

Legislative Assembly of Alberta

Title: **Tuesday, April 20, 1999** 8:00 p.m.

Date: 99/04/20

[The Deputy Speaker in the chair]

THE DEPUTY SPEAKER: Please be seated.

head: Government Bills and Orders
head: Second Reading

Bill 33 Appropriation Act, 1999

MR. DAY: Mr. Speaker, I'm happy to move this for second reading.

I think with some of the preamble that's already taken place, members are aware of the implications and what's involved. At this time I'd look forward to debate.

MR. SAPERS: I was expecting just a minute or two more of preparation time, Mr. Speaker, but since the Treasurer is anxious to get into debate, I'm happy to accommodate.

For the benefit of those who may be interested in this debate and what the appropriation bill is all about, what we are debating is the legislative authority for granting supply of over \$14 billion in operating expenses, capital investment, and nonbudgetary disbursements which will take place during the coming fiscal year. It breaks down as follows: \$13.1 billion in operating expense and capital investment for government ministries and the Legislative Assembly, \$176 million and change in nonbudgetary disbursements, and about \$770 million in payments through the lottery fund.

The appropriation for expenses for government ministries and the Legislative Assembly is being grouped under only two supply votes, Mr. Speaker, operating expense and capital investment, and then nonbudgetary disbursements. This is where the first problem comes in. This is the first time in the history of this Legislative Assembly that members of the Assembly are not going to be given all of the detail in terms of the operating versus capital. These are being grouped together as an initiative of Treasury theoretically to streamline the process, but in fact what it means is that when the inevitable supplementary supply bills come back before this House, because this government is now infamous for bringing back supplementary supply request after supplementary supply request, we will not be able to count on the government being forthcoming with the information about what's being spent on capital, what's being spent on operating, because ministers will just be able to move those dollars from one pocket to another as it suits them.

I think this is a lack of accountability that's hard to justify. I think that Albertans would be interested to know that while in this province we have had some very positive comments -- I will say this for the Treasurer, and I hope that he will carry this close to his heart -- some very positive commentary on the openness of Alberta's books and how our books and the financial statements of this province have become increasingly more open and accessible to Albertans, I think that this is a step backwards. For the life of me, I can't understand why the Treasurer would want to take this step backwards. This comes, of course, after we have been told as recently as just one short year ago that the accountability framework that was promised by the government, that the former Auditor General has called for, that the current Auditor General has called for, is still a rather incomplete work in progress.

Grant administration, grant management, budgetary controls, performance measures, the governmentwide agreement and congruence on the way business plans are constructed and perfor-

mance measures are put forward still are far from complete. We still have inadequate controls on interministerial initiatives. Mr. Speaker, I think that this can only get worse now that we've gone to this format of only having, in essence, the one vote for operating and capital and then another for nonbudgetary instead of separate operating and capital votes.

I note that the Treasurer's argument is that it's intended to reduce the rigidity in program management, and I think there are some claims that there will be some improved cost-effectiveness. However, I still maintain that the men and women of this Chamber were elected to provide oversight to the government in terms of budgetary control, and we can't do that unless we are provided with the opportunity to do so through separate budgetary votes. I lament that we have lost that on behalf of our constituents.

Mr. Speaker, the other major issue I have, of course, with the budget is its very title, and that is *The Right Balance*.

MR. DAY: I thought you meant the number 99.

MR. SAPERS: No. I am proud of number 99, Mr. Speaker, and we had an opportunity to pay tribute to number 99 in this Chamber just yesterday.

In this case the 99 in *The Right Balance* logo on the provincial budget document, I think, is a little out of balance. It's not because I think the theme is wrong. As I've already indicated to the Treasurer, the whole notion of balance was first introduced to the political landscape by the Alberta Liberal Party in the 1997 election, and we were proud to put that issue on the political agenda in this province and happy that the government took our advice in seeking balance. But what is so apparent is that they have missed the mark. It's like there's this big guy sort of standing on the scale and weighing it down on one end and leaving the other side of the scale just tipping wildly up in the air.

Mr. Speaker, if we were really interested in balance, this government in fact would be operating the province with a balance sheet as opposed to, let's say, just a profit and loss statement. Now, let me elaborate on what I mean. In terms of asset management, which this current government is pretty good at, you would have a profit and loss statement that would show what the return was on your investment or what the return was on your inputs, and this province can demonstrate a pretty good return on some of those input costs. There have been positive changes in how we handle the heritage savings trust fund. There's been some positive changes in how we handle some government services. So there have been some things -- and you know that these words don't come to my lips quickly -- that this government has done well.

Now, when it comes to this profit and loss statement, this presentation would lead observers to believe that everything is rosy. But that's the problem with a profit and loss statement. As any good accountant or business manager will tell you, a profit and loss statement is only one financial snapshot that you would use in adjudicating the financial health of an organization. What we don't have is the balance sheet that goes along with that profit and loss statement. On that balance sheet, Mr. Speaker, what you would then have is an accounting of the human cost that has mounted year after year after year as a result of the current regime's rush to the bottom line. So you would have evidence of . . . [interjections]

Speaker's Ruling Decorum

THE DEPUTY SPEAKER: The hon. Provincial Treasurer did have an opportunity to speak at some length in second reading. You're reminded that when you speak again, it will be to close debate on

this reading. Right now we have only the hon. Member for Edmonton-Glenora.

Debate Continued

MR. SAPERS: Thanks, Mr. Speaker. Now, what I was saying is that if you really had an honest balance sheet presented in this province, what you would see is the erosion of our public education system. You would see the erosion of our public health care system. You would see the waiting lists growing. You would see the lack of fairness in one region of this province as opposed to another region of this province in terms of municipal infrastructure and municipal downloading. What you would see in that balance sheet is that this government has forgotten about the public that they were elected to serve and has instead managed the budget in such a way that it best serves elites in this province. All the time we're being told that the goal of this province is really to get back in touch with the grass roots. In my experience nothing could be further from the truth.

The Minister of Energy has an uncanny way of gaining my attention, Mr. Speaker, and I would hope that he would gain your attention as well, as he in violation of Standing Orders and *Beauchesne* puts exhibits up in this House. I would hope you would call him to order.

THE DEPUTY SPEAKER: I've put his name down on the list to speak, hon. member.

8:10

MR. SAPERS: Thank you very much, Mr. Speaker. I appreciate that.

Now, Mr. Speaker, if he would raise that one more time, that bumper sticker about no more taxes. I couldn't agree with that minister more. You know, there shouldn't be any more taxes, because I maintain that what we have in this province is not a revenue problem but a management problem. We have a government that doesn't know how to set priorities and doesn't know how to strike the right balance. What they continue to do day in and day out is talk the talk of no more taxes, and then what they actually do is they raise over 800 new user fees. What they do is they turn around and almost double health care premiums. What they do is cut services.

MRS. McCLELLAN: We didn't touch health care premiums.

MR. SAPERS: Mr. Speaker, the Minister of Community Development is right, and I hope *Hansard* picked it up. The hon. minister is very right. The current Minister of Health did not touch health care premiums, but when that minister was Minister of Health, they went up. They absolutely went up. They went up.

Mr. Speaker, the point here is that what we have is a government that says one thing and then does something dramatically different. It has done a disservice, and it has been most unfair to Albertans, who all of a sudden are faced with increased municipal taxes because of downloading, are faced with increased health care fees, are faced with increased fees for licences of every kind, for filing papers in court. The list goes on and on, and in fact it's 800 items long. So I think that it's about time that this government was forthcoming with the entire picture of what their real fiscal plan is, and that is to talk about low costs and meanwhile raise revenue at every turn.

Mr. Speaker, another favourite message of this government is that they have to reduce taxes even more at the expense of necessary program spending because we can no longer compete in this environment. We're losing our best and our brightest to the United

States, for example. Now, I want to quote a study by Stats Canada that was reprinted in the December 21, 1998, edition of the *Globe and Mail*. It was authored by Mark MacKinnon, and what the Stats Canada study that was reported in Canada's national newspaper found was that the average Canadian middle-income family actually has more disposable income -- more "purchasing power" in fact is the measure that was used -- than the average U.S. family.

So while we are debating our budget, I think it is very important that we encourage the government to join with the Official Opposition in telling the truth to Canadians about their relative purchasing power in this country. In fact, because of things like universal health care the average middle-income family is far better off than the average American family. "After taxes, the Canadian family had \$30,200 to spend in 1995, compared to the \$29,500 its American counterpart had that year." The middle class in Alberta, I'll say, Mr. Speaker, is a remarkably homogeneous group. About 30 percent of all taxpayers are in that middle-income bracket. Their purchasing power is far greater than we would be led to believe by a government that says that we have to cut taxes more and more and more, even if it means that we have to starve our priority social programs more and more and more.

Mr. Speaker, I see that you're signaling my attention. I would ask that we gain unanimous consent to revert to introductions. At that point I would take the opportunity to resume my remarks.

THE DEPUTY SPEAKER: The hon. Member for Edmonton-Glenora has asked if we could have unanimous consent to revert briefly to the Introduction of Guests.

HON. MEMBERS: Agreed.

THE DEPUTY SPEAKER: Opposed? Carried.

head: Introduction of Guests

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

MR. PASZKOWSKI: Thank you, Mr. Speaker. It's my pleasure tonight to introduce what I consider the cream of the crop of the future generation, the future leaders of our country, of our province, of our municipalities, the people who will someday be sitting in these very chairs. It's my deep pleasure to introduce a group of outstanding Albertans who have taken time from their regular classes to be part of a learning exercise that indeed will build the future of this country: the Forum for Young Albertans. I'd like to ask them now to all rise and receive the usual warm and cordial welcome of this Assembly.

THE DEPUTY SPEAKER: Thank you, hon. Member for Edmonton-Glenora. You may continue.

head: Government Bills and Orders

head: Second Reading

Bill 33 Appropriation Act, 1999 (continued)

MR. SAPERS: Thank you. I am very, very pleased that the young Albertans are here to witness this debate tonight. They asked some absolutely outstanding questions in the policy session that I had the privilege to participate in today. Mr. Speaker, I'm glad that they'll be here to maybe hear some answers coming from the government side.

Mr. Speaker, as I was saying, the truth of the matter is that the average disposable income in Canada, the median after-tax family income, is in fact higher in Canada than it is in the United States. That is a national figure, and it's true for Alberta as well. If anybody doubts the information, they can certainly access it through Stats Canada.

So what we don't have to do is we don't necessarily have to have a rush to the bottom line and be the leaders in terms of what we state as low taxation, but perhaps we should set ourselves some more lofty goals, Mr. Speaker. Like maybe we could be the leaders in terms of setting aside land in this province for environmental protection, or maybe we could be the leaders in this province in terms of classroom size and student/teacher ratio. Maybe we could be the leaders in terms of ensuring that we have the lowest time for wait for necessary lifesaving surgery, whether it be heart surgery or cancer treatment or other kinds of surgery. Maybe those are the kinds of goals and the kinds of leadership this province should be bragging about.

Of course, it is affordable, Mr. Speaker, because as we all know, in spite of what this government may or may not have done, Alberta continues to be one of the healthiest economies in North America. In fact, I can only wonder out loud what a truly remarkable province this would be if we had had a government that had been just that much more sensitive to the human bottom line instead of focusing its intention entirely on the fiscal bottom line. Business in this province, industry in this province are doing a fine job of creating wealth. The government unfortunately hasn't been doing quite as fine a job in terms of creating community.

Mr. Speaker, I notice that the Treasurer is displaying his national flag of Canada, and I wonder if that is to signal that he's now found Ottawa on that map that he was struggling with the other day. But I'm happy to see that flag in the Assembly.

Mr. Speaker, you can go through priority program by priority program and find the government saying one thing and then doing something different. As recently as December 21 of this year the Minister of Education was saying, and I quote: what I am telling school boards is that you have to work within the parameters that you have been given. He went on to say: you have been instructed to be very careful about any growth in budgets. Now, we find out that we're on the eve of a strike in Calgary. We're on the eve of teacher layoffs in Edmonton. We're seeing concerns about the safety of schools throughout Alberta, and it's all because this government has been saying one thing and doing something different.

