think the industry in Alberta has been a strong advocate of it as well -- if there's going to be change, we can't piecemeal change. We have to do it in a holistic form. The judge has certainly concurred with that. Subsequent to that, the federal Minister of Transport has accepted the recommendations and has indicated that immediately after Easter he will be willing to proceed with the next step and develop an action plan as far as the judge's report is concerned.

The 15 recommendations that the judge had recommended to deal with. Number one was ports and waterways; two, develop a management information system. Cleaning the grain: the judge indicated the grain should be cleaned at the source, which of course would be inland. Producer cars: the judge recommended that producer cars should remain and be given the opportunity to continue. This was important because indeed as far as producers are concerned, that's a right that was granted to them. It certainly was important that that right be identified, retained, and that the producers have the opportunity to maintain the right to be able to load their own producer car without having to go through a whole series of agencies.

Car allocation. This is one of the key changes that the federal judge had indicated, and that is that cars supplied by railroads be allocated on the basis of conditions published by the railroads. Of course, that's a major change from the concept that we are working in today.

The rail rate cap. This is probably the only place that we as provinces differ somewhat from the judge's recommendation. The

judge recommended that the current statutory rate cap be repealed. The provinces are saying: "No, not now. Do it after these other things are put in place so that indeed we don't leave any risk out there as far as the rate caps being taken off, the rail rates going sky high, and none of these other changes having taken place." Again, if we do it in a holistic approach, probably there won't be any problem. Nevertheless, the provinces have said: let's wait until we see how these other factors are implemented before we allow for the removal of rate caps. So that's the only change from the original recommendations of the judge that the provinces are really united on.

Competition between railroads. The judge recommended that connecting rail lines be simplified to better serve the national interest. Certainly we in the province of Alberta and the neighbouring provinces as well feel very strongly that the railroads have to be fully competitive. We feel very strongly that there have to be linkages. We feel very strongly and the judge has recommended that perhaps joint running rights should be considered as well, and I think that's a very positive feature.

The final offer of arbitration. The judge recommends a streamlined process for the final offer of arbitration, and we support that particular issue.

Branchline abandonment. The judge recommends that communities be given the opportunity to acquire branchlines. That is something that I think is very important, because if indeed a community feels they can do something with that branchline, they should be given that first opportunity, particularly in the south, where some of the abandonments have taken place, as well as in the northwestern part of the province.

The trucks and road repair. The judge has indicated that federal and provincial governments should collaborate to assist in the development of the rural road process, and we certainly agree. We feel that as a province we do have a responsibility in that area. Quite frankly, up until now we've been funding that responsibility, so we were very pleased to see that the judge had indicated there is joint responsibility. Certainly with the removal of the Crow benefit, that was there for many, many years, that has placed the farmers and the municipalities as well as the province totally responsible for the upkeep costs of the infrastructure. The judge has indicated that there has to be a broader spectrum of responsibility and has included the federal government in this particular area.

Recommendations 12, 13, and 14 dealt with harvest quota, contract calls, and the principal role of the board. This is probably the area that is bringing forward the most confrontation and is the major issue that's being discussed, in that these three recommendations relate to recommended changes to the Canadian Wheat Board and its role in the grain handling and transportation system. He's suggested that the Wheat Board should not be involved in deciding the transportation system. He's recommended that that should be changed. It should be changed to move product and should be directly related to that. We support that concept as far as the provinces are concerned.

The last, of course, is to do a complete review after the process is changed. The suggestion is that the review be conducted by the year 2000-2001. The objective of the federal minister when we met with him approximately a month ago was that indeed the next step in the process would start immediately after Easter, with the final objective to have a new process in place for the crop year 2000. I strongly support that, and again we will work very hard, from our perspective at least, to see that this does happen.

Another item that we're involved in. We will be meeting very shortly with the federal Liberal caucus, on April 14 and 15, as a result largely of the input of the Canadian Construction Association, who have put together a meeting with the federal Liberal caucus.

It's hoped that the federal Transport minister as well as the federal Finance minister will be present to hear presentations from labour, from chambers of commerce, from the Construction Association, from all the major bodies to basically hear firsthand the importance of developing a national highways program.

We do have a national highways program identified today, but unfortunately we don't really have a national highways funding program. That's really what's being lobbied for, and to us, at least, we feel it's critical. It's important if we're going to maintain our competitiveness with the Americans, who have designed a program that's going to be funded by \$218 billion over five years. We're simply going to be left out of the picture if we continue to rely on the provinces to stand alone. Further to that, we feel that the federal government is not being responsible in not funding this particular program. They draw in excess of \$620 million in just road tax out of Alberta every year. They draw almost a billion dollars in fuel tax from this province every year. That's a significant, substantial amount of money.

I've just got a chart that I want to read from, which goes back to 1987, where we have defined the amount of money that we've put into maintaining what's considered the national highways program. I can go through it year by year, but I don't think it's necessary. It totals \$1,137,000,000 during that time just for the national highways program. The federal government in the meantime placed \$11 million in 1987, another \$30 million in 1993, for a total after 1998 of \$41 million dollars. Obviously when you compare that Alberta's put in \$1,137,000,000 and the federal government has contributed \$41 million, there's quite an anomaly there.

3:10

When you consider that the federal government collects approximately, when you include fuel tax and GST, 13 cents a litre in fuel tax and the province collects 9 cents a litre in fuel tax, there's quite an anomaly there. I think I would urge our friends from the opposition to really be involved in this too, because it appears that there is a window of opportunity now whereby working together we may be able to obtain that recognition that's so important. Indeed the national highways network is the glue that keeps the fabric of this nation together, so I really feel very strongly that this is the opportunity and this is the time to be putting pressure on. The federal minister has indicated that he will be going to his cabinet with a presentation of some 700 . . .

THE DEPUTY CHAIRMAN: I hesitate to interrupt you, hon. minister, but your time has expired.

MR. PASZKOWSKI: Oh, shucks. Sorry.

THE DEPUTY CHAIRMAN: I'm sure you'll have the opportunity to speak again.

The hon. Member for Lethbridge-East.

DR. NICOL: Thank you, Madam Chairman. It was unfortunate; we were just getting involved in this discussion that was going on across here. I want to start with a couple of questions just where the minister ended up. He was talking about the difference between provincial and federal taxation, the cost sharing of the roadways, and he mentioned the 13-cent federal tax versus the 9-cent provincial. Those were the numbers? What I would like to ask the minister is: would he prefer a lobbying, if you want to call it that, with the federal government to reduce the federal cents-per-litre tax so the province can replace that? Or would you just rather have it stay at the 13 cents federal tax and have cost-sharing arrangements worked

out? Because this is a degree of flexibility and a degree of responsibility, accountability, and recognition, I guess, in terms of the highway systems. So that was just kind of a concluding remark on the minister's statements at the end.

The other questions I'd like to raise with respect to the minister's opening comments deal with some of the issues that he brought up with respect to the Estey report. I was wondering: has the ministry at this time done any impact study in terms of infrastructure costs to Alberta? How much is it going to cost us to maintain, upgrade, and facilitate our highway system in response to some of the changes that are expected as we get the rail line abandonment, the consolidation of the bigger trucks that are going to be there because of the increased responsibility for transportation by the grain producer as opposed to the transportation network? So there's going to be a heavier reliance on the road system, and I was just wondering if the minister at any time has done an impact study on it in terms of what it would cost us out of our Treasury to deal with that.

The other thing that I was wanting to ask about in some of the comments he made was his reference to the disaster services and specifically the '97 situation. The Granum fire -- I think that's kind of the title that was put on it -- in '97 was significant. It did a lot of damage. This year we've seen a number of fires across southern Alberta again because of the dry conditions, and I was just wondering if there were, like, benchmarks. How large does a fire have to become before it gets involved in the co-ordination of the southern region office for disaster services?

This goes back to I guess some supporting information that would be useful to me as I look at the comments the minister made with respect to the southwestern communities' application for that RRIP grant. You know, if the communications system of the southern disaster services could be rolled into this, this is something we might want to look at in the context of how they respond. How many different municipalities, different jurisdictions need to respond to a disaster, a fire or a flood, before disaster services becomes involved? So those were the questions that came up with respect to the comments at the start.

The other questions that I'd like to ask, Madam Chairman, basically deal with some of the issues that are reported in the business plan of the ministry. Mr. Minister, if you want to follow along, I'm using the thick book, *The Right Balance*, and about page 309 is where they start. I guess I kind of covered that first comment I wanted to make with respect to that.

