

Legislative Assembly of Alberta

Title: **Wednesday, March 12, 2003**

1:30 p.m.

Date: 2003/03/12

[The Speaker in the chair]

head: **Prayers**

The Speaker: Good afternoon.

Let us pray. Though we as legislators of this great province and its people are taken from among the population and are selected by You to be architects of our history, give us wisdom and understanding to do Your will in all that we do. Amen.

Please be seated.

head: **Introduction of Visitors**

The Speaker: The hon. Deputy Premier.

Mrs. McClellan: Thank you, Mr. Speaker. It is indeed an honour and a pleasure to introduce to you and through you to members of this Assembly the Hon. Lyle Vanclief, Minister of Agriculture and Agri-Food Canada. Mr. Vanclief is accompanied by Ken McCready, regional director, Alberta and Territories, for Agriculture and Agri-Food Canada. Mr. Vanclief is in Alberta today to carry out a number of official duties. We're delighted to have him visit our great province. We met this morning to finalize some of the details on the ag policy framework negotiations, which I believe are an outstanding opportunity for agriculture in this country and in this province.

We had the opportunity to visit a grade 4 class at Westglen school this morning to kick off a Canada-wide campaign on allergy alerts and food recalls. I know that Minister Vanclief and I both want to thank the teachers and the students and the staff at Westglen for their enthusiastic participation. We attended a Growing Alberta luncheon where Minister Vanclief announced a \$500,000 contribution to Growing Alberta, which we are matching as a province.

Minister Vanclief will carry on this afternoon after he leaves our Legislature to meet with a number of our industry leaders and continue to talk about agriculture. I know that they will continue to talk to Minister Vanclief about marketing choice for our province, and he expects it.

Mr. Speaker, it is an honour to have our Minister of Agriculture and Agri-Food for Canada in our Legislature today, and I would ask all members to give him a very, very warm welcome.

head: **Introduction of Guests**

The Speaker: The hon. Deputy Speaker.

Mr. Tannas: Thank you, Mr. Speaker. On your behalf I would like to introduce to you and through you to the members of the Assembly Mr. Reno Balon and Mrs. Margaret Balon, who reside in your constituency in Westlock. They're visiting today to watch their granddaughter, Andrea Balon, who is one of our pages assisting us this afternoon. They are standing in your gallery this afternoon, and I would ask that all members give them the warm traditional welcome of this Assembly.

The Speaker: The hon. Deputy Premier.

Mrs. McClellan: Thank you, Mr. Speaker. It's my pleasure to introduce to you and through you to members of this Assembly a group from the Multicultural Heritage Centre who are with us today

to bring attention to Farm Safety Week, which starts today through March 19. Each year too many farms are the sites of horrific accidents, and this group of 20 individuals represents the average number of people who tragically lose their lives in farming accidents each year. Even one is too many, and we thank these members for drawing attention to improving safety. They are seated in the members' and public galleries, and I would ask them to stand as I call their names: Carol Haugen, Ralph and Bernice Jespersen, Audrey Kulak, Judy and Bill Kesanko, Jeanette Smith, Lucy Judge, Darlene Enzenauer, Bruce Foster, Rae Strass, Uta Preuss, Gordon and Ila Phillips, Gerry Kulak, John and Brenda Buckingham, Stephanie Szeponski, Roxanne Fisher, and Gerry Neufeld. I invite them to receive the very warm welcome of this Assembly.

The Speaker: The hon. Minister of Municipal Affairs.

Mr. Boutillier: Thank you very much, Mr. Speaker. We've all heard the saying: you can pick your friends, but you can't pick your relatives. Well, I want to say today that I'm introducing a relative of mine who actually introduced me to the province of Alberta over 26 years ago. He left a small rural community in Cape Breton, Nova Scotia, to come to Alberta and in fact allowed me to stay with him during my time of being a co-op student. My cousin's name is Warren Boutillier and I'd like to ask Warren to rise and I want to thank him for introducing me to this great province of ours.