They've been saying that we've reinvested in education, but the fact is that the new money that's coming into education is barely enough to meet increased demands based on enrollment, and it's barely enough to keep up with inflation. In fact, it's not real new money. It's not going to alleviate the burden, and you can talk to any school board anywhere in this province. In fact, earlier today in question period I believe it was the Premier who said that there are hundreds and hundreds of schools that we could visit where they wouldn't have a single complaint. You know, this Premier challenged members of the opposition to provide him with answers to many things. I would challenge the Premier to come with me and tour every school in my constituency, and I would be very, very surprised if I could find a single school that didn't have a single complaint, let alone hundreds and hundreds of them.

Now, Mr. Speaker, the reality is that while this government has been putting all of its eggs into one basket -- and that is dealing with the deficit -- it has forgotten about the fact that it has to govern and manage for all Albertans. It has to govern and manage for those who for whatever reason aren't as able to compete or for whatever reason aren't as able to participate in the advantages as others are.

8:20

So I would argue that this budget does not strike the right balance. In fact this budget is dramatically out of balance, and coming as it does on the heels of year after year after year of billion dollar plus surpluses, I would wonder what it is that the government was thinking, what it was that they were thinking when they decided that they weren't going to invest the money necessary in municipalities or the money necessary into health care or the money necessary into education that would give Albertans the piece of mind that they deserve, in fact, Mr. Speaker, that they've already paid for.

The government is more than a decade ahead in its debt retirement plan. The government is now embarking on the fiscal responsibility act, and I'm certain that, miracle of miracles, Mr. Speaker, the government will be coming to Albertans in a year or two and saying: "Look. Golly, we're somehow ahead now on that. Look at how well we've managed." In fact, it hasn't been good management. It's been what a magician would call sleight of hand: you know, we'll distract you over here with something flashy in the right hand while the left hand is doing all the work. What the work is of course is underestimating revenues, overestimating expenditures, creating artificial surpluses, and then bragging about the speed at which you can retire debt. You know, it's really not that hard a trick, and it's very transparent.

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

DR. MASSEY: Thank you, Mr. Speaker. I'm pleased to have the opportunity to make some comments about Bill 33, the Appropriation Act, 1999. In preparing my comments for this evening, Mr. Speaker, I grabbed one of the piles of letters that are spread around my office that have arrived in the last month. Most of them are letters that have been addressed to the Minister of Education, and many have been addressed to the Premier. [interjections] I may well table them, yes. But before I table them, I'd like to read a few of them, because I'm sure it would be of interest to the minister opposite.

One of the things, as you read through the letters to the government and to members of the opposition, is the consistency. These are letters that come from parents, they come from students, and some of them come from teachers and others just from citizens interested in the education system. I'd like to share some of their comments. A paragraph from a gentleman who is writing about his Edmonton school:

As parents, we've been cushioning the under-funding with our own time and money in an attempt to avoid seriously impacting the quality of our children's education. Principals and teachers are now working harder than ever, and parents are tired of doing more and more fund-raising for basic school supplies and needs. We can cushion the impact no longer. Enough is enough!

From a parent in -- I'm not quite sure. The address was not indicated in the letter. I assume it's a school north of the city.

As a parent, I have tried to do what I can do to help the school with fundraising, this includes donating a color printer for the computer room, and purchasing books . . . at the annual book fair. My resources and funds however have started to deplete rapidly. I no longer am able to provide the monies necessary to ensure a proper education for my son.

A letter from another parent:

We will lose 2.4 teachers and 2.0 teacher aides. Our assistant principal and counsellor will be teaching part-time and therefore no longer be able to provide the existing level of commitment to their current assignments. A provincial priority for early literacy reflected in the successful introduction of the Reading Recovery

program will be scaled back in the number of students receiving this preventative intervention.

It goes on to list the other impacts of the funding cutbacks. For this school

the mandate means the probable loss of two teachers as well as reductions in support staff. This will inevitably result in increase in class sizes. A custodial assistant working fewer hours and performing fewer duties will replace one of our custodians. Volunteers will be expected to take up more of the non-teaching tasks.

A handwritten letter from Hinton:

Because of cutbacks and amalgamation of school divisions, Grande Yellowhead School Division is in debt in the amount of three million dollars.

This will result in my children's high school reducing staff by [five] to six teachers. Class sizes will increase and less capable students will suffer.

This is what Albertans have to say about this budget and these appropriations.

Our school has become a victim of re-organization and insufficient funding. After a year which consumed the last of our operating reserve in a split grade arrangement, we are faced with cutting teaching staff to 4 f.t.e., and triple grading for part of the day to allow for some administration time, some learning assistance time, and some absolutely minimal preparation time.

One more, Mr. Speaker, and I think that I've made the point. This was a letter written to the Premier.

It is difficult to understand how your Government can turn a blind eye to problems in our schools in the name of eradicating the deficit. Mr. Klein, it appears that you are either not current with what is actually going on within our schools, or you are deceiving yourself and the people of Alberta. You seem oblivious to the thousands of children who are not receiving . . .

MR. DAY: Point of order.

THE DEPUTY SPEAKER: The hon. Provincial Treasurer is rising on a point of order.

Point of Order Parliamentary Language

MR. DAY: In terms of 23(i), imputing false motives, he has directly named the Premier, and to try and get around himself being the one to use words and terms which are unparliamentary, mainly being "deceiving," he's hiding behind and slinking behind a supposed letter which hasn't been tabled -- we have to take his word for it -- that has somebody else accusing him. I think that, as the chair has ruled in the past, even though a particular word or terminology at times may or may not be on a certain list of offensive characters which may be articulated, the method, the tone, et cetera, with which something's being delivered can also be ruled unparliamentary.

I think hiding behind somebody else's letter and accusing someone of deceit -- he has named a member of this House and accused him of deceit. With all the time and extra money he's got with his pension and collecting his own money here, I think he would spend some time and do a little more research and be a little more respectful of the rules of the House.

THE DEPUTY SPEAKER: The hon. Member for Edmonton-Glenora on this point of order.

MR. SAPERS: The Treasurer started his point of order by referring to Standing Order 23(i) and then suggested that there was a breach of the rules because some language was being used that was unflattering to the Premier. Now, that may or may not be the case, sir, and of course you would be the judge of that. I would submit

that my colleague from Edmonton-Mill Woods was absolutely within the rules because he was quoting from a document which he has offered to put before the table. These were not his words. They are simply the words of an Albertan that is being heard in this Chamber, and after all, Mr. Speaker, there can be nothing wrong with that.

Now, that is on the point of order, but I am very dismayed at the Treasurer's ability to personalize and become insulting when he feels somehow that he is not having his point heard. To start bringing in irrelevancies about the well-deserved pension of my colleague or to say that he's "slinking" around and "hiding" -- how could he be slinking around and hiding, Mr. Speaker, if in fact he's standing in this Chamber and putting on the record his concerns on behalf of his constituents?

So, Mr. Speaker, I would hope that in your ruling you will not only quickly dismiss this point of order as irrelevant but that you will also direct some comments to give guidance to the Provincial Treasurer in terms of how he brings disrepute to us all and to this Chamber by reducing debate to such a personal and insulting level.

8:30

THE DEPUTY SPEAKER: Well, the hon. Provincial Treasurer has indicated that there may be an offence in the words of the hon. Member for Edmonton-Mill Woods in that the hon. member is reading. I think there is well established within the rules of parliamentary procedure two things. One, you cannot do indirectly that which you cannot do directly, so we could always presumably find someone to write us a letter and say a whole bunch of defaming and unacceptable words and put them in the context of a speech. I don't know that that's exactly what the hon. Member for Edmonton-Mill Woods was doing, but the Provincial Treasurer is exactly right, that if there were words that were offensive like -- I think the hon. Provincial Treasurer mentioned deceit, if that be then a word. If we are to treat each other as hon. members and speak as such, if we have letters to us that say that people are liars or murderers or other things, that would be called to order and properly so. The chair doesn't have the Blues to be able to exactly look at the words. If they were, then presumably the hon. member would not read them. Since the chair did not hear the word deceit, then he would not be able to rule on the exact words. If I'm making myself clear, you can't read into the record and into the House things that characterize hon. members as anything other than what you could do if you were speaking just on your own.

With regard to the second matter that was brought in terms of bringing it up, when the hon. Provincial Treasurer in referring to the possible breach of the rules here reflected upon the pension of another member which was earned in another occupation, I think at best that's gratuitous and at worst unfortunate.

If there have been offending words uttered that I have missed, perhaps then the hon. Member for Edmonton-Mill Woods may take the opportunity to withdraw them, and I think the Provincial Treasurer might wish to reflect on his characterization of an hon. member.

The hon. Member for Edmonton-Mill Woods.

DR. MASSEY: Thank you, Mr. Speaker. It certainly wasn't my intention to offend the House, and I would more than withdraw the words that were deemed to be offensive.

Mr. Speaker, by way of explanation, I brought along the letters this evening, which are, as I indicated, a few of the many hundreds that we have received. There had been some discussion about the use of tablings in the House in the last couple of weeks. In the interest of trying to make sure that the tablings were used as a tool

for sharing information, I had elected not to table all of these letters, and that was probably a mistake, and I will table them this evening. I have five copies of each of them, and I'll make sure that the Provincial Treasurer gets a copy of the particular letter. It was unsolicited, as all of these were. I don't know the individual that wrote the letter, and again I do withdraw the remarks. They're not intended to do indirectly what I might have done directly.

Debate Continued

DR. MASSEY: With that, Mr. Speaker, I'd like to continue and answer a question that the government posed to the opposition over the last several weeks as we've debated the budgets, particularly the Health budgets and the Education budgets, and that's the question of how much is enough. The question is always asked within the context when someone complains about the amount of spending or the lack of spending, that somehow or other this is a bottomless pit and you could never spend what is asked for. I don't believe that for a moment.

Let me suggest to the government how much is enough. It would be enough if class sizes could remain at current levels and not rise. That would be enough, Mr. Speaker. It would be enough if we could provide children and adolescents in our schools with current learning resources, not dated, not Cold War maps, not textbooks that are two editions old. It would be enough if school boards could meet legitimate contract settlements with their employee groups. It would be enough if we had a systematic plan to implement the technology that our students need. I think those are four things that the petitioners, every day since this Legislature has been in session this spring, have asked for. They have asked for those four things. I think that is what is enough.

I don't think it's beyond the capability of the Minister of Education and his staff to sit down and figure out exactly how much that would take and then budget appropriately for those amounts. Those amounts are not in this appropriation bill. The government has rightfully in some cases prided itself on introducing equity into the school system. They have done very little about adequacy, and this appropriation act does not adequately fund our schools.

Before my time is up, Mr. Speaker, I would make just one final comment on funding. Again it relates to the adequacy issue, and that's to the fiscal effort of the government. The Pugh Foundation and *Education Week* in the United States took some time to generate a list of performance measures. One of those measures is the fiscal effort of states. To arrive at the measure, they compute the ratio of the percentage of money spent on education and the gross domestic product of a particular state. They track that percentage and make that an indicator of fiscal effort. Their rationale is that if a government says something like education is a priority, then one would logically expect they would take fiscal actions to support that priority.

In this province if you track the fiscal effort of the government since 1993, it has declined from 4 percent to somewhat just above 3 percent of the gross domestic product. I would suggest that if the Treasurer is looking for budget information and suggestions next year, a performance measure that tracks the fiscal effort of various departments would be a statistic, a measure that would be of interest to a variety of Albertans.

With those comments, Mr. Speaker, I'd conclude my remarks. Thank you.

THE DEPUTY SPEAKER: The chair was attempting to clarify one of the finer points. I'm not sure whether people are standing on a point of order or whether the hon. member has completed.

DR. MASSEY: I completed my comments.

THE DEPUTY SPEAKER: You completed your comments on second reading.

The hon. Member for Medicine Hat.

MR. RENNER: Thank you, Mr. Speaker. I would like at this time to move that we adjourn debate on Bill 33.