If we look on page 311, your core business, you define the issues of road, driver, and vehicle safety. The minister and I have had a conversation already this session about some of the test strips that he has out, that ripple strip down the centre of the highways. I was wondering if he could report back on the success that's coming from these tests that are out there. Does he have any idea how effective they've been? Have they been able to reduce traffic accidents or wandering across onto the wrong side of the road, in the cases where they are? If they look to be effective, what might be the cost and the timing for some broad-based implementation across Alberta in terms of some of the other highways? I know I've driven in a couple of the areas, and it was really interesting to watch the response that came from some of the drivers as they wandered toward the middle line and would hit that ripple strip. Just right away they're back where they're supposed to be. I was very encouraged by that. It looked like a real opportunity for us.

The other thing. On page 312 you have your resource roads improvement and infrastructure programs. I was wondering if this funding program would be available for some of the rural municipalities as they deal with looking at improving their roads, the base roads, in response to some of the heavy traffic that's now out there

with feedlots and all the B trains that are delivering grain or the cattle liners that are either bringing in the feeders or taking out the fats. We're talking now about agriculture as one of our base production and economic generators in the province. If we're going to do it for a municipality because there's a truck now running on it with trees, logs, or other aspects like that, could we also be looking at that in the context of improvement for local roads, in the context of the increased demand that's put on them, the increased wear and tear that's put on them because of the feedlots?

Referring back to some of the things we were addressing just a minute ago. As some of these new, megadelivery, large-scale, high-throughput elevators get set up, this is going to create real concentrations of use on roads fanning out from the communities where those new high-throughput elevators get established. Is it possible that that program definition would be broad enough to include those kinds of things as well?

The other comment that I wanted to look at briefly was on page 313, your performance measure for goal 1, the secondary highway improvements. You're reporting there basically a fairly constant 1.34 -- what is that? -- international roughness index on the highways. I was wondering: are there any opportunities to break that out on a regional basis? As we travel the province -- and I know the minister does that quite often -- you hear people say: you know, the roads in our area are not as good as the roads in another part of the province. If those were available on a regional basis, it would sure help those of us that are traveling to be able to go out and say: well, the data from the ministry are showing us that maybe your area is only .01 or .02 off the provincial average, so really that's insignificant. You know, it's just perception as much as it is fact. I know those are the kinds of supporting data that we could really use as we travel the province and try to field the concerns of the constituents: the taxpayers, the drivers, the people who are using the roads.

3:20

Secondly, especially on that index, are you using this kind of an index as well to look at when a highway may need to be upgraded, when it may need resurfacing, when it needs to be repaired? This seems to me to be a very appropriate measure on a particular highway. I know all of the highways in the province are broken down into grid sections. If those indexes were available, are they usable within that context? I'm not that familiar with the index and its ability to be fine-tuned to that level.

The other thing just in connection with those again is: how often do you reindex each of the sections of highways? Are the highways pretty well reindexed completely every year, or is it on a three-year cycle? How does that work out? Or is it, like, after a major upgrade you know that it's going to stay at a good level until the fifth year or the seventh year, and then you start doing the index? It would be interesting for us to have that kind of information to help on it.

Another question that I have is on what would basically be page 315 of that business plan in this large book, your intermodal transportation project or program. I was wondering what options are available and what might be there for communities that want to establish or want to retain their intermodal transfer stations. The minister's probably aware that about three years ago, I think it was, Lethbridge was in the throes of the CPR closing down their transport station, and the users of that facility were going to have to truck to Calgary to get onto the rail lines. So what happens is that the container now comes from Calgary down to southern Alberta, the Lethbridge area, gets filled, gets trucked back to Calgary. In the context of wear and tear on our roads with these container trucks running on them, would it not be cost-effective for us as a public to be putting some dollars into supporting these intermodal transfer

stations to get our freight onto the rail line instead of having it run on our publicly maintained and publicly built roadway system? I was wondering if the minister had any information or any data, whether they had looked into those kinds of trade-offs and cost benefits from having a broader distribution of those intermodal transfer systems.

The other thing that I wanted to just bring up. If we look at the difference between the rating system for goal 1, the secondary highway pavement condition, then we look at the primary highway pavement condition under goal 4, page 317, we see that there's a very significant difference in the IRI for those two conditions. The secondary roads are at 1.34. The primary roads: the national highway system runs between 1.76 -- it is coming down over the four or five years that are reported there. The other primary highways are also coming down. Is it the minister's intent or wish that some day the primary highway indexes will be down at the level where the secondary roads are? Or is the little rating box that you have under there, where the U.S. Federal Highway Administration has designated 1.49 as a good highway -- is that the level that you would like to see targeted for . . . That's great. The minister was signaling yes on that, so I thank him for his answer.

Other aspects that I wanted to look at a little bit are on page 318, the section on mechanical safety of commercial vehicles. It looks to me like an increased tolerance for minor on-site adjustments. Is there some option for a program to be put in place where there might be a requirement for education on the minor maintenance, the minor inspections of a vehicle? You know, like when you see the pilot get out and walk around his airplane before he takes off and gets up in the air. Maybe we should be looking, as part of the driver training for a truck licence, a class A licence, at encouraging people to get out and walk around their vehicle or when they stop for fuel to get out and walk around their vehicle just to look at these minor things, to make sure that their lights are working, that everything is properly attached. I was just wondering if that might work.

The other thing there. When we look at the performance measure for goal 6, you've got a situation there where essentially you're dealing with 100 percent compliance. I guess I begin to wonder if a performance measure that is always at 100 percent is necessarily a relevant performance measure. It means either one of two things: that the guideline you're using for measurement is way too high or else the leeway you're allowing in that measurement has got too much freedom in it.

You're talking here about the 30 days to get your claim processed. Maybe what we need to be doing is looking at 25 days or 20 days so that we're not always at 100 percent for compliance. I know for a lot of people that in terms of a disaster 30 days is an awfully long time to wait for a claim to be processed, even to get recognition that they will receive payment sometime in the future. I think it would be much more appropriate in the context of a performance measure to possibly put in the average number of days that it took for a claim so we can see that, you know, the ministry is actually moving from 28 days. Now they're down to 24. This is a real improvement as opposed to just a measure that says you had 100 percent underneath some standard.

The other aspects of that business plan, Madam Chairman, I think are fairly straightforward. It's interesting how many times they discuss the issues of disasters and emergencies. Again I'd like to encourage the minister to include southern Alberta's biggest risk right now, these grass fires that go around, when you talk about those, so that at least they get included in the mind-set of people when we think about disasters. I know that southern Alberta this year has been very fortunate. There have been a number of those fires basically associated with the area south of Fort Macleod on

highway 2, and fortunately at this point there's been no personal injury or disaster from it, no town that's been threatened like Granum was in the '97 fire when that was going right for it. It was just from the good work of a number of people that they were able to prevent it, because it was getting quite close by the time they got it under control. So this is something that we needed to look at.

Madam Chairman, that's basically all the questions I had on this. I think I'll take my seat now and allow someone else to have a chance. Thank you very much. I appreciate the minister listening.

3:30

THE DEPUTY CHAIRMAN: The hon. Minister of Transportation and Utilities.

MR. PASZKOWSKI: Well, I'll very briefly try and answer as many of the questions as I can. Just for the benefit of those who are asking questions, if I'm not able to answer the questions or if we run out of time, we'll see that they are responded to in a written form. So we will try and respond to all of the questions.

The preference for the national highways program, whether it be a federal drop in tax or sharing. What we're looking at is some sort of a partnership. Now, we're flexible. As far as the provinces are concerned, we're flexible. It would be to the benefit of everyone, of course, to have a drop in tax. We as a province certainly believe very strongly in low taxation, and if we were to have our way, we'd have the drop in tax as our number one priority.

Having said that, we're also involved in another discussion that I ran out of time before I got to, and that's the whole issue of the discussion of climate change. As you know, one of the priorities of the table on transportation -- and there are some 15 tables that are involved in the climate change discussion -- one of the priority items that has been coming forward to date has been the whole issue of a tax increase with the idea that if you increase taxes, you'll keep vehicles off the road, and what will it take to keep vehicles off the road? This deeply concerns us because there hasn't been a cost-benefit analysis done, and without a cost-benefit analysis you really can't make a proper judgment.

What's being considered or at least talked about there is that there would be an increase in taxes on fuel of 3 cents per litre per year for 10 years. That would be of course a 30-cent tax increase, which I think would do disaster to our economy and would be very, very difficult for an exporting province such as ours. I really feel very strongly that that is not the way to go. Certainly any encouragement from your caucus would be very helpful in that particular area as well. I don't think that's the way we should be solving that particular problem. Nevertheless, it could become reality here, so that's one of the issues that will be discussed at the climate change summit that'll be held the 30th of April and 1st of May.