The Speaker: The hon. Member for West Yellowhead.

Mr. Strang: Thank you, Mr. Speaker. It's with great pleasure today that I introduce to you and through you to the Assembly the Kopp family. As I introduce them, I'd like them to stand: Mr. Randy Kopp, Mrs. Catie Kopp, Nathan, Joshua, Esther, and Reuben, and as a bonus we got Mrs. Judy Aikman, their grandmother, visiting from near Newmarket, Ontario. This family was a great family that helped me in my election, and I'm very proud of them. So I'd like the members to give them the warm greeting of this House.

Mr. Vandermeer: Mr. Speaker, it's my pleasure today to introduce to you and through you 55 students from the Kildare elementary school. Accompanying them are their teachers Ms Lorraine Goruk, Mrs. Diane Shih. Their parent helpers are Mrs. Judy Wong, Mrs. Jenny Wayne, Mrs. Van Tran, and Mrs. Anna Wong. They are seated in the members' gallery and the public gallery. I would ask them all to rise and receive the traditional warm welcome of this Assembly.

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

Dr. Nicol: Thank you, Mr. Speaker. I rise today to introduce to you and through you to the Legislature two colleagues that used to serve in this House with us. Lance White and Percy Wickman joined this House the same time I did, in 1993.

Ms Carlson: No. Percy before.

Dr. Nicol: Yeah. Sorry. Percy was in before that, in '89. That's right. Thanks for reminding me. I'd like to ask everyone in the House here to join me in welcoming them back as visitors to this House.

head: **Oral Question Period**

Natural Gas Rebates

Dr. Nicol: Two years ago today this government brought Albertans

onside with free-flowing energy rebates and a promise of lower utility bills. In addition to handing out millions in natural gas rebates in 2001, the government promised a law that would protect Albertans from unexpected spikes in the price of natural gas. This winter we have neither rebates nor a law that works. To the Premier: given that you promised Albertans that the Natural Gas Price Protection Act would work like a thermostat and kick in when the price hits a certain level, why did you change your mind after the election and decide that the trigger for natural gas rebates should be a yearly average price?

Mr. Klein: Mr. Speaker, you have to bring some sensibility and some . . .

Dr. Massey: They're election promises.

Mr. Klein: Mr. Speaker, if they want to talk about election promises, I'll tell you that they had election promises that totaled about \$23 billion. Thank God they would never be able to deliver on them, or we would be absolutely bankrupt.

There had to be a benchmark. It was deemed that a yearly average reaching \$5.50 a gigajoule would be reasonable, and when that price is reached based on the yearly average, Albertans will be entitled to the rebates. Simple as that.

Dr. Nicol: Can the Premier pinpoint exactly when this House got a chance to debate the regulation, not the spirit or the intent of the law but the regulation that stipulates that the annual average price of natural gas must reach \$5.50 before rebates are triggered?

1:40

Mr. Klein: The hon. leader of the Liberal Party knows full well the rules of the Legislature. You don't debate regulations in the Legislature; you debate the legislation, Mr. Speaker. Insofar as I know – and I know one of the hon. members rose on a point of order – there was no opposition to the legislation; it's only now when the temperature is cold. Now that it's getting warmer, as the temperature gets higher and higher and higher – you know what? – the temperature over there will become lower and lower and lower, and then they'll go on to another issue. Watch it.

Dr. Nicol: Will the Premier admit that he has no business saying that this law was fully debated in the House when the truth is that the government went behind closed doors to draft the regulations that actually say how the law would work?

Mr. Klein: Mr. Speaker, the hon. leader of the Liberal opposition has been around long enough to know how the Legislature works. You debate legislation. You debate the law in the House; you don't debate regulations. Regulations are administrative, and the people who drafted the regulations to fit the law are good-thinking people who devised a responsible and reasonable program, a program that provides sustainability, a program that Albertans can afford, but moreover a program that on a reasonable basis provides a certain degree of security relative to the price consumers pay for natural gas.