THE DEPUTY SPEAKER: The hon. Member for Medicine Hat has moved we adjourn debate on Bill 33. All those in support of this motion, please say aye.

SOME HON. MEMBERS: Aye.

THE DEPUTY SPEAKER: Those opposed, please say no.

SOME HON. MEMBERS: No.

THE DEPUTY SPEAKER: Carried.

The hon. Provincial Treasurer.

MR. DAY: Now that the member has finished speaking, I would apologize to him for the gratuitous statement which I made in reference to his pension. I want to do that now. I thought the debate was going to continue for a while, and I wanted to make it before he left the House.

head: Government Bills and Orders
head: Committee of the Whole

[Mr. Tannas in the chair]

Bill 18

Engineering, Geological and Geophysical Professions Amendment Act, 1999

THE CHAIRMAN: The hon. Member for Leduc to make some comments.

MR. KLAPSTEIN: Thank you, Mr. Chairman. I'm very pleased to rise today to speak again to Bill 18, the Engineering, Geological and Geophysical Professions Amendment Act, 1999, a bill that received strong praise from my colleagues during second reading. As the Member for Edmonton-Calder stated: "This is a very good bill. It has been a long time in coming."

The amendments outlined in this bill create a new category under the current Engineering, Geological and Geophysical Professions Act to allow appropriately qualified and experienced technologists to apply for designation as a registered professional technologist and practise independently within a defined scope.

Specifically this bill provides details for the registered professional technologist engineering designation and makes provisions for future regulations relating to other categories. Under existing legislation technologists may only practise under the supervision or direction of a registered professional member of the Association of Professional Engineers, Geologists and Geophysicists of Alberta, or APEGGA. APEGGA will continue to govern the practice of engineering in Alberta.

This bill will allow appropriately qualified engineering technologists who receive the RPT engineering designation to practise independently within a defined scope established by APEGGA's board of examiners. This act will make a broader range of resources and expertise available to Albertans.

As I stated in second reading, this bill is a result of a great deal of discussion between the Association of Professional Engineers, Geologists and Geophysicists of Alberta, or APEGGA, and the Alberta Society of Engineering Technologists, or ASET. My colleague for Edmonton-Calder complimented these two groups for reaching this milestone, and I would like to echo his compliments.

We have a strong piece of legislation before us, a bill that is designed to implement an arrangement between ASET and APEGGA that will allow registered professional engineering technologists who are members of ASET to practise within a defined scope under the Engineering, Geological and Geophysical Professions Act. Both ASET and APEGGA have been actively involved in the development of this legislation. Both groups support the idea of permitting independent practice within a defined scope by certain appropriately qualified engineering technologists without the supervision of professional engineers.

Under Bill 18 the registered professional technologist, engineering, designation for the field of engineering would be reserved for ASET members only, and anyone using the registered professional technologist, engineering, designation must remain a member of ASET. The bill will also allow for the expansion of APEGGA's board of examiners to include representation of this new designation, the registered professional technologist.

Registered professional technologists, engineering, will also be appointed to the APEGGA investigative committee to ensure that when registered professional technologists, engineering, are being reviewed for discipline issues, ASET is represented in that process. This will ensure that with the registered professional technologist, engineering, designation comes the responsibility and accountability APEGGA has been known for. As the Member for Edmonton-Calder pointed out, the board of examiners will be diligent in their duty to protect the public by ensuring that technologists who receive the registered professional technologist, engineering, designation meet the high standards that will be set.

Eligibility requirements for the registered professional technologist, engineering, designation will be established by regulations and will be higher than requirements for obtaining the existing registered engineering technologist, or RET, designation. These requirements will include specified education and experience. In addition to meeting education and experience requirements, applicants must also pass a professional practice examination. Upon registration the board of examiners will specify the defined scope that a registered professional technologist, engineering, would be allowed to practice within.

As I mentioned earlier, while this bill provides details for the registered professional technologist, engineering, designation, it also makes provisions for future regulations relating to other categories. It is anticipated that development of regulations that relate to the engineering discipline will be given priority upon passage of this bill. It is also important to note that this amendment allows regulations to be developed for registered professional technologists and both the geological and the geophysical disciplines. Part 6.2 of this bill clearly outlines how similar provisions can be developed for other disciplines in the future.

There are some House amendments, and I would like to speak to those now. A great deal of work has gone into the preparation of this bill, and the hard work continues. In order to strengthen Bill 18, the . . . [interjection] My understanding was that that was happening. You have it there. Yes, these amendments have been distributed, and everyone has them on their desk, if they wish to review them.

In order to strengthen Bill 18, the Engineering, Geological and Geophysical Professions Amendment Act, 1999, I would like at this

time to file a House amendment, which has three parts. The first part is very much an administrative change, amending section 4 of the bill by replacing the reference made to sections 79.1, 79.2, and 79.3 to read 79.2, 79.3, and 79.4.

THE CHAIRMAN: Now you've got to move it.

MR. KLAPSTEIN: I move it right now? Mr. Chairman, I guess I'd like your guidance. I'm sort of speaking to what the amendment is. I intended to move it when I had done that, or is it your preference that I move it next?

THE CHAIRMAN: Strictly speaking, hon. member, when you move it, then it's now ready for debate, but we normally conduct our debate under some motion or other.

MR. KLAPSTEIN: Okay. I'll move the amendments as distributed to Bill 18.

THE CHAIRMAN: And then explain. Go ahead.

MR. KLAPSTEIN: Okay.

The second portion of the House amendment would fix the fees charged by APEGGA to members who qualify for the registered professional technologist, engineering, designation and legislate that those fees can be no greater than the fees for a professional member of APEGGA.

The third part of the House amendment outlines the course of action to be taken if a registered professional technologist, engineering, loses their designation for any reason. The intention of this addition to the bill is to ensure that if a registered professional technologist, engineering, loses their RPT designation, they would revert to an RET designation and would be governed by ASET, not APEGGA. ASET would then be responsible for reviewing that member and determining if that member should be allowed to practise as an RET under the supervision of a professional member of APEGGA or if they should lose their RET designation as well as losing their RPT designation.

8:50

The proposed amendments in Bill 18 will achieve the objectives I have outlined through the introduction of the necessary regulatory processes. Through this bill ASET and APEGGA will have an increased opportunity to provide the excellence in their field that Albertans and the world have become accustomed to. This bill is the result of a great deal of discussion between the Association of Professional Engineers, Geologists and Geophysicists of Alberta, or APEGGA, and the Alberta Society of Engineering Technologists, or ASET. These two organizations have made great contributions to this province, and again they should be congratulated for their participation in the development of these amendments.

The House amendment I have presented to you today will provide additional clarification of the new registered professional technologist, engineering, category. By fixing the fees charged to registered professional technologists, engineering, we are strengthening this bill and guaranteeing access to this new designation. By ensuring that if the RPT loses their designation they would revert to RET and no longer enjoy the rights and privileges of a registered professional technologist, engineering, we are protecting the public interest and maintaining the level of excellence Alberta is known for in this field.

Thank you.

THE CHAIRMAN: Hon. members of the committee would be

reminded that this is amendment A1. Are there any comments, questions? The hon. Member for Edmonton-Calder.

MR. WHITE: Yes, Mr. Chairman, speaking to the amendments. They have been previously circulated, with this member as the critic on this particular bill. They in fact have also been canvassed both through and by the Association of Professional Engineers, Geologists and Geophysicists of Alberta and by ASET, the Alberta Society of Engineering Technologists. Both concur in the acceptance and the clarification. The meaning and the effect of the amendments have been well explained by the Member for Leduc. They are most acceptable and most desirable.

With that, this side concurs with those amendments and would look forward to further debate on the bill as amended.

THE CHAIRMAN: Okay. Any further comments?

[Motion on amendment A1 carried]

THE CHAIRMAN: Are there any further comments or questions or amendments? The hon. Member for Edmonton-Calder.

MR. WHITE: Thank you, sir. I don't believe there are any other amendments coming forward, certainly not from this side, so I'll speak to the bill at committee.

It is true what the Member for Leduc has spoken so highly of, and that is the co-operation between two professional organizations to effect one end. That end is clearly to allow those who are competent in a special area of engineering technology to practise as professionals without the direct supervision of a practising engineer. In fact, it is a legislative recognition of coming of age of the technologists in this province, who have been working very hard and very long to this end. Some of the technologists feel that this is a first step to be tried over the next couple of years to see how it works, how the disciplinary procedures work, and to have that all tested. There may in fact be other advances in this regard. The minister has given this member an assurance that the door is open in subsequent years to review the legislation again after this has been in place and tested.

So with that, Mr. Chairman, I'd like to congratulate both the mover and the presenter of this bill and the amendments, the minister, both the associations and all their members for their diligent work, always keeping in mind that they are all of the same opinion: that the protection of the public is foremost.

Thank you, Mr. Chairman.

[The clauses of Bill 18 as amended agreed to]

[Title and preamble agreed to]

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

HON. MEMBERS: Agreed.

THE CHAIRMAN: Opposed? Carried.

Bill 21 Irrigation Districts Act

THE CHAIRMAN: Hon. Member for Calgary-Glenmore, are there any comments, questions, amendments?

MR. STEVENS: Yes. Thank you, Mr. Chairman. I'm pleased to stand again to make some comments with respect to the Irrigation

Districts Act in Committee of the Whole. The existing Irrigation Act has served Alberta well for over 30 years. However, as I and others noted during the second reading of Bill 21, the new Irrigation Districts Act will take us into the 21st century. It includes some major changes to how Alberta's 13 irrigation districts are governed. What I would like to do tonight is highlight some of those changes and also make a few comments with respect to the questions raised by some of the members opposite during debate on second reading.

Mr. Chairman, the Member for Edmonton-Riverview had some interesting observations with respect to the bill. It seemed to me that that hon. member was under the impression that the irrigation districts are newly established entities. They are not. No new districts have been created. In fact, the 13 irrigation districts in Alberta were all created prior to the previous 1968 Irrigation Act. The newest district was formed in 1955, so even it is 44 years old. Irrigation districts have been part of southern Alberta since the turn of the century, and this act simply updates how they are governed, much as the new Municipal Government Act did for local municipalities.

There are some key definitions in section 1 of the bill that will allow for a better understanding, particularly by those who are not directly involved with an irrigation district. The corporate body, which is a definition in section 1, is now known simply as the name of the irrigation district. For example, if you go to table 1 at page 112 of the bill, you will find that there is under column A the current list of irrigation districts and how they are legally described and under column B how they will be described under Bill 21. So Aetna irrigation district will be the legal name of that particular irrigation district under the new bill.

"Irrigation acres" are those acres designed as such on the assessment roll. This is more descriptive and less cumbersome than the previous term, "acres to be irrigated." "Irrigators" are people who own land with irrigation acres. This is more descriptive and more easily understood than the term "water user," which is used in the existing act. "User" is another defined term which includes all those who receive water for any purpose from the district. It includes irrigators and all "other users," which is another term, of the district's infrastructure.

[Dr. Massey in the chair]

A general theme of the new legislation is to provide greater autonomy to the districts but at the same time make them more accountable for their actions. The granting of restricted natural person powers in section 6(2) of the bill is a major step in that direction. Districts may proceed with large-scale commercial business ventures, in section 7, without the approval of either the Irrigation Council or the minister. They would need approval of two-thirds or more of the irrigators voting in a plebiscite who also own two-thirds or more of the irrigation acres represented by those voting. This gives the irrigators the final say as they are the ones who could be put at financial risk should the business venture fail.

9:00

Under the Water Act the district can apply to transfer part of its water licence to someone else. Under the Irrigation Districts Act, section 11, the district would first have to inform the irrigators of its intention, provide data to show it can serve the acres on the assessment roll with the remaining portion of its water licence, hold a public meeting, and conduct a plebiscite. If over 50 percent of those voting approve, the district could proceed to apply to Environmental Protection to transfer part of its water licence.

In a similar manner section 12 of the bill sets a maximum

expansion limit for acres for each district and a process to increase that limit.