What we really want is some sort of a partnership as far as the national highways program is concerned. We feel that there is joint responsibility. We know the trucking companies are now doing their business in the States, moving east/west through the United States rather than through Canada. That means we're losing business. That really is not the shortest route either for many of these companies. It's just not good for the business climate alike. So we're open on that, and we're certainly quite involved in discussions. As I said, we'll be making a presentation on the 14th. I think I'm going to be chairing that particular function as far as the provinces are concerned, and we will be bringing a position representing all of the provinces on this. This is one that all 10 provinces are totally united on as well as the two territories, or three territories it is becoming now.

The Estey report: have we done a cost-benefit study as a province?

No. We're doing it as a joint western Canada. All the provinces have agreed with the federal government. We will do the study, and we just basically define what the additional costing on our infrastructure is. So that's what we're in the process of. It's going to be an integral part, hopefully, of the final conclusions of the Estey report. We don't have that completed. We'll be doing it as western provinces. Saskatchewan was originally going to take the lead on it, but things didn't move along as rapidly as we felt they should, so we're going to get involved as well in this process.

DR. NICOL: Will it be a public document?

MR. PASZKOWSKI: I would expect it will be a public document, because we're going to have to table it to the federal government, so obviously it should be. It'll be useful for us as well. That ties in a little bit to our disentanglement process, where we're also looking at doing the benchmarking so that we know the demographics of the traffic flow change. It'll help in that process too. We're going to hopefully through a period of time -- and it's going to take time, because this is a huge project. The disentanglement is a huge project, a huge undertaking; nevertheless, we have to benchmark in order to fully appreciate if we're developing efficiencies. You really can't say: well, yeah, if we do this, it's going to really, really save us money. We have to benchmark. We have to know where we're starting from. We also have to know where the demographics are and where they've changed. So we will require that. It'll be very helpful for the Estey report.

The Granum fire. There is a formula that really identifies the programs that qualify for disaster services, and certainly the scope is part of it. It has to be multijurisdictional, noninsurable items for example. It can't be something insurable that will be covered, regardless of the size and the scope of the fire. It's covered through a joint federal/provincial agreement, and both parties have to concur. If the province wants to decide that it qualifies, it can, but then it's responsible for the whole funding of the project, and there is no partnership in that process. There are clear guidelines as to what qualifies and what doesn't. There are different components. There's an agricultural component as well.

[Mr. Clegg in the chair]

I understand that it is under review. We met with the federal minister a month ago regarding just where this process is at. I understand that really nothing's progressed very much in this. We're looking at three key areas. One, to obtain assistance in developing our floodplains in the province, because we're really only about half done. We haven't mapped our floodplains throughout the province. In order to really put together a program, we have to do it through the entire province in order to implement any type of policy. Consequently, it's critical that we do the floodplain mapping.

We've also asked for two major changes, one in the agricultural component of the disaster services plan and the other in the partnership component. As you may or may not know, both created some problems with the various disasters that we had in '97. I don't think it's fair, if two people are in a partnership, that they are automatically excluded from funding. It just doesn't seem like the right process, and I don't think it's fair that agricultural elements should be excluded as well. I think you'll agree with me that those are two key areas that we have to continue to work on as well as the floodplain mapping.

Centre rumble strips. These were pilots we did in four areas of the province to determine their success. We did it last year; it's the first year that we've had them. The early indicators are: extremely

successful. In order to do a pilot program, you really should do it over a period of years and then assemble the information. We felt this one was so successful that we're going to move ahead in a fairly substantive direction this immediate year. Even though we don't have the length of documentation that a normal pilot should take, this one has shown some very, very early signs of total success.

The other thing it did was clearly indicate that we don't need the width of the rumble strips on the outside of the road either. So we'll be narrowing the width of the rumble strips on the outside of the road as well to a narrower profile. It certainly does, as you pointed out, wake you very quickly and tells you that you're somewhere you shouldn't be. So this year we'll be doing a fair amount of additional centre line rumble stripping. Yes, it does appear to be successful, even though we can't document it through a period of documentation.

Resource road improvement. The applications for this budget year closed yesterday. Yes, the resource road primarily is designed for new development. Primarily it's designed for expanded development, not ongoing. The ongoing funding should be there through our regular rural funding programs because it's not something new. Consequently, it should be incorporated into the budgeting process. What this is designed for is to encourage value adding in the agricultural community and accommodate some of the consolidation that's taken place as far as elevators.

As far as rural granting is concerned, we have recognized the importance of funding for the rural component. As I pointed out to the AAMDC yesterday, in 1992-93, which is before the restructuring took place, we were funding \$12 million less than we will be funding this budget year as far as rural roads are concerned. So that includes secondary highways, grants to rural municipalities, resource roads and new industry programs, grants to transitional municipalities. So we are recognizing the importance and the need, and as a result of that, we're almost \$12 million larger in funding in '99 than we were in '92. So we do recognize the importance and are accommodating that as well.

3:40

Performance measures. We do use the indexing. It's part of the formula for maintenance. If the number gets too high, that becomes part of the formula and certainly is a critical part. It's not just the moisture level. The two tie in, because as soon as you get a higher moisture level under the surface, the roughness increases very dramatically, so the two are very supportive of need. So it won't be long, if your moisture level increases, until your road is going to really get out of whack as far as the index is concerned.

Intermodal transportation. That's something that is really key that we are working towards, because if we're going to be successful in value adding, we're going to move the product in different form. It's critical that we are successful in value adding, because then our infrastructure is actually carrying the product at a higher value. That's ultimately what we really want to achieve. So the two work hand in hand.

The Lethbridge situation. We had met with the carriers several times to encourage the nonabandonment of Lethbridge in their particular area. What happened was that there was a huge intermodal complex built in Calgary with the idea that that's going to service the whole region. Ultimately, to make that intermodal complex work, the volumes have to be in that one complex. The feeling was that they had built this huge complex, and it would be accommodative to the point where it would be more successful. It could deliver the service at a cheaper rate. Very difficult to argue with the logic of what was coming forward. It is my understanding, though, that there's also some opportunity that's starting to come

south as well, so there may be some opportunities that will develop from both south and north as far as Lethbridge is concerned. Intermodal is really key, and it's not just in the rail. It's road, it's rail, and it's air.

One of the things that we have become involved in, very much so, as far as facilitators are concerned -- we're not going to get into the business of being in business. That's something that I'm very, very clear on. We want to see the air carriers getting into the cargo business, because really the rest of the world is in that in a big way. A huge opportunity there, and again, as we move to the just-in-time delivery system, that's going to become increasingly more important.

We do know that in Canada our passenger service is relatively competitive with the carriers in the rest of the world, but our cargo, our bellies are flying empty. When you consider that in the rest of the world the bellies are flying full and the passenger level is the same as ours, they're getting quite a marked advantage over us. Consequently, we're going to have to work with the clients. We're going to have to work with the carriers. We're going to have to work with the airport authorities as well as the regional airports, because they have a significant role to play in this. Doing that, hopefully we'll be able to catch up to the rest of the world, because we are behind now as far as transportation in the intermodal field is concerned. We've got some mileage to make up, and we've got to continue to work hard to see that that catches up, especially with the just-in-time.

The whole concept of moving products is going to change, and it's going to change very significantly. Warehousing is going to be smaller but located in key areas where the rail, the road, and the air come together. It's going to be on a daily basis, so there's going to be in some cases less traffic. There may be in some cases more traffic as well, just as they do in Japan where the little trucks basically are whistling back and forth. Every plane that arrives brings forward more product, and that's deemed to be a savings of 5 and a half percent there in inventory alone. That's significant. If you can save 5 and a half percent and get that 5 and a half percent step ahead of the rest of the world -- that's what we're behind right now, and that's where we've got to play catch-up.

The mechanical safety. Actually, that's in terms of percentages, not in terms of days, the percentages of commercial vehicles that have something wrong with them. I'd just like to share that in the last two years the school buses that have had something wrong with them, not serious but just something that was wrong with them, that's down to 8.9 percent, which is down from 16 percent two years ago. So overall we're making some inroads. We're making some progress in that particular area, and we want to keep working on it and getting it down.

The PIC program. We're looking at developing the PIC program into the school bus area as well as the commercial carriers. By the way, the PIC program, which started in Alberta, is now starting to move into other states and other parts of Canada as well. They're starting to pick up on it. Indeed, the carriers themselves get benefits for their commercial fleet. Actually they get many benefits, because as long as you keep a vehicle on the road, that's making you more money as well as being safer, so you don't get caught in the risks of having accidents and the likes of that.

Again, the disaster program I think I've covered. It has to meet all the factors that are assigned in the federal/provincial program. Part of it has to be of a fairly serious scope. Just a local fire is not considered and doesn't fit into the category at all.