Section 13(1) of the bill provides that a district may stop water delivery in situations where the user is wasting water or where damage may be caused by the way in which the water is being used.

Section 16 will enable the districts, if they feel there is sufficient water, to enter into annual agreements with persons who wish to irrigate additional land for one year and are willing to accept the potential risk of being shut off if there is a water shortage.

Section 25 creates flexibility in meeting crop production requirements by allowing irrigators under specified conditions to alternate the parcels they irrigate from year to year. So, for example, a potato grower may have one quarter section with irrigation acres. If he has other land available, he can grow potatoes on that other parcel for the next year and so on. This allows crop rotation for such things as disease control and allows the water to follow the highest valued crop.

Section 26 is another significant section in the bill. It allows irrigators to permanently transfer irrigation acres to another parcel or another irrigator within the same irrigation district. The approval of the district must be obtained to ensure the new parcel can be served. It is anticipated that this will increase the number of acres that are devoted to higher valued crops.

Water conveyance agreements in section 21 are now more clearly defined. These apply to users who have their own water licence -- for example, towns and industries -- but who rely on the district to deliver water to them. If an agreement cannot be reached or the district refuses to enter into an agreement, there can be an appeal to the Irrigation Council under section 21(5). This will address those situations where the district and the applicant cannot agree on the fee for the delivery of water.

Section 21 deals with the irrigable unit designation. This allows a district to declare two or more parcels an irrigable unit so that they can both be served from one point of delivery. This is a significant improvement upon the current situation. In a related matter a district can enter into a remote delivery agreement under section 24 to deliver water to a parcel that is not adjacent to the district's works. The person requesting the remote delivery agreement is responsible for the right of way, easement, and the operation and maintenance of the equipment to deliver water from the district's works to the land to be irrigated.

Another significant change in this legislation in part 2 is where there is a new role of Irrigation Council. The council will no longer approve rate bylaws, borrowing bylaws, and budgets, but it will monitor the financial performance of the districts, conduct hearings with respect to petitions, and hear appeals. The previous Irrigation Appeal Tribunal will no longer exist.

Part 3 governs elections and general petitions. Section 85 will permit a district to remove a parcel if it is no longer feasible or economical to deliver water to that area. The legislation outlines the criteria to be used by the Land Compensation Board when they determine the compensation that the district should pay the landowner.

To ensure that only land that's suitable for irrigation is included in a district, section 94 of the bill requires the minister to establish standards for the classification of land for irrigation as well as criteria to define what land may be added to the assessment role.

As previously mentioned, the districts have more autonomy, but there is an increased requirement to inform people of the district's intentions. Publishing notices, giving individual notice to affected parties, and informing people of the right to appeal are integral parts of the new legislation. There are a number of sections which require an irrigation district to publish notices in a local paper by advertis-

ing. I don't propose to go into all of them, but some examples of that would be the date of public meetings regarding business ventures under section 7(2), the transfer of the water licence under section 11(2), the date of the annual meeting under section 45(2)(b).

Additionally, an irrigation district must give written notice to individuals in certain situations. Some examples of that would be if the district intends to relocate irrigation works on their land or land adjacent to them under section 10(4) and if it makes a decision on an application to transfer irrigation acres under section 26(3) or to add a parcel to or delete a parcel from the district under section 85(6) and (7) and section 86(3).

The previous act allowed a number of items of disagreement between a district and a water user to be brought before the Irrigation Council or the Irrigation Appeal Tribunal, and non water users had very few avenues of appeal. However, appeals seldom happened as people were not informed of their right to appeal. The new act specifies what items can be appealed and by whom. It also specifies that the applicable parties shall be informed that they have the right to appeal. So there is now a specified list of appealable items, which includes such things as the relocation of irrigation works under section 10(5), failure to enter into a water conveyance agreement under section 21 (5), and refusal to allow a transfer of irrigation acres under section 26(4).

So those are some of the provisions I wanted to highlight with respect to the bill in question.

There are certain amendments that I also wish to introduce. I believe at the table there are requisite copies of the amendment. So I wish to move amendments to Bill 21. The document in question has seven specific amendments, and they are itemized A through G inclusive. Two are substantive in nature; five are housekeeping in nature. I'd like to make just a few brief comments with respect to them as the pages are circulating them throughout the House.

The first substantive amendment is A. It is an amendment to section 117. Under section 117 districts set their own budgets, but they must be balanced or surplus revenue budgets. This amendment requires ministerial involvement in the budget process where over a two-year period the district runs a deficit. While it is not expressed in the amendment before the House, it is intended that this government's policy of consultation would apply here. In other words, it is intended that the minister, in exercising his rights under this proposed amendment, would only proceed with full consultation and disclosure involving the district in question.

B, C, and D are housekeeping in nature only.

E is the other substantive provision, and it extends the time for notice of a negligence claim from six to 12 months.

The hon. Member for Calgary-Buffalo may wonder from time to time whether I am paying keen attention to his comments. I just want to point out that this is proof positive that I do that, because it is as a result of his comments at second reading that this amendment was considered.

F and G are two other housekeeping amendments. [interjection] Read *Hansard*. You'll see my comments there.

In any event, Mr. Chairman, those are my comments that I would like to make at this point in time. Thank you very much.

9:10

THE ACTING CHAIRMAN: The hon. Member for Calgary-Glenmore has moved amendment A1 to Bill 21, Irrigation Districts Act. Are there further questions?

The hon. Member for Lethbridge-East.

DR. NICOL: Thank you, Mr. Chairman. I just didn't want you to call for the vote before I had a chance to speak on it.

This is an amendment that probably would increase accountability within the context of the district level. I look at the wording of it and try to put it into an application process that would make sense. As the Member for Calgary-Glenmore was speaking to it, I guess I read it again from when I had first seen the wording of the amendment. I would like to ask the member if my interpretation is correct.

If, over a 2-year period, the total revenues of a district from the sources of revenue referred to in subsection (3) are less than the total expenditures . . .

Does that mean that if in one year there was a surplus but the next year the deficit exceeded the surplus from the year before and the cumulated total for those two years were a deficit, then the budget has to be submitted to the minister? Because one bad year occurred and that bad year was greater than the surplus from the year prior? Or is it the intent of this to say that if for two consecutive years there's a deficit, then we have to have the minister look at why this is and discuss it with them in the context of what happened that we got two years of bad management?

The way I read this amendment, we could have a situation where effectively one bad year drops the revenue/ expenditure balance to a position where it offsets the previous year, and now all of a sudden this district is being called to task by the minister. [interjection] That's what this says. It says: if the accumulated total of the two years is a deficit. That means that one bad year could create a cumulated total that is a deficit, so a one-year bad budget can cause the district to be put before the minister. Is that what the member is trying to do here?

I think this is a really different intent to this than what I read when I glanced over it the first time. I was thinking: "Well, okay. Two years of deficit, two years in a row. Yeah; sure. Something's probably wrong here, and that district better be in a position where they need some supervision or they need some really strong questions asked as to why that's happened." But I would suggest that if we're talking about a running average of two years being in deficit, that's a whole different concept than two years in a row.

I guess I would ask the Member for Calgary-Glenmore to explain if that is what they were talking about as opposed to two consecutive years of deficit. Because that makes a really significant difference in the operation of when we're going to be calling one of these districts to task. I would suggest that a running deficit over a two-year period is not enough to trigger ministerial review, but two successive years of deficit would be a very significant trigger point. The difference between the two of them is really significant.

So, Mr. Chairman, I would appreciate a response to that, if we could, a clarification, if it would be possible, from the Member for Calgary-Glenmore.

THE ACTING CHAIRMAN: The hon. Member for Calgary-Glenmore.

MR. STEVENS: Thank you, Mr. Chairman. The hon. Member for Lethbridge-East makes a very, very good point. My interpretation is two successive deficit years, not a running deficit situation as a result of one bad year. When I read this provision in conjunction with the balance of section 117, I see that on an annual basis there must be a budget and that on an annual basis the estimated revenue "must be at least sufficient to pay the estimated expenditures." So when you add these provisions, I see the minister getting involved only in the event that there are in fact two successive deficit years.

DR. NICOL: I'd like to thank the Member for Calgary-Glenmore for explaining that. His interpretation of the intent of this was the same as my original understanding. We had a conversation about it, and

I guess his interpretation was planted in my mind. I would suggest that maybe what needs to happen here is we need to have some kind of a review of this to look at: is it really, in the wording in this amendment, going to be able to be applied differently than the member has suggested? If the minister really intended for this to be done in that way, then we need to make sure that this is clarified.

I can see situations here where that is not going to be the interpretation, and I would suggest at this point that maybe what we should be doing is defeating this amendment, allowing the Member for Calgary-Glenmore to go back and review it, because those words that are on the paper do not convey to me now what the member is saying. I think it would be very appropriate. It's important that we make sure the words that are there are effectively those words that convey to the districts out there the same thing that we're talking about here in debate.

I think a lawyer would sit there and look at these words and say: okay, by having them say over a two-year period, that means you start at one fiscal year and you go two fiscal years in length, and if during that two-year period we have a situation where the total revenues of a district from the sources of revenues referred to in subsection (3) are less than the total expenditures for the same period -- in other words, the accumulated period of those two years is a deficit. So you could have: I can make lots of income this year and make no money next year and run a deficit. Well, that's what we're saying. When the running total of those two years is a deficit, then what we've got is a situation here where you've got a good year and a bad year giving you a running average of a deficit. To me that is a whole different scenario than what we see when the Member for Calgary-Glenmore spoke about having two subsequent years of deficit. That means from the first of the fiscal year to the end of that fiscal year we've got a deficit, and then the next year, from that fiscal year to the end of it again we've got another deficit. That means we've got two years in a row where there is not an appropriate degree of management scrutiny. We've got to deal with this from the perspective of getting those words to be appropriate for interpretation. [interjection] Longer? I'll give you a few more minutes.

This is important because a district out there has to realize whether or not they're going to be held accountable for one bad year. It's important that that be conveyed to them. If they're going to have their lawyers look at this, we've got to make sure that the interpretation of the district's lawyers, when they're talking about a two-year period, is the same as what we want to have when those of us who are in the Legislature are debating this and saying: yes, this is the degree of accountability, this is the kind of accountability, and this is the process of accountability that we want to have for each of our districts. We're putting in their hands a trust to deal with managing our resources on our behalf in a way that we can say, "Yes, we're confident," and we're not going to call them to task unless the degree to which they have followed that trust is not reasonable and is a continuing degree of question or that we can question them for more than one operational bad year.

9:20

Mr. Chairman, I think that what we need to do is look at this from the perspective of how it might be best. I think it might even be appropriate for me to move that we adjourn debate, but we'll continue the discussion here on the appropriateness of this interpretation.

Mr. Chairman, in the context of this I think what I'll do is I'll move down a little further and talk about another one of the amendments as well while they're dealing with the wording in that part of it. It's under the A part of this amendment, "Section 117 is amended." It gets down to subsection (6), and they're talking here:

“On receipt of a budget under subsection (5),” so that’s the section we’re talking about right now, “the Minister may approve the budget as submitted or revise the budget prior to approval, and the budget . . .” Then it goes on and says that this budget will be mandatory or be the operational budget for that district.

Mr. Chairman, I would suggest that it might be appropriate to deal with explicit wording here that says: the consultation should go on with the district first.

MRS. McCLELLAN: Don’t push your luck.

DR. NICOL: I’m not trying to push my luck; I’m trying to carry the debate. This is an idea that we have to look at from the perspective of how to make sure the districts are involved in that new budget that the minister is going to bring down. The Member for Calgary-Glenmore suggested that the minister would do this with consultation, and I really believe that it would be very easy for us to put that into the amendments as well. So with that, I think we have a solution, and I will take my seat.

THE ACTING CHAIRMAN: The hon. Member for Calgary-Glenmore.

MR. STEVENS: The hon. member makes an excellent point. I think a minor amendment to the wording is in order, so I would like to adjourn debate at this time.

THE ACTING CHAIRMAN: The hon. Member for Calgary-Glenmore has adjourned debate. Are you agreed?

HON. MEMBERS: Agreed.

THE ACTING CHAIRMAN: Opposed? Carried.

Bill 14

Municipal Government Amendment Act, 1999

THE ACTING CHAIRMAN: The hon. Member for Leduc.

MR. KLAPSTEIN: Thank you, Mr. Chairman. I rise to thank the members of the Assembly for their positive comments regarding the consultation process and for their general support for the proposed amendments to the Municipal Government Act, which will improve the legislative framework for local governments in Alberta. I also wish to respond to the questions and concerns raised by some members in the House regarding some of the proposed amendments.

Mr. Chairman, before I respond to the specific concerns and questions, I think it is important to reiterate the intent of this bill. The purpose of the bill, as I previously mentioned, is to improve the act by streamlining administrative processes, enhancing equity and efficiency, and responding to procedural gaps within several general theme areas, including municipal governance, derelict properties, assessment and taxation, assessment complaints and appeals, tax recovery, mediation, and streamlining legislation.

It is not the intent of this bill to address building and construction standards or to be a money bill, although there are a number of proposed amendments that expand revenue sources for municipalities, such as adding another method for determining business assessment value, allowing for tax agreements for electricity supply from third-party sellers, and allowing municipalities to recover costs for provision of street lighting.

Other proposed amendments will assist municipalities in recovering costs, including adding costs to restore rights-of-way to the tax

roll, adding costs to remedy derelict and unsightly properties to the tax roll, and allowing for a revised local improvement tax rate if costs increase.

The hon. Member for Edmonton-Manning addressed the proposed amendments in the same order as they are listed in the department’s second consultation document, which is referred to as the amber book, and I will respond in that order.

Mr. Chairman, the first item I would like to address is a proposed amendment to add residential and commercial street lighting to the public utility definition. While the term street lighting is not defined, the ordinary definition of the terms residential and commercial will apply. There was a question whether lane lighting would be included by this provision. Generally, lane lighting is addressed as a local improvement. However, municipalities could decide to address lane lighting under this proposed provision.

The legislation is drafted to allow the municipality the flexibility to decide what street lighting and costs would be covered and how much of the cost would be recovered and who would cover the costs. The street lighting costs that can be recovered would be similar to those costs recovered for other utilities. This would include the cost of the commodity, the cost of the infrastructure if it is held by the municipality, and the cost of maintenance. Municipalities can choose to recover costs from the people who directly benefit from the service or from all ratepayers through general revenue.

This proposed amendment addresses a concern of municipalities, which was to provide for the ability to recover costs for residential and commercial street lighting. There was no intention to recover costs along arterial roadways.

The proposed amendment regarding electricity supply from third-party sellers is triggered because of the move towards electrical deregulation. For example, utilities outside the municipality may be selling electricity into the municipality and using the municipality’s electrical infrastructure. The change in the proposal from the amber book is that the proposed amendment would now also allow tax on transmission, high-voltage service, as well as distribution or low-voltage service. This revised proposal was prepared with the assistance of Alberta Energy and those municipalities most affected.

There were some questions regarding the proposed amendments to add costs of restoring rights-of-way to the tax roll. The proposed amendments will allow these costs to be added to the tax rolls of properties or businesses of the licensee that are located in the municipality. They do not, however, address licensees who have neither properties nor businesses on the tax roll. Municipalities can recover these costs through civil action or by providing for a security or damage deposit in the licence. The proposed amendment was drafted to allow maximum flexibility to the municipality to recover costs relating to the restoration of any lands granted a licence of occupation by the municipality. This could include, for example, municipal rights-of-way and roads that are under the control, direction, and management of the municipality.

The proposed provision is not in conflict with the proposed section 16 of Bill 24 of 1999, being the proposed Traffic Safety Act, nor with section 16(3) of the current Highway Traffic Act. In both cases an exception to the prohibition is provided where such a change is specifically permitted by the act. In any event, I understand that Alberta Transportation and Utilities has received comments from the Alberta Urban Municipalities Association and some municipalities to clarify the intent of the proposed section 16 of the Traffic Safety Act. I further understand that Transportation and Utilities will consider these suggestions when redrafting its bill.

9:30

The MGA focuses on the property owner as the party responsible

for land, structures, or property. The existing sections regarding unsightly and derelict property speak of the owner of the structure, land, or property. The owner has primary responsibility to ensure that the property is used properly and complies with applicable laws, although of course the user also has that responsibility. If the property is leased or otherwise used by someone who is not the owner, the owner must address the responsibility for maintenance and the consequences of improper use through the lease or other agreement.

The relationship between a residential landowner and tenant is addressed in the Residential Tenancies Act. This act provides that tenants must not endanger persons or property on the premises and must not do or permit significant damage to the premises. Tenants must also maintain the premises in a reasonably clean condition. A breach of any of these is a substantial breach allowing the owner or landlord to terminate the lease.

Commercial leases can also address these kinds of issues. Use issues may be addressed in the land use and other bylaw provisions. In addition, where criminal activity is occurring criminal law would apply.

It was suggested that there should be some mechanism for a community to have some input into the matters of derelict housing, meaning that if the community league or community organization has concerns, they can have a process through the local government to bring this forward. The government and the department try to avoid prescribing in the Municipal Government Act and related regulations the ways in which municipal councils and administrations can carry out their duties. Many groups in addition to community leagues and organizations address the issues related to derelict properties. It is open to council and to municipal administrations to include these groups in the process, and it is open to these groups to present their views to council and the administration. The department and the government hope that councils and administrations would seek out the views of affected residents on these kinds of issues to try to achieve a co-operative solution. The department feels that it is best left to the local government to address the method for this.

Proposed section 29 of Bill 14 provides protection from liability for municipalities acting under the statutory authority of this or any other enactment. The proposed provision was intended to protect municipalities when acting under statutory authority but not when they are acting negligently or committing any other kind of tort. However, it is the view of several members of the legal community that the proposed provision as currently worded may provide protection if a municipality acts negligently or commits any other tort. Therefore, I would like to propose an amendment to clarify that the provision does not protect the municipality if the cause of action is negligence or any other tort.

A concern was raised that the proposed amendment regarding the appointment of the municipal assessor would not provide the ability for a designated officer or chief administrative officer to delegate and subdelegate the assessment function to individuals who are qualified. The preparation of the assessment roll is the responsibility of an assessor appointed by the municipality. The proposed change is that the appointed assessor must meet certain qualifications.

That being said, Mr. Chairman, I would like to propose an amendment regarding section 10(a) of the bill. The qualifications referred to are contained in a regulation that has been filed and will come into force on January 1, 2000. Section 10(a), if enacted as is, would come into force on Royal Assent. There may be some confusion regarding the implementation of this section due to two different effective dates, one relating to the definition of assessor and another relating to the qualifications of an assessor. Therefore, Mr.

Chairman, I'm proposing that section 10(a) of Bill 14 come into force on January 1, 2000 to coincide with the effective date of the regulation.

The proposed amendment in section 354(3.1) clarifies that all properties that are nonresidential in nature other than farmland are to have the same tax rate. This will ensure compliance with section 354(3.1), which states that the tax rate for nonresidential property must be equal to the tax rate for machinery and equipment.

Amendments were enacted in 1998 to provide another option to municipalities to collect unpaid taxes on manufactured homes. The new tax recovery process came into force on January 1, 1999. As such, municipalities have not used the new tax recovery process to any great extent. However, a tax recovery handbook has been prepared by the Department of Municipal Affairs to guide and assist municipalities with this process. The department will monitor the process to determine the effectiveness of the new provisions.

Some municipalities developed an informal reporting relationship with the owner/managers of manufactured home communities to advise them of movements and changes, but this practice is not consistent or uniform through the province. To address this, the amendments enacted in 1998 also contained provisions to formalize the reporting of movements of manufactured homes. The Department of Municipal Affairs consulted with manufactured home community owners and the Manufactured Housing Association during the preparation of those amendments. There was vast support for the inclusion of reporting requirements. The Manufactured Housing Association is directly participating in the implementation of this new tax recovery process and in particular in providing a unique identifier for older manufactured homes for use in both the reporting and the personal property system. The process is too new to provide any evaluation on it at this time.

Some concerns were raised about the establishment of maximum fees for assessment complaints. Under section 481 municipalities have the ability to choose whether to pass a bylaw or not to set fees for an assessment complaint. The Alberta Association of Municipal Districts and Counties conducted an informal survey and found that most municipalities charged fees between \$25 and \$200 to make an assessment complaint; however, some municipalities have been known to charge up to \$10,000 to file a complaint. The proposed amendment allows the minister to make a regulation regarding fees for assessment complaints. This regulation will provide only upper limits. The proposed amendment is therefore designed to protect the ratepayer from being charged exorbitant rates, which would jeopardize the complaint process. The requirement that fees bear a relationship to the cost of the service provided has become an issue due to the Eurig estate case in Ontario.

Mr. Chairman, there were a number of comments made about the introduction and use of mediation regarding certain disputes that are addressed in the Municipal Government Act. The department investigated the area of mediation and found that there are many acts and regulations that refer to the use of mediation as a means of resolving disputes. In the majority of cases a specific process is not identified; likewise, there's no specific mediation process identified in the proposed provisions to the Municipal Government Act. The department and the government encourage municipalities to develop their own, homegrown process.

A few of the acts and regulations reviewed by the department allowed the mediator after a prescribed time period to make a recommendation to terminate the mediation process. This has the effect of placing the mediator in the role of judge and mediator. The proposed provisions in the Municipal Government Act do not place the mediator in this position. Instead, a mandatory statutory declaration is proposed regarding an appeal of a rejected application

to approve a statutory plan or a land use bylaw under section 619 or an intermunicipal dispute about statutory plans or land use bylaws under section 690.

Regarding annexations, it is proposed that a description of the attempts to mediate must be included in the initiating authority's report to the Municipal Government Board, which is part of its application if it wishes to proceed. In all cases the statutory declaration and report would include the reasons why mediation was not successful. These documents, however, would come from the municipalities and not the mediator. The sole role of the mediator in these cases would be to facilitate and advance the parties toward a resolution without judging the parties or the situation.

Members of the opposition raised a number of specific concerns about the proposed mediation provisions which I would like to address now. First, it was suggested that mediation could give one party the ability to halt the process without any resolution of the dispute. This is not correct. In all cases merely a description of the attempts must be provided, whether by statutory declaration in the case of disputes under section 619 or 690 or report in the case of annexations. Both the statutory declaration and report are made by the municipality and not the mediator.

It was also suggested that the Municipal Government Act pay greater attention to identifying appropriate steps in the communication process to identify problem areas before they become a contentious topic and possibly subjected to mediation and appeal processes. Certain steps, including the proposed provisions, are already identified. Again, the government and the department feel that to the greatest extent possible the municipalities can and should be able to choose the methods to resolve their differences.

9:40

Concern was expressed that the 30-day time period between the passing of the offending bylaw and the filing of the notice of appeal with the Municipal Government Board may not allow enough time to complete a mediation process. This time period appears to refer to disputes referred to the Municipal Government Board under section 690, dealing with intermunicipal disputes about statutory plans and land use bylaws. A municipality must only file the notice of appeal within that 30-day time period. It can do so merely to preserve its right of appeal. Mediation can continue, and the parties can also agree that the Municipal Government Board can take more time than the 60 days specified from the date of receipt of the appeal to commence the hearing. A proposed amendment to section 690 specifically states that the statutory declaration can state that if "mediation is ongoing . . . the appeal is being filed to preserve the right of appeal."

There was another suggestion that annexation be initiated by one municipality serving notice to the other that it wishes to engage in a joint review of boundaries and that the detail for notice of the annexation would be worked out jointly by two municipalities. Section 117 already says that the parties must meet to discuss matters in good faith. The proposed amendment has the requirement to attempt to mediate any dispute matters in the annexation.

Finally, it was suggested that if two municipalities have an intermunicipal development plan, the dispute resolution process under section 631(2) of the Municipal Government Act could be expanded to include annexation disputes within the intermunicipal development plan process. Municipalities can use mediation to resolve any dispute now. The department and the government encourage creative dispute resolution mechanisms wherever and whenever possible.