THE ACTING CHAIRMAN: The hon. Member for Edmonton-Manning.

MR. GIBBONS: Thank you, Mr. Chairman. I have a few questions here for the minister today on transportation. On some of the issues, as I travel the province, the overlap between municipal and Transportation is a very thin line. One of the issues I'd like to ask, Mr. Minister, is around privatization and primary highway deterioration and maintenance.

Some of the rural municipalities have complained about the deterioration of our primary highway system and the level of maintenance of these highways, which we believe to be of a poorer quality than we'd become accustomed to. From the concerns expressed, it is obvious that many believe that privatization has had a significant negative effect on the amount and quality of maintenance of our primary highways. Some of the questions I'd like to ask around that: what is the minister doing to improve the situation and communicating? Are we getting value for the money on the privatization of the highway system?

As outlined, I'd like to mention a few other things. Privatization was supposed to save money, but that is not apparent from the budget documents. The budget for maintenance used to be \$60 million to \$65 million before privatization. In 1998-99 it will be about \$94 million and \$97 million in the next budget year. Are you getting more maintenance work done, or is it just costing more money to be in the privatized world? Could the minister please explain how we can find out from the budget which budget line in the system? Will the minister help us look underneath the budget and give us some figures that will enable us to determine what benefits, if any, there have been around privatizing highway maintenance? Can he supply figures from before the privatization compared to the current budget? Can he provide some cost-benefit analysis and show us if they're getting value for the money since going private?

I found it very interesting listening to the minister at the AAMDC spring conference. What is very interesting is his comments around disentanglement, and I did hear what he mentioned to our hon. Member for Lethbridge-East just prior to this. I hope there is something done around that, in between how we think of highways and secondary roads and so on, and the connection to who the taxpayer is here. If you go out to the small towns throughout Alberta, from south to north -- it doesn't matter -- I'm getting the same thing. Maybe the members representing the government aren't getting the kind of concerns that I'm getting. The local municipal councillors, whether they're in the counties, MDs, or in the small towns, cities, or villages, whatever, they're taking the heat for tax increases. If there's only one taxpayer, Mr. Minister, why are the municipal pockets always flat broke while the provincial pockets are always flush with cash? It's around the hidden deficit. I keep bringing this out.

Then what I hear about partnership is that that is a very, very important item. I've been stressing for two years now under my municipal critic area that you should form a formal declaration outlining the roles and responsibilities of the government and the local municipalities. You yourself came from being a local municipally elected person. Start setting up three-year rolling grants or some other system in our plans so they can start planning for the future.

3:50

Today I was at the annual meeting of the Alberta Capital Region Alliance Ltd., and their number one objective is to talk about transportation. That's their number one issue also. I tabled five copies earlier on of their annual report. You'll find how they do speak of transportation and how they feel as if they're not being listened to. And that's the other thing. As I talked to people

yesterday at the AAMD and C and I talked to people today at the Alliance meeting, I asked them what happened when the minister had his meeting at 1:30 on March 30. They said that you were very busy, that there were lots of questions to you and that they were tough questions. But they also said that they didn't ask as many questions yesterday because they just feel as if it's almost falling on deaf ears with the government, that their concerns about the downloading are not being listened to.

I look at items around provincial roads and infrastructure, and we look at the dollars in the line items for Indian reservations and Métis settlements. I look at the dollars and the concerns we have around the north/south corridor. Yes, the north/south corridor is very important, but I'm wondering: who's lobbying for northeast Alberta too? Northeast Alberta brings in an awful lot of tax dollars, an awful lot of employment in Fort McMurray, Bonnyville, Cold Lake, and it seems like it's this roller-coaster effect of getting up to the northwest.

I was also talking to local politicians in the last two days. I was telling them a story about going up to Bonnyville-Cold Lake a month ago. Yes, I do travel the province extensively, and no, I don't go up there preaching politics. I go up there actually in my job of being the critic of Municipal Affairs. I asked the people in Bonnyville: what's the quickest way back to Edmonton? I went up through the Vegreville-St. Paul area, highway 36, and they said: oh, go back down highway 28; it's the fastest. But they warned me about the roller-coaster effect on the bottom end of 28 when it joins 28A. I bought a four-by-four a few months ago, and I wondered if it was the four-by-four. I was going like a roller coaster. The councillor up in Bonnyville sure told me the right thing. Highway 28 is okay until you get to that Y section.

Then I talked to the people around the town of Bon Accord, and the same comments came that I put forward last year, Mr. Minister. It's the fact that people are moving out of Bon Accord due to the fact they're fed up with the road they have, the nonshoulders. There just seems to be no concern. They are also talking with the people from Gibbons and Bon Accord about the visibility lights at the intersection of Gibbons and highway 28. It's a very dangerous corner. Yes, you did send me a letter last year, but I do wonder: who lobbies out there? If I have to move my constituency a little bit farther north, maybe that might be what will happen.

Rural transportation partnership. Like I said, I've been stressing that I heard it from you that you want to start looking at partnership there.

The grants to rural municipalities: an increase of 21 percent in total budget in 1999-2000 despite the fact that the lottery moneys have disappeared this year. Grants to rural municipalities are two and a half times the 1998-99 budget, as \$43 million was given in supplementary estimates. Now, I can keep talking about this. Due to the increase in growth that has resulted from the increase in economic activity, the Premier's Task Force on Infrastructure -- and we keep talking about the Premier's Task Force on Infrastructure. Here's a bunch of dedicated people coming together, but I keep hearing the Premier saying that he doesn't know anything about the report. He doesn't know anything about the tax report on education either, but his name is labeled behind it. This includes the \$10 million rural transportation grant, the \$5 million for access to the Métis settlements, and the \$5 million for local roads and bridges. Is the entire \$20 million in this budget line item? How is the \$5 million for bridges restoration allocated, and what determines the need?

In the Lac Ste. Anne paper there was an article this past year, and it talked about the provincial government simply not allocating enough money in this area, referring to the provincial \$5 million

annual bridge restoration budget as peanuts. This was the Mayerthorpe December 1998 paper. The county of Lac Ste. Anne said that they wouldn't have any difficulty spending the \$5 million dollars themselves over three years. But believe me; they've already spent the \$5 million, from my conversation with them the last couple of days. Some of the bridges are in such bad condition that Lac Ste. Anne county said that they may be forced to close some bridges. Is some or all of the money for the streets improvement program funding of up to \$12 million recommended by the Premier's Task Force on Infrastructure in this line item, or does some or all of it come from line 2.5, urban transportation partnerships?

Mr. Minister, probably the final thing I want to say -- I do commend you for standing up and answering the questions each time -- is under program 3, national infrastructure program. The total budget is less than \$200,000, 50 percent lower than last year. Yesterday I stood up and commended the minister of agriculture that it looks as if his department is dealing quite closely with the feds, and then I look at something like this. Because I don't know the answer, I'm not going to throw a smart remark out, but I do hope that it's not another dig-in-your-heels and blame the feds. But if it is the feds, I'll go to task with them with you.

Thank you.

THE ACTING CHAIRMAN: The hon. Minister of Transportation and Utilities.

MR. PASZKOWSKI: Thank you, Mr. Chairman. Thank you to the hon. Member for Edmonton-Manning. As far as privatization -- that was the first question that was raised -- privatization only was taking place on the primaries. The municipalities don't have jurisdiction over the primaries; it's the province that looks after primaries. So there should be no effect whatsoever on the municipalities regarding primaries.

The Critical Link had identified a need for an additional \$216 million in order to bring our funding back to -- and the Critical Link was a document that was prepared for the summit that was held in 1997. Of that, this past year we're funding over \$216 million, so indeed we're actually going to be putting more money into the requirements that were identified at that time than what indeed the Critical Link had identified.

How do we measure privatization? We continue to have the auditing process that we've always had as far as maintenance is concerned. We do the auditing, not the private enterprise, the privatized people. We actually have still the same responsibilities that we had previously, so there really is no change.

The saving of money by privatization. Yes, that question was asked. I think it was either under Written Questions or Motions for Returns. We've accepted that, and we're going to be providing all of the information that was asked for, so that is coming forward. The early indications are that there's somewhere between \$15 million and \$20 million that are being saved every year, and that is despite the fact there are more vehicles on the road, that's despite the fact that we have more roads to look after, and it's despite the fact that the majority of our roads were paved 15 to 20 years ago. The cycle comes around every 15 to 20 years where you have to rehabilitate. It's despite all of the issues that have changed. There are more miles. There are more roads. There's 35 percent more commercial truck traffic on the roads than there was in '93. So all of those have happened.