Thank you, Mr. Chairman, for the opportunity to respond to these concerns and questions raised during the debate at second reading.

I would like at this time to move the amendments that I referred to in my comments. They have been distributed to all members, and I await discussion of the amendment.

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

MR. GIBBONS: Thanks, Mr. Chairman. I'm pleased to stand tonight on the amendment as well as on Bill 14. I'm pleased that the Minister of Municipal Affairs and her staff as well as the Member for Leduc have been so gracious in talking throughout this process.

The main thing I'd like to stress is bringing the changes to the MGA each spring instead of building up unruly regulations over one or two years, which would be totally not acceptable. For those who are naysayers on this particular thing, this is very progressive legislation. Bill 14 is consistent with the principles that municipalities should have more decision-making powers and responsibilities. I really believe that some of the items we have brought forward and some of the answers I've gotten from the Member for Leduc will do well and sell well throughout the province as we pass along the different information they've asked for.

I've stressed in every speech and every piece of literature while touring Alberta that municipalities and the province should work as partners. Municipalities should not only be consulted when decisions are being made that impact them but should have the active role in the decision-making process. A formal declaration is one thing I've been stressing, and the responsibility is with the province to go that direction.

As I listened to the amendment put forward, I feel that this amendment serves the public interests. So on behalf of the Liberal opposition and myself as the critic of Municipal Affairs, I recommend that the amendment be accepted as presented.

As I listened to other items from the Member for Leduc in a statement that the government and department try to stay out of regulations in areas like we are referring to in the MGA, they feel there should be no interference by them and that the duties should be done by the local municipalities. That is true, but at the same time they should all be coming forward as amendments to the actual act.

At this time, Mr. Chairman, I will accept the amendment and sit down.

[Motion on amendment A1 carried]

MR. KLAPSTEIN: I move that we adjourn debate on Bill 14 and that progress be reported when the committee rises.

THE ACTING CHAIRMAN: The hon. Member for Leduc has moved adjournment of debate and that progress be reported on Bill 14 when the committee rises. Are you agreed?

HON. MEMBERS: Agreed.

THE ACTING CHAIRMAN: Opposed? Carried.

Bill 21 **Irrigation Districts Act** *(continued)*

THE ACTING CHAIRMAN: The hon. Member for Lethbridge-East.

DR. NICOL: Thanks, Mr. Chairman. There are a couple of amendments that we're going to deal with here, and I assume they're at the table. Is that correct?

The intention of the subamendment, I guess is what it would be, Mr. Chairman, would be to make sure that the wording of subsection (5) to part A of the amendment to section 117 actually does convey the message that we have to have a deficit occur in the district budget in two years that are sequential, not a running average of two years.

I think the appropriate thing for us to do would be to support this kind of subamendment to make sure that all of the participants in the operation of our districts and the relationship between the district and the minister responsible is done in a way that the opportunity for misinterpretation is removed as much as we can and that we don't have any kind of situation where we will be in a position to have a district come along and say: "Well, that's not the way we interpret it. We would like very much for you to interpret it the way we see it being interpreted." This is the kind of thing that needs to be looked at.

With that in mind, Mr. Chairman, I would like to propose a subamendment to the amendment to Bill 21, and that subamendment would be that amendment A1 to Bill 21 be amended in section A in the proposed section 117(5) by striking out "over a 2-year period" and substituting "in each of 2 consecutive fiscal years." This would make sure that the wording is consistent with the intent that we heard the sponsor bring forward and that I guess all of us would understand as being in the best interests of making sure that this legislation does what we want.

So with that I think enough of them have been distributed that we can call the question on this subamendment if we would.

MR. STEVENS: Mr. Chairman, I just wish to confirm that I'm supportive of the subamendment referred to by the hon. Member for Lethbridge-East.

9:50

[Motion on subamendment SA1 carried]

THE ACTING CHAIRMAN: The hon. Member for Lethbridge-East.

DR. NICOL: Thank you, Mr. Chairman. On the main motion now as amended. I think that this is going to improve it for us.

I think the chair has a second subamendment, if that could be distributed. This is going to clarify in subsection (6) that before a revised budget can be sent down to a district, we have to make sure that consultation has gone on with the district so that the participants that are involved fully understand the intent of the minister when the changes are made, when the new direction is put to the budget, when the new budget that they're going to have to operate under is provided to them from the minister's office.

Mr. Chairman, I hope that these are being distributed at this time. If there are enough of them around, we can then look at it from the point of view that this would be another subamendment to the Irrigation Districts Act. I move that the amendment A1 to Bill 21 be amended in section A in the proposed section 117(6) by adding "through consultation with the district" after "submitted or."

This would then have that section of the amendment as proposed read:

On receipt of a budget under subsection (5), the Minister may approve the budget as submitted or, through consultation with the district, revise the budget prior to approval, and the budget . . .

And the rest of the amendment would follow through. So basically what I'm asking is to make sure that consultation goes on before the minister does revise one of these budgets.

With that, Mr. Chairman, I would ask for support for this, and we'll see if we can improve it once again. Thank you.

THE ACTING CHAIRMAN: The Member for Calgary-Glenmore.

MR. STEVENS: Thank you, Mr. Chairman. This subamendment makes express the minister's intention to consult with the district if this situation arises, and as such I support this subamendment.

[Motion on subamendment SA2 carried]

[Motion on amendment A1 as amended carried]

[The clauses of Bill 21 as amended agreed to]

[Title and preamble agreed to]

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

HON. MEMBERS: Agreed.

THE ACTING CHAIRMAN: Opposed? Carried.

MR. HANCOCK: Mr. Chairman, I move that the committee rise and report.

[Motion carried]

[The Deputy Speaker in the chair]

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

DR. MASSEY: Thank you, Mr. Speaker. The Committee of the Whole has had under consideration certain bills. The committee reports the following with some amendments: bills 18 and 21. The committee reports progress on Bill 14. I wish to table copies of all amendments considered by the Committee of the Whole on this date for the official records of the Assembly.

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

HON. MEMBERS: Agreed.

THE DEPUTY SPEAKER: Opposed? So ordered.

head: Government Bills and Orders
head: Second Reading

Bill 20
School Amendment Act, 1999

[Adjourned debate March 30: Mrs. Burgener]

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

MR. BONNER: Thank you very much, Mr. Speaker. It gives me a great deal of pleasure this evening to rise to speak to Bill 20, the School Amendment Act, 1999. I must say that in the short time that I've been an MLA, there has never been any issue that has brought so much response from any segment of the population as Bill 20 did. I received more phone calls, more faxes, more letters. When I visited the schools, I obviously heard about Bill 20, and quite often when I was out in the community, people would come and speak to

me about Bill 20. It was enlightening to see democracy in action and to be part of that.

When we look at the School Amendment Act, perhaps the most controversial part of the whole bill was the removal of the Board of Reference in this particular bill. Historically when we look at the Board of Reference, we will get some idea as to why teachers feel so strongly about the Board of Reference and why they oppose this bill so strongly. Now, the Board of Reference came into being because of actions taken against teachers during the Great Depression. It was during the Great Depression that teachers were fired at the whim of the board or inspectors. It was because of the mistreatment of teachers during these particular tough times, not only in Alberta but across Canada and throughout the world, that the Board of Reference came into being.

10:00

Once the Board of Reference was established, over 50 teachers that had been wrongfully fired brought their cases to the board. These were overturned, and those people got their jobs back as teachers. So what happened here is that we had a situation where the individual rights of teachers were removed, and because of the Board of Reference they were brought back.

Now, historically things with the Board of Reference haven't changed here in the province. It has now become a place where teachers feel they are treated fairly, justly, expeditiously, and completely. This, Mr. Speaker, is not about the ATA. It is between individual teachers and the Board of Reference. When a teacher does go to this Board of Reference, they of course do have the option of having the ATA accompany them or not. So historically this was why I think we had the loud outcry from teachers when they heard that the Board of Reference was going to be eliminated.

I think as well we have to look at the benefits of the Board of Reference in order to understand why teachers, again, think this is such a necessary part of their role. The first thing is that it's a relatively cheap board. It understands educational law. In being able to deal with teachers who are fired or teachers who are suspended or teachers who feel they have been unjustly transferred, these situations can be dealt with quickly and fairly. The Board of Reference must be doing a good job because if you speak to the teachers, they think the school boards are winning all the cases, and when you talk to the school boards, they feel the teachers are getting the benefit of this. So it must be doing a good job.

Now, if we remove that Board of Reference, if so many of these situations that we just talked about -- suspensions, firings, and transfers -- have to be put into collective agreements, then we're going to see the size of collective agreements grow immensely. As well, when we have our teachers throughout the province going into their collective bargaining situations, then this portion that is now handled by the Board of Reference is going to have to be somehow included in their collective agreements. If this were to happen right now, Mr. Speaker, certainly some of those people who have settled their contracts for the years ahead would not have anything which would protect them. I think, as well, that if we do see the Board of Reference removed, we certainly will see a more union type of attitude enter into the education segment with our teachers.

While some people thought that perhaps by removing the Board of Reference we could get rid of the deadwood or the incompetence in teaching, I think in the long run what we would find is that we would get a new system which would certainly bog the whole process down, a new system that would take much more time and be much more costly. It was with I think very much relief that I saw that the Minister of Education has publicly announced he will delete the section in Bill 20 that extinguishes the Board of Reference.

We have to understand that as a result of discussions between House leaders for the government and the Official Opposition, Bill 20 will not be brought back for committee until the government fulfills a couple of requirements. One is that the government would provide us with the text of the amendment dealing with the Board of Reference, and the second condition would be that there would be prior consultation between the House leaders as to the scheduling of Committee of the Whole.

With those comments, Mr. Speaker, I would have to say that at this stage I would be in favour of passing Bill 20 at second reading so that we can get it into Committee of the Whole. I certainly look forward to seeing the changes that are going to come forward in Bill 20 that will make this a much better piece of legislation which will certainly be a piece of legislation acceptable to the stakeholders, those of course being the teachers, the boards, and the Alberta School Trustees' Association.

So with those few comments, Mr. Speaker, I will take my seat. Thank you.

THE DEPUTY SPEAKER: The hon. Member for . . . [interjection] I'm quite aware of his membership. I'm just wondering if we could have a moment for the hon. Member for Edmonton-Mill Woods.

DR. MASSEY: Thank you, Mr. Speaker. With permission I would file copies of the letters that I referred to previously in the debate on the appropriation bill.

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

MR. MacDONALD: Thank you, Mr. Speaker. I have also this evening a few comments regarding Bill 20, the School Amendment Act. Of course, we know the controversy that this bill created throughout the province. As labour critic for the Official Opposition, my constituency office was the focus for a lot of this controversy, and I received faxes and phone calls from teachers across the province. I could do a travelogue of the fine province of Alberta. I received communications from Red Deer, from Ponoka, from Taber, from Wainwright, from Vermilion, from Calgary, from Edmonton, from all over the province from concerned teachers. It was with interest and with delight that one of the last faxes I had a look at the week previous was the press release from the Minister of Education, which I was delighted to see because there was an announcement that the minister will delete the sections that had so many teachers upset, and that was with the idea of the Board of Reference.

Now, I'm going to await the amendments regarding this controversial issue, but the whole concept of eliminating the 72-year-old Board of Reference, used to settle contract disagreements between individual teachers and school boards, and replacing it with a mechanism that would be under the Labour Relations Code we would have to look at with caution, Mr. Speaker. Everyone in this Assembly realizes that the Alberta Labour Relations Board is an independent and impartial tribunal, and we respect the rules of fair play that govern trade unions, employers, and employees in their day-to-day labour relations activities. The Labour Relations Board's core activities arise from the responsibilities placed on it by the Labour Relations Code.

Now, if the hon. minister was contemplating taking teachers' disputes or differences with the various school boards and putting them to the Alberta Labour Relations Board, I would have to question whether he took a good look at the performance of the Labour Relations Board and recognized the fact that in the last four years, Mr. Speaker, the Alberta Labour Relations Board applications

received have increased. In the fiscal year 1994-95 they were at 881 applications, and it has increased significantly in the last reporting year to 1,294. That's a dramatic rise.

10:10

We all know the difficulties that are occurring in labour relations across this province, and we all know, once a strike occurs, how difficult it is for the department to get a handle on it. We look at the job action that's been contemplated -- and I'm quite frightened by this -- by both school boards in Calgary, both the public and the separate. We also have the registered nurses, 16,000 registered nurses, contemplating job action. The Labour Relations Board has enough work to do already; that is my point. When the minister is looking at the Board of Reference and what it has done for the past 73 years, I believe there have been relatively stable labour relations between school boards and teachers, and this will continue if the Board of Reference is the mechanism for dispute resolution.

I understand that as a result of discussions between two hon. members of this House, the Government House Leader and the Member for Calgary-Buffalo, there will be amendments brought forward, but Bill 20 will not be brought back for committee until the government provides us with the text of the amendment dealing with the Board of Reference. Also, I understand there will be prior consultation between House leaders as to the scheduling of the committee stage of this discussion on the Board of Reference.

These are very important issues for schoolteachers across this province. They're going to be watching the proceedings of this House with a great deal of interest because they want to see this dispute resolution mechanism continue. They don't want to see the Labour Relations Board involved in this. They know the problems, which I spoke about before to all members of this House, that the Labour Relations Board has with certain labour disputes in this province, but the idea of the Labour Relations Board is sound enough.

Historically, the Alberta Labour Relations Board has enjoyed a high degree of respect from constituents of the labour management community, and I hope that this continues. In the past many governments of this province have understood the importance of avoiding any suggestion of political interference in respect to board appointments or board decisions, recognizing -- and I don't know if the teachers are cautious about this or not -- that the board's credibility within the labour management community was vital to the successful fulfilling of mediation and adjudication roles. There have been some controversial appointments to this board. We know this. Mr. Steve Kushner comes to mind, Mr. Speaker. Now, whether this is the reason for the anger of the teachers and their suspicions of moving this dispute resolution system to the Labour Relations Board, I do not know.

There are other issues that we need to talk about with this Bill 20. The diversity in shared values: this is quite an interesting proposal. It's one, Mr. Speaker, that I'm looking at and thinking it is going to be excellent to hear all members of this Assembly in Committee of the Whole discuss this issue.

With those comments at this moment on Bill 20, Mr. Speaker, I believe I will cede the floor to another hon. member of the House. Thank you.

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

MR. SAPERS: Thanks, Mr. Speaker. This bill has been very controversial, and I could not let second reading pass without putting on record a comment about the input that I've received from

constituents of mine regarding particularly the amendments about the Board of Reference. The government has listened to the opposition and to the teachers and to members of the public who have questioned that amendment and then demanded that it be removed. I want to thank all the teachers in my constituency and all the taxpayers in my constituency who made a point of letting me know that they would not tolerate and would not accept this attack on the manner in which labour disputes have been resolved between teachers and their employers successfully for the last 70-plus years.

I suppose, Mr. Speaker, I'm also in a rather back-handed way giving some credit to the government for listening as well. I do appreciate the fact that the government heard those voices of opposition and did the right thing. I'm still puzzled as to why they went down that road to begin with. It seems to me that every year one way or another we see some sort of attack on a very, very honourable profession in this province, in fact I think a profession that you're well familiar with yourself and have been a proud member of, yet year after year we see these attacks. This year this one almost got by. I'm glad that it didn't, and I hope we don't have to fight this fight again.

There are some remaining clauses of Bill 20 which give me some concern and had given some of my constituents pause for reflection as well. The imposition of what would be the provincial government's collected values on the curriculum of the province I think is very troubling.

Mr. Speaker, I'm looking forward to some continued debate in committee, where we can receive perhaps some input from the government as to why they're going down that particular path. After we hear that defence, we'll be able to evaluate it and maybe even offer some amendments that I'm sure the government will be just as willing to listen to as they were willing to listen to the voices in opposition to the changes to the Board of Reference.

10:20

So, Mr. Speaker, the debate on Bill 20 is far from over, although we may be winding up second reading. I don't expect committee to be a short or quick process when it comes to this bill, and I'm going to encourage members of the ATA, members of school boards, parents, and students to continue to provide us with input and guidance and suggestions on how to make these amendments helpful instead of detrimental to the public education process in the province of Alberta.

[Motion carried; Bill 20 read a second time]

Bill 33
Appropriation Act, 1999
(continued)

[Adjourned debate April 20: Mr. Renner]

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

MR. DICKSON: Thank you. A question is exactly the way I should start out. I have a lot of questions about this bill, as I'm sure the people in Edson and Hinton also have serious questions about the appropriation.

You know, it's a curious thing to me, Mr. Speaker. I had the chance earlier today to spend some time in the city of Calgary talking to people who are trying to fathom how it can be that we have a government in this province that seems so unaware of the kinds of funding problems that exist in that city. How is it that we can have this government that's prepared to say -- I know the Member for Calgary-Egmont must be hearing some of those same

concerns, too, and I know the Member for Calgary-Cross must be hearing some of those concerns. [interjection] You know, I think I can hear, unless I'm imagining it, the Member for Calgary-Egmont harking back to the criticism that he used to make about the Calgary board of education before the Calgary board review.

I don't know why it is we've got here in the Chamber this evening the appearance of the Member for Calgary-North West. Here is the member who was part of that panel that reviewed what was going on with the Calgary board of education. Maybe the Member for Calgary-Egmont hasn't had time to go through the report prepared by the Member for Calgary-North West. Maybe he hasn't had a chance to share his concerns. The point is this. What that report identified last year is that the problem is not with the management of the Calgary board of education; the problem exists with inadequate funding from the Department of Education.

I was part of a designated subcommittee of supply dealing with the estimates for the Department of Education. We were there for four hours with the Minister of Education, and some of the other members of the Assembly were in that room. The Member for Calgary-Glenmore was there, and there were some other members who were part of that session. I showed the Minister of Education the document that had been prepared by SPEAK, Support Public Education -- Act for Kids, and I specifically said to him: notwithstanding the \$600 million that the Premier tells us about ad nauseam question period after question period, SPEAK had estimated that the new dollars that went into the Calgary board of education this year would be only \$21 million. I implored the Minister of Education to tell us if he disagreed with that assessment. I wanted to give him the opportunity to say that the analysis is flawed, that the calculations are erroneous. You know, in the course of four hours, Mr. Speaker, the Minister of Education in no way discredited that analysis done by SPEAK.

On the basis of that I take it that the actual money available, new dollars, for the Calgary board of education is \$21 million. The Calgary board of education had a deficit of \$35 million. They were under instructions from Alberta Education that over five years they had to eliminate that \$35 million deficit. How on earth this government would think you could take \$7 million a year out of the education budget for the Calgary board of education without increasing classroom size, without reducing the number of trained teachers in the system, without reducing access to other kinds of supports and resources is amazing. It's just amazing.

When we deal with Bill 33, the numbers are huge. They're billion dollar sums, which would be staggering to Albertans. The challenge for us is to break that down in terms of what the impact is going to be in classrooms and hospitals and other kinds of necessary services for Albertans. The reality is that in the city of Calgary, there is simply inadequate support from the Department of Education, from the Provincial Treasurer, and despite the . . .

MR. HERARD: Wrong.

MR. DICKSON: The Member for Calgary-Egmont can go around with his calculator all he wants, saying that the problem is with the board of education, but there are an awful lot of parents and some of them in that member's constituency who have heard his numbers and haven't been persuaded. They've heard the representations from the Premier and the Minister of Education, and neither have they been persuaded by those representations.

We're on the eve of a strike in the public school system, and I think this government has got to be prepared to take responsibility where there's a threat of a work stoppage, work action, in the Calgary Catholic system.

The nurses in this province are without a contract. You have to say, Mr. Speaker: how is it that the cities have inadequate infrastructure support and funding? The mayor of Calgary has patiently been waiting to see what fruit is borne by the task force that the Premier created, but there have been no announcements yet. There was inadequate provision in the budget for infrastructure spending, infrastructure needs in the city of Calgary.

It was great to see the 96th Avenue extension. The Minister of Transportation and Utilities distinguishes himself on the front row opposite because he certainly got the message. I heard him in the House talk about the transportation needs in the city of Calgary. He gets full credit for acknowledging that need. Now, he does not get full credit simply for putting in that 96th Avenue extension. As helpful as that is, that doesn't solve all the other significant problems in the city.

AN HON. MEMBER: It helps.

MR. DICKSON: Sure it helps. He wants an acknowledgment that it helps. I said that, and I'll say it again. I'm happy to repeat it inside and outside this Chamber.

We're going to keep working on it, too, Mr. Minister, through the Speaker, because the problem is that as much as the Premier and the Provincial Treasurer like to go around saying, "We have listened, we've heard, and we've responded," the reality is that there are still too many major needs in this province going unmet.

We talked about education. The Calgary regional health authority: we still are 300 beds short in that community, and I'm not sure that Mr. Dinning can pull the rabbit out of the hat. We look forward with keen anticipation to see what he's going to be able to do, but the reality is that we still have a big shortfall in terms of funding in the Calgary region.

How is a Calgary MLA . . . [interjection] This would apply if you lived in Drumheller too, Mr. Speaker, or Hanna, Alberta. [interjection] I hope the representative from my old home town is not suggesting in this Assembly that it's mismanagement in the city of Calgary. If you have 70,000 new people move into your community, what you find is that that puts acute pressure on your infrastructure. It puts acute pressures on your education system, acute pressures on your health care system.

10:30

MR. DAY: Highest cost per capita, Gary.

Speaker's Ruling Decorum

THE DEPUTY SPEAKER: The hon. Member for Calgary-Buffalo is enjoying the moments he has, but I think that requiring other members to enter into debate ahead of their turn is inappropriate. The chair is intervening just to remind you that you are the sole person who has the moment. So if you would seize it and not encourage others to enter into the debate except after you've finished speaking.

MR. DICKSON: Well, Mr. Speaker, I appreciate the admonition and the advice, but I always thought a debate meant a lively, robust exchange between opposite points of view.

Debate Continued

MR. DICKSON: You know, I was hoping I might be able to provoke some kind of explanation, because I think the 21 Calgary MLAs in this Chamber need some help from the Provincial Treasurer. We need a lot of help from him. We need help to be able to explain to

our constituents. We need help from the Minister of Municipal Affairs. We need help from the Minister of Education. We need particular help from the minister of advanced education, who is prepared to go to great lengths to talk about why the federal government is the bad guy for not making additional land available to Mount Royal College. When we've seen that college face rising tuition costs, all kinds of other compromises in the quality of education that have nothing to do with additional space, why is it that the government finds its voice when it comes to being able to put blame on another level of government when they have refused to accept, indeed when they choose to abdicate the responsibility they're given under the division of powers?

Mr. Speaker, I don't want to take a parochial view in this Assembly. I'm conscious that maybe I speak too much about my concerns about what's happening in the city of Calgary. I know it also exists in other communities. I know this government can and ought to be able to do a lot better. You know, last night a large number of school parents in my constituency assembled in the auditorium at Western Canada high school hoping to hear from the Minister of Education. Apparently he was ill and wasn't able to attend, and I wish the Minister of Education a speedy recovery. But the point is that those were parents who wished they could have the job of one of us here, because they wanted to be able to ask the questions that only we have the privilege of asking: why there are all these problems with underfunding in education in Calgary, underfunding in health care, underfunding in infrastructure, and why it is that the government of this province simply doesn't get the message.

Mr. Speaker, I can see that the Provincial Treasurer is already breathing easier. He's almost made it. You know, he's like the marathon runner. In fact the Provincial Treasurer reminds me that in the Honolulu marathon one time -- I had the opportunity to be there. I wasn't running; I simply happened to be there when the marathon was going on. I remember there was this one runner in particular. He'd traveled from Japan to be able to run in this race, and I think he was one of the last ones to finish. He was having enormous difficulty. It was the last kilometre and a half to get to the finish line.