The other interesting thing that's happened: we've saved approximately \$3 million by privatizing our CVO. Not only have we saved the \$3 million by privatizing the CVO, there's an article that indicates that the company we contracted with to obtain this \$3

million savings has now moved their whole operation to Alberta. That's a \$60 million operation that is now headquartered in Alberta. So not only have we achieved the savings, but we've also achieved a new business and a new headquarters in this province. Those are some of the successes that we can measure as far as privatization is concerned.

4:00

As far as employment is concerned, approximately 90 percent of the people who work for transportation are now working for the privatized groups that are providing the maintenance, so indeed that is something that has been a true, true success.

Disentanglement. The process of disentanglement is really one to find if there is a better way of delivering the service. There are two examples that I will provide. One example is where on our primary highways we deliver the maintenance, do all the building, and provide all the services up to the city limits. Within the city limits, that same road, we grant the city money and the city provides the maintenance. Then outside the city limits again the process changes. Graders come along, maintain snow removal. They come to the city limits, raise their blade, go through the city, lower their blade, and start snow removal again. Is that the most efficient way of delivering the service? I don't think so. So that's one of the things that disentanglement is looking at.

The other item that I use as an example. We have a primary road going north/south; we have a secondary road that intersects east/west. As far as maintenance is concerned, we have one delivery of service by one supplier going north/south, and we have another delivery of service going east/west by a different group. Is that the best way of delivering the service? I'm not sure, but it doesn't sound like it very likely is. These are some of the efficiencies that we're exploring to see if there is a better way.

I met with the municipality of Cleardale during the last AAMD and C meeting, and they have already instituted where the same provider of the service on the primary highway is providing the service on the secondary highway. They've found that there's quite a savings there, so indeed if there is a more efficient way of delivering that service, that will leave us more dollars that we can put back into the pot to build more roads and to provide more maintenance for additional roads. It just makes sense that those are some of the things we have to look at. I think we're responsible to do that, and I think it's incumbent upon us to do those kinds of things. That's really what disentanglement is about.

There are two separate packages. One is funding. The other is to see if there are more efficiencies, and that's what disentanglement is really seeking out. I mentioned that the whole process has to be cost neutral. That has to be, because at the end of the day how can you benchmark? If indeed you're not going to have cost neutrality, you really can't benchmark properly. So ultimately that's our goal, and that's objective.

Good questions regarding the funding of secondaries. The question was asked from the floor: when will the province assume full responsibility of funding for secondary roads in the province? Interestingly enough, subsequent to that, I met with several municipalities who said: for heaven's sake, don't do that, because before you instituted the 75-25, the arrangement was that we do the grading and the province does the paving, and we don't want that. So there isn't very much unanimity in that. Sometimes you get what you ask for, and I'm not sure that some of these people might want exactly what they're asking for. Actually the municipalities that I met with said: we got a better deal today than what we had before, so for heaven's sake don't change it. That was rather interesting, because not all the municipalities were singing off the same song sheet on that particular item.

What's happening in the northeast? We've got a fairly heavy

program going on in the northeast. Highway 63, for example, has been identified as an ongoing project. Certainly the northeast is a very critical part of the development of this province, and the economic potential coming from the northeast is well recognized by not only our department but by the hon. ministers of Economic Development and Energy and by all. We certainly consider the northeast as one of the prime areas of this province.

The roughness of roads. This is a bad time for frost heaves, and we've had them from day one. Frost heaves are a part of our climate, and I don't know how we'll ever get away from it. No technology has been developed to do away with frost heaves, unless you place a whole insulation type of thing under the roads. Our climate is just one that's subject to frost heaves. That's reality. How do we change that? We don't have the technology to change that. That's not just in Alberta. That's global. That's worldwide. Yes, the roads may indeed be a little rougher than what they normally are at this time of year, but that's going to keep happening until someone develops the technology to do away with that. As soon as that technology is there, I assure you that if we're not the ones that develop it, we'll certainly be there to use it.

The area just north of Edmonton. I have to compliment the hon. Member for Redwater because he has been a very, very competent lobbyist, and I certainly respect his work in really providing us with direction, certainly identifying the needs that are there. In every case we've tried to respond and will continue to. There have been studies done on that particular area of lighting that is a concern, and certainly the hon. Member for Redwater has done a very, very good job of lobbying on behalf of his constituents.

The infrastructure funding and what the Premier's task force has done on infrastructure. It's been significant. We were able to advance \$130 million last year, and we're advancing our budget by an additional \$150 million per year for the next three years of our business plan. One hundred and fifty million dollars is a significant amount of money, and there is a significant portion of that going to the municipalities.

As far as bridges for municipalities, the additional \$5 million per year is significant, and quite frankly the municipalities have been quite appreciative of it.

Again, the streets improvement program and what we've done. The original streets improvement program was simply there for two years and then was to be sunsetted. What we have done is extended the streets improvement program so that it will be there to cover every community in the province, and with the additional money that we're obtaining from the Premier's infrastructure committee, we're able to do that. That money has really filled the void that was developing as our infrastructure was showing some signs of deterioration. So with that increase of funding, we're able to do a lot of things that are really critical and really urgent.

As to the money from the national infrastructure program, that's the final year of the federal/provincial/municipal infrastructure program. That's our final contribution. Now, if the federal government wants to come back with another program, I'd appreciate your ability to lobby on our behalf, because indeed that was a successful program. That money that's included there is simply the windup of that federal/provincial/municipal program. It's the federal government that's not funding that program, so indeed if you're sincere in saying that you're going to lobby, there's your chance, because that was a federal program.

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

MS BLAKEMAN: Thank you very much, Mr. Chairman. A couple

of questions I have in different areas for the minister, and I'm appreciative of having this opportunity to debate with the minister and ask questions and hopefully receive answers for them. Unfortunately I was in another committee at the time that this particular committee was up for debate, so I'm glad of having the opportunity to do it.

Now, first of all, I have some questions about the use of lottery dollars in this particular department. I notice that \$71,700,000 is being paid directly out of the lottery funds, as it appears, under Economic Development actually, into the Department of Transportation and Utilities, specifically \$65 million for the north/south trade corridor highway infrastructure and \$6,700,000 for the Deerfoot Trail and 96th Avenue NE. I have a couple of questions about this. I note that when we talk about use of lottery funds, if I look at a government of Alberta news release dated Tuesday, October 20, 1998, which is comments from Premier Klein, he is saying that "gaming and lottery profits not be directed to the province's general revenue fund" and that "gaming and lottery profits collected by the province be directed to charitable and non-profit . . . initiatives." That in fact is backing up the recommendations that came from the gaming summit. They almost exactly mirror them.

4:10

Recommendation 4 was "that gaming and lottery profits not be directed to the province's General Revenue Fund." Recommendation 5 was "that all gaming and lottery profits collected by the province be directed to supporting charitable or non-profit community initiatives." So I'm wondering why there is a significant, at least significant to me, \$71 million, almost \$72 million, that is now designated from the lottery fund specifically to these projects in Transportation and Utilities. I note that the rationale given by the participants at the gaming summit was that the participants felt there was considerable concern that lottery funds were being used, in part, to supplement the operational costs of essential services. Not only is this contrary to one of the Guiding Principles recommended by the 1995 Lottery Review Committee, but it creates a dependence on an unstable source of funds.

When I looked at the actual breakdown, in fact I thought: well, you know, maybe this money was being directed specifically from the lottery fund because this was a new initiative. So I had a look, and no, indeed, vote 2 quite clearly is construction and operation of transportation systems. I thought: well, maybe this is somehow special; it's a primary highway. No; in fact under vote 2.2.1, primary highway construction, there is an expense for operating expense and an expense for capital investment. So this would seem to me to be absolutely contrary to what the intention was, that the lottery funds were to be used in the community for nonprofit, charitable activities. Here we have obviously something very integral to the operation of the province, and that is infrastructure money for primary highways. In fact, there is a vote directly to it in the estimates under Transportation and Utilities, program 2, construction and operation of transportation systems. I have a question about why that is appearing.

I have a great deal of concern about the fact that it appears that all of the estimated dollars from the lottery fund have now been assigned to various programs pre-existing in most of the departments that this government has. I think there are three departments where there hasn't been a program transferred to now be funded in part or wholly from the lottery dollars. This seems to me to be against the spirit of the quotations I gave earlier from the Premier and also from the gambling summit. So perhaps the minister could clear that one up for me.

I often find it helpful to look at the recommendations that the Auditor General has made and to ask for an update on how any of

those recommendations are going or how they're being implemented. I have to say that this department appears, to my eye anyway -- although I'll admit this is not my area of expertise -- to not have that many concerns expressed by the Auditor General. But one of the ones I noticed -- and in the previous year it was recommendation 39 -- was regarding integrating "the Infrastructure Management System cost-benefit analysis into the project management process." There seems to have been credit given where it's due. There is a suggestion that the IMS cost-benefit analysis has not been well integrated into the process and that the information that's being gathered is not being used to manage and update based on new information. So it seems like the loop is not complete there.

Obviously the work was done to set up the system, but that sort of constant monitoring and evaluation and feedback loop-in to make corrections -- the circle is not complete there. I'm wondering if the minister could comment on that. I think this cost-benefit analysis does need to be updated and evaluated on a consistent periodic basis, whether that's every six months or once a year, just to make sure that it's all staying on-line.

The year 2000. I understand the expectation is that utility companies are responsible for Y2K compliance as far as any of the utilities that we could think of: electricity, water, and gas. The municipalities should be Y2K compliant, obviously, and looking after any disasters that might happen around this. It would fall under them, and they're expected to have their plans in place. I think, in fact, that the branch may well be expected to respond to disasters or assist with an emergency response, and I'm wondering what active role is being prepared for there.

That puts me in mind of something else. I know other people have questioned the minister on this, but if you'll forgive me, I wasn't able to be in this committee meeting. I was in the other committee meeting, so I'll have to repeat the question. I notice that there has been a decrease in the amount of money set aside. I know that the minister and I had this conversation a year ago when I said: well, if you know there's going to be a certain average amount of cost that's put into disaster services in a year, why don't you budget for it? I can't obviously quote, but my memory of the response is: well, we can't ever plan for disasters, which is why we have to do a supplementary supply. It was during the supplementary supply debates, Mr. Minister. That's why.

Therefore, no expense would be spared, if necessary, to be spent to assist with an emergency response to a disaster. The money would be found. Things would go ahead. Planes would fly. People would go places and fight fires or whatever. Then after the fact, money would be sort of found through a supplementary supply to pay for it. That still concerns me. We've had a number of disasters, concerned events and activities, natural events that have happened in the province which have required intervention or assistance from the minister's branch on this, and I still wonder why we can't hit closer to some average amount of money.

So I am questioning why there is an even further drop in the amount that's set aside to cover disaster, knowing that this fiscal year is going to cover January 1, 2000, and any unforeseen circumstances rising out of that. I'm not an expert in this area, but as a person on the street it just strikes me: wouldn't this be the year to be making sure that there was money for this and that there was planning for this?

The Auditor General is certainly giving the department credit for having worked with a number of different areas in recognizing the importance of year 2000 and the risk to public safety and having made an effort to make presentations to other organizations and have information on a web site and things like that.

4:20

I'm assuming that the minister has already answered questions about a contingency plan. If that's the case, you needn't repeat yourself. But if you haven't, then I'm glad I asked the question.

There also seem to have been questions by the Auditor General around site restoration, a suggestion although not a specific recommendation. In particular, they were talking about gravel pit sites and fuel tank sites that have to be restored to comply with legislative requirements. This seems to be an accounting problem, if I'm reading this right.

The Department undertakes site restoration work at the request of landowners and records the related expense in the period the work is performed . . . The Department should work with Alberta Treasury to develop an accounting policy for the treatment of site restoration costs and liabilities that is in accordance with generally accepted accounting principles.

I'm just wondering whether that in fact has been adhered to following a recommendation that the department "estimate the cost of site restoration work required to comply with environmental legislation."

Those seem to be the questions I wanted to raise from the Auditor General.

My other question is about highway 2, the north/south trade corridor. Once again, I'm trying to clarify: what does the minister consider this north/south trade corridor? I'm still wondering about an upgrade for highway 2 north from St. Albert to Clyde corner. The minister is shaking his head at me, but I will still go on the record as saying that I travel that road frequently, and I am astounded at how much traffic is on that road between 4 o'clock on a Friday and 10 o'clock at night on a Sunday. It's an astounding amount of traffic on there. It literally is bumper to bumper. There's so much oncoming traffic that you could not pass even if you tried.

MRS. NELSON: Take a deep breath and drive slowly.

MS BLAKEMAN: Well, that's exactly what I do: just stay calm and stay in line.

I am aware of how stacked up the vehicles get in there. Eventually somebody does make a dumb move, and when you've got that many cars lined up, all jockeying for position, and a steady stream of oncoming traffic, that section of road is absolutely ripe for a major disaster. I'm questioning whether anything can be done to assist with this. I know that last year the minister was kind enough to respond that, no, this particular stretch of highway was not showing high enough numbers to warrant any kind of twinning, which is what I was asking for at the time. I continue to ask for that, Mr. Minister. There may not be the consistent amount of traffic anytime you check it during the day, but I'll tell you that for those two and a half days a week, it's a nightmare. It really is, and there are going to be some nasty, nasty accidents there.

As you know, Edmonton is a service centre for the north, and here's all these people coming into Edmonton on the Friday night and going back up north on the Sunday night. There is an astronomical amount of traffic on that road. So I'm hoping that the minister is going to give me good news and let me know that there is going to be some improvement, hopefully twinning at the very least, consistent passing lanes built into this stretch of road.

The last question I had for the minister is one of my favourites. That is the rails for trails program. I'm bringing this up again this year. I think it's a project that's worth bringing up again. This is when rail lines are released -- they're no longer in service -- to the government. The government is purchasing them, or if they already own the section of land or have a right-of-way, then they are donating them to charitable organizations in all provinces across Canada to become part of the Canada Trail.

Here in Alberta we have Alberta Trailnet, which is the provincial organizing body for that. They did, in fact, get a number of sections of short line donated to them this spring. They are fast putting them to good use, but as always I'm looking to the minister to see if there are any other sections of railway that are going to be decommissioned that could be donated to Alberta Trailnet and added on to the system of trails that we have now.

This is for everybody. It's one of the best programs I've seen for popular appeal, for accessibility. Alberta Trailnet incorporates everything from the walkers and the orienteers to the mountain bike riders, horses, snowmobilers. It really crosses the whole range.

[Mrs. Gordon in the chair]

What I'd like to see in Alberta is an entire network that hooks into all of the smaller rural centres that maybe people wouldn't normally go to, but if they can drive their car out to a section and walk from one town to another town, stop there for lunch, take in some of the sights of that rural centre, and then return to their original place, this is just such an excellent way for people to get out and really enjoy our beautiful province and everything it has to offer. This is a very good program. As I say, it's existing all the way across Canada. It has tremendous popular support. People are donating their time to help turn the old rail beds. They're donating their volunteer labour.

MR. PASZKOWSKI: It's under Community Development.

MS BLAKEMAN: It's being gently suggested to me by the minister that this is an area under Community Development, but in fact the rail lines would be released or would come under the control of the minister's department first. I'm urging him, if he ever sees this, to think positively, perhaps pass it on with a good word. There is much that we could be doing here to really make this an important asset as a part of Alberta's natural resources, owned by all the citizens in the province.

I've taken up almost all of my time. I do appreciate the effort of the minister to give me responses. In particular, I'm interested in the justification and the rationale for what appears to be going against the gaming summit and the recommendations from that and, indeed, the Premier's own words about why these projects would now be funded out of that lottery fund.

Indeed, my time is up. I am shattered in my disappointment to not be able to continue to question. Thank you, Madam Chairman.

MR. PASZKOWSKI: I'll try to get through the answers very quickly. First of all, it's certainly not my intention to debate. My intention is to try and answer the questions that are asked, not debate the questions that are asked. I hope there's not any misunderstanding here.

Why are we using lottery dollars for the north/south corridor and the Deerfoot? The reason we are using lottery dollars is because this is a significant infusion that'll allow our trade corridor to be able to be built faster. It simply allows us to project the project that much quicker and advance the project that much quicker. The \$6.7 million Deerfoot partnership is 50 percent Airport Authority funding, 30 percent province of Alberta, 20 percent city of Calgary. That was a partnership that came along and certainly was one that was very needed for not only the city of Calgary but for the airport as well. So those were special cases. Because of the importance of the north/south corridor regarding economic development in this province, it certainly doesn't fit into the category of a regular road or a primary highway system.

4:30

We're working with the Auditor General's recommendations, and certainly we're working to improve our reporting system. I think we've made some good progress there.

The Y2K project has been a very special project for us, and our regional people have met with every municipality in the province to indicate the importance of being Y2K compatible and what some of the ramifications are if they aren't. Subsequent to that, they've developed a checklist for the municipalities to go through so that they know exactly what the key critical ingredients are. Then they're meeting with the municipalities again to see that everything they've got is Y2K compatible. We don't do the work, and it's not the responsibility of our people to do the work. All we do is act as facilitators as far as delivery of that program is concerned. The municipalities are the ones that are responsible. We simply provide any input as far as advice is concerned regarding that.