MR. DAY: If it's a marathon, it'd be in miles, not in kilometres.

MR. DICKSON: But it was a Canadian viewing it.

Mr. Speaker, I guess when I saw the look on that man's face change from one of desperation to one of jubilation as he approached the finish line, it's akin to what I see now in the demeanour of the Provincial Treasurer. He's been able through his nonstop presentation on cooking shows, through his presentation, whether it's been on roller blades, whether it's been jogging through the parks and the byways and the highways of the city of Edmonton -- he's been on every TV station and having to run largely because that way you avoid the tough questions from Albertans who understand and want to know why all that underfunding is going on.

He's almost at the finish line, Mr. Speaker, and we want to give him this last opportunity to acknowledge that his budget has fallen short, that despite all the presentations and despite being the national media darling for that five- or six-week period, he was not able to deliver the budget that Albertans needed. He was not able to deliver the kind of budget that Calgarians wanted.

Mr. Speaker, I want to give the Provincial Treasurer an opportunity now, before we vote on this budget, to stand up and make that kind of acknowledgment to Albertans, that he was not able in this budget to do what Albertans wanted to see done, that he wasn't able to meet the kinds of realistic expectations they had. He could do that. He could validate their disappointment, and I hope he's going

to do that. I know the United Alternative is going to want a leader that demonstrates that sort of ability: to admit when he's wrong. I want him to be able to beef up his curriculum vitae by saying that he was truthful in this Assembly, that he acknowledged the weaknesses in his own budget, and that he asked Albertans for their understanding and their forgiveness. So I hope he'll make that kind of presentation before we finish completely with Bill 33.

Thank you very much, Mr. Speaker.

THE DEPUTY SPEAKER: The hon. Member for Calgary-Egmont.

MR. HERARD: Thank you, Mr. Speaker. The hon. Member for Calgary-Buffalo just made it absolutely impossible for me not to stand up and talk about the so-called underfunding of education in the city of Calgary. Essentially, I think that even the hon. Member for Calgary-Buffalo knows there are always two sides to every point. He talks about the underfunding. He doesn't think there's another side to this story, and that's the spending side.

It's really interesting when you have a look at all the school boards across this province and put all the schedule 10s from the audited financial statements in a database and have a look at exactly what is happening throughout this province with respect to education spending. It's really interesting that when you sort that information, you find that the Calgary board of education is number one in overhead.

You know, the hon. member would say: well, this is not very good to point fingers at the Calgary school board. But the hon. member knows that 80 percent or so of expenditures of a school board have to do with salaries. If salaries are controlled by onerous contracts, then are you in fact pointing the finger at the board, or is it something that they really can do very much about? Hon. Member for Calgary-Buffalo, the fact of the matter is that in the city of Calgary today, if you were to compare the overhead in Calgary public to the overhead in Calgary separate and say: how much more money would Calgary public have if they had the overhead of Calgary separate, the average overhead per person -- do you know how much it is, hon. member? Forty-one point three million dollars.

AN HON. MEMBER: How much?

MR. HERARD: Forty-one point three million. That means \$41.3 million more that they could spend on textbooks, that this hon. member always talks about, on special-needs assistance, that this hon. member always talks about. Forty-one point three million, hon. member. So you have to look at the other side of the coin as well.

You know, you look at this, and it's not sustainable the way it is. If you throw more money at this and if you've got an overhead problem, what happens? The overhead gets bigger, so the problem next year is worse. This hon. member will stand up again next year and say: oh, they're underfunding. Well, hon. member, it has to get solved this year. If it gets solved this year, at a time when grants are going up, and if costs could come down, then there would be a double benefit for the schools. Maybe it's about time the hon. member recognized that.

Thank you.

10:40

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

MR. MacDONALD: Thank you, Mr. Speaker. I'm sorry if I was delayed. I was listening with great interest to the hon. Member for Calgary-Egmont, and I was anxious to hear more, but unfortunately he stopped.

I'm going to have my remarks on Bill 33, the Appropriation Act.

This was a very interesting exchange. Mr. Speaker, I will get to education funding in due time. Bill 33 is . . .

MRS. McCLELLAN: An appropriation act.

MR. MacDONALD: An appropriation act. Exactly. We are seeking legislative authority for the granting of money. We could look up in the gallery and we could say: a lot of money, taxpayers' money.

There are themes here. The hon. Member for Calgary-Buffalo talked a little earlier about health care, about education, about municipal infrastructure. Everyone in the province expects prudent financial management and fiscal responsibility, and this of course is going to require the establishment of mechanisms within the budgeting process that not only protect the tax dollars but sustain investments in our society that contribute to a healthy fiscal balance and also a social balance.

When we look at the social balance in this province, we have to consider things like access to schools, the number of children that are in schools, the number of teachers and teachers' aides and support staff that are available. We have to look at the materials that are available in the schools. We have to look at which children are coming to school hungry. It's a sensitive issue in this Assembly, the idea of child hunger in this province, and it is a problem. I don't think it's appropriate that we debate how big or how little a problem it is. It's a problem, and it's a problem that I'm sure is occurring in every constituency across this province. We can point fingers. We can say that this policy may be to blame, that this department may be to blame, but I think we've got to forget about that, Mr. Speaker, and just realize that we do have a problem and it is our job to do our very best to try to correct it.

Sometimes in our zeal to implement a policy, to defend it, to critique it, we forget the nature of our economy. I've said before that over the last 10 years I think one of the most significant developments has been the diversification of the Alberta economy. If the government wants to take credit for that, well, fine. It has been a very good public policy. However, we look at the volatility and the cyclical nature of our resource industries -- and I know the hon. minister created this budget; he was cautious with his \$13-plus oil price.

On the way to work this morning there was a discussion on the projections of the Treasury officials, and we were \$4 higher at the moment in international oil prices. What good news this was going to be for the Alberta Treasury. What were we going to do with this money? Some people indicated very strongly in this discussion that it should go into health care or it should go into education. Others said that there must be a more cautious approach because this is only three weeks into the fiscal year, and we really wouldn't have a handle on this until November at the earliest.

Other people who were participating in this discussion, Mr. Speaker, talked about tax cuts. We all know the interest that tax cuts generated not only in this province but across the country. We have to talk about this, particularly when we may have this window. I believe it's \$0.5 billion in extra revenue that may come as a result of forecasting oil prices at a little better than \$13 when they may average out over the year at over \$17. An effective taxation system must balance the principles of simplicity, efficiency, stability, sustainability.

Now, the Premier and the Treasurer haven't told Albertans whether the 11 percent flat tax proposal strikes the right balance and whether it is actually affordable within the context of their fiscal plan. I understand that this fiscal plan proposes to increase spending by \$1.66 billion and pay down the debt of \$1.3 billion. While all

this is occurring, we're still going to balance the budget. I don't understand their answers on this flat tax plan, because it has never really been explained who gains and who loses. We have heard the tales, but why is it that under this government's flat tax plan the middle income earner -- and these are the people between \$30,000 and \$100,000.

MR. DAY: Point of order, Mr. Speaker.

THE DEPUTY SPEAKER: The hon. Provincial Treasurer is rising on a point of order. You have a citation for that?

Point of Order Relevance

MR. DAY: Mr. Speaker, on the fiscal side there are few things I enjoy talking about more than reducing taxes, but on the issue of relevance there is nothing in this bill on the tax plan. This is a bill showing the expenses of the various departments, and I think the member should become relevant to the particular bill. I mean, I love talking about the tax plan, but it's not in here.

10:50

THE DEPUTY SPEAKER: The hon. Member for Edmonton-Calder on the point of order.

MR. WHITE: On the point of order, Mr. Speaker, that would be an interjection, as this will be an interjection, because there was no citation. The opposition has nothing to deal with. It cannot be called, sir.

THE DEPUTY SPEAKER: Hon. Member for Edmonton-Gold Bar, do you wish to speak to the point of order, which is on relevance?

MR. MacDONALD: Mr. Speaker, this is taxes. I can't for the life of me think where the hon. member is coming from with this point of order. This is tax dollars. He is initiating a new plan, and we are talking about tax dollars in this bill. If I'm going to be able to stand up and speak on behalf of my constituents, we should be able to consider this.

I await your ruling.

THE DEPUTY SPEAKER: Well, it certainly is true that Bill 33 deals with expenditures, and expenditures I presume are arrived at by taxing people and therefore having enough money to expend. The bill that's before us is a tax bill dealing with items of a tax nature such as this for the whole budget, which normally allows for a pretty wide range within the whole thing. But I do wonder. As the hon. Provincial Treasurer reminded all members of the Assembly, the fiscal plan is something else, and if you can bring it into the expenditures, maybe you might be able to call it relevant, but really it is a bill about the appropriations that we have spent the last -- what is it? -- 20-some days discussing in Committee of Supply.

So with that admonition that you try and make it relevant if you carry on with that particular theme, otherwise deal with the appropriations and all the ramifications that might be there.

Debate Continued

MR. MacDONALD: Thank you, Mr. Speaker. Very well. There are many different issues that we can talk about here. I suppose we can say that the concept of a flat tax has been rejected, but there are certainly issues concerning this bill. Many hon. members, I'm sure, will listen to my remarks attentively.

Now, what are we going to do with this money, Mr. Speaker? All

these tax dollars. Now, we go through here line by line, and we come to the Department of Health. The number one concern for all Albertans is: where is the money? We can talk about the direction this money is going to put in our health care. Is it going to allow all Albertans the satisfaction that they demand from the Health minister and all the officials in his department with the allocation of resources? This has been a problem. It's something that people may not want to talk about, but we have to sustain our public health system. There have been many different cash injections over the years or many different announcements.

[Mr. Herard in the chair]

With all due respect, Mr. Speaker, I think every time these announcements are made, there should be a herald up in the corner. The herald could make an announcement. We could make an announcement about our health care spending. The herald could toot his horn again, and another department could stand up and graciously make the same announcement. This could go on and on and on, and it does go on and on and on. One of the characteristics has been taking the same dollar, removing it from the pocket, putting it on top of the desk, and saying: we're going to spend it on this. Then it's put back in the pocket. At the next announcement, we do the same thing again. This goes on and on and on.

What we really need to do is come clean with Alberta taxpayers and say that we have X amount of dollars for education, we have X amount of dollars for health, we have X amount of dollars for transportation and for municipal infrastructure, and that's it: no need of a herald, no need of fanfare, no need of sophisticated spin doctors. Spend the money on medical doctors, not on spin doctors, and Albertans would be better served.

Mr. Speaker, the whole idea of the budget process is to serve the interests of the province and the citizens in it. I know every member is sincere in their efforts to do their very, very best, but it remains to

be seen whether this bill meets the interests of Alberta students and the sick and the needy of this province.

With those remarks on Bill 33, I shall cede the floor to another one of my honourable colleagues. Thank you.

THE ACTING SPEAKER: The hon. Provincial Treasurer to close debate.

MR. DAY: Just to briefly summarize, Mr. Speaker. [interjections] My colleagues are begging me and asking me to resist the urge. I'll try and be done by 11 o'clock; all right? I'll go quickly here.

The people of Alberta, in a vote of 86 percent approval rating, have said that they feel this budget has the right balance. We've heard a variety of very questionable stats quoted from across the way. Let me summarize simply by saying the following. As a result of our fiscal planning we've seen consistently through this last year, and other economists project for the next year, the lowest unemployment rates in the country, the highest or second highest disposable rates of income, the lowest rates of poverty, the lowest rates of poverty, the lowest rates of poverty, record numbers off the welfare rolls. In terms of peace of mind, which one member mentioned over there, all surveys show that Albertans are the most positive of Canadians and the most generous in charitable giving and the most generous in terms of their levels of volunteerism.

[The Deputy Speaker in the chair]

The budget is not perfect, and our fiscal planning is not perfect. It is just by other peoples' measurements the best in Canada. I would now move it for second reading.

[Motion carried; Bill 33 read a second time]

[At 11 p.m. the Assembly adjourned to Wednesday at 1:30 p.m.]