We don't budget for disasters, and we won't budget for disasters. The reason we don't is that the last two years have been typical. In 1997 we had four disasters. In 1998 we had no disasters. So how do you budget? We have absolutely no idea what those disasters will be or what the scope will be. The Edmonton tornado was massive. That was the biggest single disaster we've ever had. We don't know what's going to happen. We have no idea what the nature is going to be. The line item that we have in the budget is simply to finish off the incomplete, some of the cost of previous disasters. It goes back to '97. It takes years to clean up these disasters, and that's what that particular line item is there for.

The Auditor General's comments regarding restoration, regarding aggregate. Because of the environmental protection rules and regulations we're now just in the process of restoring. Certainly we're working towards it. This is basically a new initiative and a new endeavour where we are restoring the aggregate diggings. That's something that's just coming forward, so it's relatively new. We are working to restore, and certainly the Auditor General recognizes that. Hopefully we're going to be able to achieve the Auditor General's recommendations.

The north/south trade corridor is not just any road in the province. The north/south trade corridor is a defined road that starts at the B.C. border, goes down 43, down 2, then 4 and into Coumts. Some of it is built. Some of it needs upgrading. Some of it needs twinning. Some of it needs interchanges. The Anthony Henday, for example, in Edmonton is a key part of the north/south corridor. That's an additional cost of something like \$151 million that's going to be required to build that, and the hope is to have that particular element completed by the year 2005. So there are plans, and we're moving ahead with that.

Highway 2 north is part of the primary highway program, and it's funded under a different package. If you notice the lines, there is a primary highway capital as well as a primary highway maintenance budget. Highway 2 north of Edmonton is funded under primary highway capital and maintenance, so it's under a different line item.

Trailnet. In the particular case where CP has turned land over to Trailnet, that's a private transaction. We don't get involved in that. As far as development of Trailnet is concerned, that's being done under Community Development, not under Transportation. There are some issues that have to be resolved that involve our department, and those are who's going to be responsible for maintenance, who's going to be responsible for weed control, who's going to be responsible for some of those activities, who's going to be responsible for enforcement. Those are all issues that have to be resolved, and meetings are scheduled to work toward some sort of program development in that.

With that, I'll sit down and allow for the next speaker.

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

DR. PANNU: Thank you, Madam Chairman. I'll be brief. I know that everyone is anxious. [interjection] That'd be fine, Mr. Minister. You can choose the manner in which you want to respond.

I want to thank the minister for receiving from him just a few minutes ago answers to one or two of my written questions. Although he turned the question down, he has a fairly lengthy written answer. I thank you, Mr. Minister, for that. It will probably answer some of the questions that I had here.

I just have two questions that I want to ask the minister concerning the budget estimates. I hope the minister is listening. Mr. Minister, on page 311 of the Budget '99 report there are eight key program areas that are stated there. There's program area 3, that I'd like you to comment on, "Dangerous Goods Control: setting standards and monitoring the safe in-transit storage and shipment of dangerous goods within Alberta." This is page 311. Are you there?

MR. PASZKOWSKI: Go ahead. I'm not going to be answering.

DR. PANNU: Okay. All right. I was trying to go from this one. First of all I looked at the goals and strategies, you know, following that statement, and I don't find any reference in the statement of goals to that program area dealing with dangerous goods control. Why this discontinuity? Why mention it at the very beginning as one of the key program areas and then in the goals and strategies section there's no mention, no return to that issue?

Similarly I find that in the proposed estimates there again isn't a corresponding sort of line item which would show that some resources are being budgeted to address that key program area dealing with dangerous goods transportation. I just want to know why there's nothing in the section on the goals that reflects this key program area and why there is no dedication of resources to that. So it's just the absence of it that I'm curious about.

In the same vein particularly I think it would be useful to hear from you of what kinds of dangerous goods are either arriving or passing through Alberta and what particular goods the monitoring is about. Particularly what's the amount of PCBs arriving into Alberta from other provinces and perhaps from outside Canada? What kinds of monitoring arrangements are in place? What's proposed in the budget in order to address continually those arrangements and to enhance the safeguards related to and needed for the disposal of PCBs and other dangerous goods in the province?

4:40

The second question. Again it doesn't arise directly from the budget statements that were there. But I had an opportunity to meet with a group of Calgarians about four months ago in Calgary. They requested a meeting. These residents living in the Weaselhead-Glenmore area of Calgary have been concerned with the proposed construction of a major roadway along the 37th Street right-of-way through the pristine Weaselhead natural area just upstream from the Glenmore reservoir. I just wonder if the minister is aware of this problem and if he would be kind enough to give me some sort of a status report on it. I thought that the presentations that I heard at this specially invited meeting were quite persuasive, but I'd like to hear . . . [interjection] Oh, I see. That's my second inquiry.

One other thing, Mr. Minister, that I want you to perhaps comment on very briefly is related to -- it's on page 320. Let me just go there. "Supporting safe and cost-effective utility services" is the section, and that refers to "the provision of safe drinking water and in meeting environmental standards." I think that's the sort of statement that's made there. Yes, goal 7 states that

through the Alberta Municipal Water/Wastewater Partnership,

municipalities are provided funding to assist in the capital construction of municipal water supply and treatment and wastewater treatment and disposal facilities. This program assists municipalities in the provision of safe drinking water and in meeting environmental standards associated with wastewater facilities.

The wastewater facilities area is the one that I would want you to address a bit for me, more for my information purposes. Some municipalities perhaps are experiencing the potential of water contamination because of growth of certain feedlots and hog operations and things of that sort. Do you address that issue in your programs here or not? [interjection] Okay. That's the other question that I had. Obviously the growing number of hog farms and other farming operations appear to be contaminating the water supply sources, and what are you proposing to do to protect the quality of drinking water in this year's budget in particular? What kinds of resources are being allocated to assist municipalities?

MR. PASZKOWSKI: It's a priority for funding.

DR. PANNU: All right.

Those are essentially my three questions. I've been listening to the debate very carefully, and many of the questions that I would have asked have already been asked, so I will sit down with that comment. Thank you.

THE DEPUTY CHAIRMAN: The hon. Member for Edmonton-Gold Bar.

MR. MacDONALD: Thank you very much, Madam Chairman. It is always a pleasure to ask questions to the Minister of Transportation and Utilities. He wears a short-sleeved shirt, as I said before, for a reason: so he doesn't have to take time to roll up his sleeves before he goes to work. He works very diligently in his department, and his knowledge of the budget line by line is quite impressive, but I do have some more questions for him this afternoon.

The first item that I would like to question the minister on is regarding the incentives to motor carriers, page 318 of the Transportation and Utilities business plan. I have some specific questions relating to the exemptions from transport safety regulations. I listened with interest when the Canadian Association of Oilwell Drilling Contractors were in the members' gallery and the hon. minister made a ministerial statement. I listened just as keenly to the response to your statement from the hon. Member for Spruce Grove-Sturgeon-St. Alb. It.

My questions relating to the oil well servicing industry are: can the minister give us the number of exemptions that they were given from this transportation safety regulation, who received these, how many did they receive, and what exactly do we mean by an exemption? Does that allow the driver to drive for long periods of time without rest or without station stops, as they say; does it allow for continuous operation of the vehicle; and how does this fit into the driver's log book? How do they make entries into the individual driver's log book? I'm not clear on that, and if the minister could clarify this for me, I would be very grateful, because people have complained to me about this issue. If the minister could also compare at some time -- I realize that he won't have the data at hand. How do the associations that receive these exemptions compare to everyone else in the business plan in the performance measures as far as commercial vehicle safety goes? If he has any information on that, I would be very, very grateful.

Now, I have some other questions regarding the business plan. My first question centres on page 311, and that's the assistance for rural municipalities. I understand from the 1997-98 annual report of the department -- I believe it would be page 17 -- that "rural municipalities have been affected by reduced revenues. This has

resulted in reduced funding for the effective maintenance of municipal roadways." What has your department done, Mr. Minister, in putting extra money in for the next three years to help?

MR. PASZKOWSKI: I've answered that already.

MR. MacDONALD: You've answered that already. Okay.

Now, on page 312 we're talking about restructuring and simplifying municipal transportation programs. "During the term of this business plan, discussions," I understand, "will be ongoing with the municipalities to clarify roles and responsibilities" and disentangle administration. Have these discussions started? What is the time frame for them? Will the province take over any key secondary highways in rural areas? Or are these discussions working toward the 2002 implementation goal?

Now, also here we talk about "enhanced funding for urban transportation infrastructure," and I had quite a detailed series of questions for the minister regarding this, because that's one of the biggest issues in the constituency which I represent, Edmonton-Gold Bar, the transportation issue, what we're going to do with truck traffic through the constituency. We had talked about this, but the Premier's Task Force on Infrastructure, as I understand it, recommended additional funding for the year 1999-2000 through to the year 2001-2002, "which could result in the urban centres receiving up to an additional \$65 million per year in basic capital grants to address urgent transportation needs."

Well, I can't think of anything more urgent than the chaos that is presently going on in the east side of the city regarding what direction we're going to go with our heavy vehicle traffic. Could the minister answer what factors will determine if the full \$65 million is allocated, and why do we have "could" and not "will" with this? And are there any conditions to the urban areas receiving this money?

Now, on page 313 we're looking at the performance measure for goal 1, "secondary highway pavement condition." This index has been adopted by various jurisdictions in Canada and other countries.

4:50

MR. PASZKOWSKI: It's North American.

MR. MacDONALD: The minister tells me that it's North American. But once this performance measure is developed, I understand it will allow Alberta to benchmark its performance against other jurisdictions. The minister in the past has gone on about his worst enemy being cracking in the highways and water getting in through the cracks and into the roadbed.

THE DEPUTY CHAIRMAN: We have a number of people that seem to be rising on points of order. Are you gentlemen rising on a point of order? Thank you.

Hon. Member for Fort McMurray, would you like to have a seat?

MR. BOUTILIER: Happy Easter.

THE DEPUTY CHAIRMAN: Thank you.

Go ahead, Edmonton-Gold Bar.

MR. MacDONALD: Thank you, Madam Chairman. The hon. minister, moisture is his worst enemy. I wish him well in keeping the moisture away from the roadbed. He was explaining this last year, and it was a bit of a problem for him. What does "once developed" mean with this index, and are we waiting for other jurisdictions to get their data together so we can compare, or are we still developing this Alberta index?

Madam Chairman, with those comments I'll cede the floor to my

hon. colleague from Edmonton-Glengarry, because he's very anxious to also question the minister. Thank you.

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

MR. BONNER: Thank you, Madam Chairman. I have a few questions here this afternoon for the Minister of Transportation and Utilities. This again, Mr. Minister, has to do with that terrible problem we do have in this climate, particularly with the freeze/thaw and the drastic effect it has on our highways. I'll get into these questions as quickly as I can. I see that in 1994 13 percent of our primary highways were subject to spring road bans. Over that time -- and the last figures I have are 1997 -- this was decreased to 9.2 percent in 1997. My question for the minister is: has the decrease in the percentage of primary highway road bans resulted in an increase in maintenance costs for our highways during this susceptible period of the year here in Alberta? Along the same lines, why was the percentage of primary highways subject to road bans decreased over this period of time?

In looking at the strategies for your department -- these are in relation to key strategies. I see that the first strategy is to promote co-operative initiatives among business and industry, government and municipalities to address the needs for infrastructure development. My question here is that if, in fact, there's more damage to our primary highways during the spring road bans, what measures are taken in order that those heavy vehicles which cause the majority of damage to our highways are paying their fair share of the repairs to our primary highways?

Looking at a second key strategy, your department makes strategic improvements to key highway roads to improve trade, including the north/south corridor. In looking at this particular key strategy, with the focus on the north/south corridor, are our secondary highways and our rural roads being maintained at previous levels, or has the maintenance level slipped due to our focus on the north/south corridor?

Moving along, I see that a third strategy is to work with local governments to strengthen rural and urban transportation partnerships and ensure that Alberta has a safe and effective system of roads. Now, then in doing this, do you have some statistics as to the safety comparisons? What's happened on our primary highways? What's happened on our secondary highways, and what's happened on our rural roads? If you do have something like that, could you forward them to me at a later date? If you happen to have them now, that would be fine.

Also along the same lines, you referred to the 75-25 split between provincial and municipal funding. Is that a firm percentage? Does it ever vary, where the province would pick up 90 and the municipality 10? Then if we do go into this type of a system, which is a 75-25 split, what is the percentage that municipalities are charged on their debentures in order to fund their particular section?

My last question, Mr. Minister, would be: has any thought been given to those municipalities that are experiencing trouble with debentures that were negotiated at 11 or 12 percent, having those debentures renegotiated to a lower rate which would be in line with what is standard for today?

With those few questions, Mr. Minister, I will close for today. Thank you.

THE DEPUTY CHAIRMAN: The hon. Member for Edmonton-Mill Creek.

MR. ZWOZDESKY: Thank you. I just wanted to say a couple of things quickly here with respect to the Transportation estimates and

then have the minister get back to me at a later stage. I want to begin, though, by thanking the minister for the excellent work that he's done in personally coming out to review the circumstances surrounding where the Whitemud freeway meets highway 14. The community who lives in that Hurstwood area really appreciated the minister's personal attention in that respect.

The area I wanted to ask about today is the specific upgrades that are scheduled for 34th Street where it intersects with the Whitemud freeway. I'm receiving a number of questions, still, from a lot of people, and I'm not sure where to turn for the answers with respect to how that particular interchange is progressing. Are we in fact going to have something that goes under east and west, or is it going to be something that goes over east and west? There are still some large piles of dirt there that people are asking me about, so I'm hoping perhaps the minister can let me know about that.

Transportation still seems to be the number one concern at the municipal level. In general, on behalf of Edmonton I want to know whether or not the minister has been apprised of the record number of potholes that Edmonton has experienced this year. It's estimated at well over 400,000. That is to say, that's the number that's been estimated in the greater city of Edmonton. So I'm hoping that maybe he's been apprised of that and that someone has a plan for dealing with that.

Madam Chairman, I just wanted to end this brief couple of minutes here by saying that I find this Transportation set of estimates to be very refreshing because I see increases in the right areas, Mr. Minister, while also seeing some decreases in the administrative support that goes to it, which in the end result would certainly mean that we are seeing more money going directly to where the rubber hits the road, if you'll accept that expression. It's one of the things we understand as being part of the robust economy that we're experiencing here with the most progressive budget that I've seen in six years. So I'll just congratulate him on that.

Thank you.

THE DEPUTY CHAIRMAN: The hon. Minister of Transportation and Utilities.

MR. PASZKOWSKI: I'll be back, so we'll have a chance to respond. So at that time I'll respond to the questions that we didn't have time to deal with today, and certainly we'll try to provide suitable explanations, whether I do it when I'm back or whether we do it in written form.

At this time I'd like to move that we rise and report.

5:00

[Motion carried]

[Mrs. Gordon in the chair]

THE ACTING SPEAKER: The hon. Member for Dunvegan.

MR. CLEGG: Thank you, Madam Speaker. The Committee of Supply has had under consideration certain resolutions of the Department of Transportation and Utilities, reports progress thereon, and requests leave to sit again.

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

HON. MEMBERS: Agreed.

THE ACTING SPEAKER: Opposed? So ordered.

The hon. Deputy Government House Leader.

MR. HAVELOCK: Thank you, Madam Speaker. I request unanimous consent of the Assembly to revert to Introduction of Bills to allow for the tabling of Bill 25, the Insurance Act.

THE ACTING SPEAKER: Having heard the request by the hon. Deputy Government House Leader to revert to Introduction of Bills, all those in favour of granting unanimous consent, please say aye.

HON. MEMBERS: Aye.

THE ACTING SPEAKER: Opposed, please say no. Carried.

head: Introduction of Bills

(reversion)

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

Bill 25 Insurance Act

MS GRAHAM: Thank you, Madam Speaker. At this time I request leave to introduce a bill being Bill 25, Insurance Act.

Madam Speaker, this bill represents the rewriting of the Insurance Act with the exception of part 5 governing insurance contracts. It is the result of extensive consultation and collaboration with industry. The first phase of the rewrite process, which began in 1994, was focused on the modernization of both the financial regulation of insurance companies and the market regulation of insurance in the province.

The rules governing the financial operation of insurance companies are designed to safeguard the solvency of insurance companies and to minimize the effect of financial failure on policyholders. Likewise, the provisions governing the market conduct of insurance in the province are designed to ensure that the consumer is treated fairly, receives informed advice and proper disclosure.

That in the main, Madam Speaker, describes the basic thrust of the Insurance Act.

[Leave granted; Bill 25 read a first time]

MR. HAVELOCK: Madam Speaker, I'd like to move that Bill 25 be placed on the Order Paper under Government Bills and Orders.

[Motion carried]

MR. HAVELOCK: Madam Speaker, pursuant to Government Motion 6 regarding the Easter break agreed to by the Assembly on March 23, 1999, I move that the Assembly stand adjourned until Monday, April 12, 1999, at 1:30 p.m.

[Pursuant to Government Motion 6 the Assembly adjourned at 5:06 p.m.]