Dr. Nicol: To the Premier: why does the government make a flawed regulation a priority over its own promise and policy to return to Albertans a share of the resources that they own?

Mr. Klein: Mr. Speaker, I can remember the Liberal opposition yelling and screaming about the rebate program when we introduced it – that is, introduced it on an ad hoc basis – yelling and screaming

about it, how awful this was, and now they want us to institute the same thing. They were saying at that time that what the government needs to do is to bring in a program of stability, which is exactly what we did, and now they don't like it. But that's the way the Liberals are.

Dr. Nicol: Will the Premier admit that this legislation is flawed and amend it immediately since three consecutive large increases in the price of natural gas could not trigger rebates that Albertans deserve?

Mr. Klein: Mr. Speaker, I have answered this question so many times in the Legislature. The answer is no. First of all, the legislation is not flawed; it's good legislation. It's legislation that fits into the government's program of sustainability, doing what is right over the long term for Albertans, not a knee-jerk reaction to a problem that exists right now, albeit uncomfortable for some. We need to keep our eye on the big picture, something they've been unable to do, and to achieve sustainability, and that law does precisely that.

Dr. Nicol: To the Premier: will the Premier admit that the only emergency that distinguished the winter of 2001 from this winter was the government's need to get elected?

Mr. Klein: Mr. Speaker, there was no question; therefore, there will be no answer.

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

Health Care Workers' Collective Bargaining

Mr. MacDonald: Thank you, Mr. Speaker. This government has told health care unions that most of the questions they had about the new labour legislation will be answered later in regulations. High-stress working conditions are the root of the critical shortage of health care workers in this province, and the blame lies squarely on the shoulders of this government. That's why this government should promote negotiation, not confrontation, with our public health care workers. My first question is to the Premier. Now that this government has removed the right to strike from all public health care workers, will this government appoint three unionized health care workers to each of the nine new regional health authorities in an effort to promote continuous dialogue and understanding between the regional health authorities and their employees?

Mr. Klein: Mr. Speaker, something seems to be lost on the hon. member, and that is that there still are laws relative to collective bargaining and the unions have every right in the world to enter into collective bargaining. I'd point out that as long as I can remember, the nurses have not had the right to strike, yet they've been able to negotiate very generous salary increases through negotiations, and they were not appointed to hospital boards or regional health authorities. There's such a thing as collective bargaining. It has worked in the past, and it'll work in the future.

The Speaker: The hon. member.

Mr. MacDonald: Thank you, Mr. Speaker. To the minister of human resources: can the minister please guarantee that health care employees being moved into different bargaining units will retain their seniority as they move from new bargaining unit to new bargaining unit?

Mr. Dunford: Well, I think this is an opportunity again to make it clear to all Albertans and certainly to members in the House that what we're trying to do here with Bill 27 is set a platform on which the transition that's taking place in the regional health authorities can in fact take place. Now, there's some legislation that's involved, and there's some regulation that's going to be involved, but the specific that's in his question today is a matter of further collective bargaining and certainly not legislation.

Mr. MacDonald: Again to the same minister: will the Minister of Human Resources and Employment table the draft regulations to Bill 27 in the Assembly so that all Albertans can see exactly what is in those regulations?

Mr. Dunford: We have been an open and accountable government now for 10 or more years. We'll continue to be that. When the regulations are ready, they'll be well publicized, and people will understand what it is and what the rules will be.

The Speaker: The hon. Member for Edmonton-Highlands, followed by the hon. Member for Spruce Grove-Sturgeon-St. Albert.

Education Funding

Mr. Mason: Thank you very much, Mr. Speaker. For the past few weeks I've been visiting schools in my riding, meeting with teachers, principals, and parents. Full-day kindergarten, reading recovery programs, and literacy programs as well as smaller class sizes are vital programs that are achieving amazing results for high-needs children in these schools. However, many of these programs are now facing the axe next year as a result of the government's failure to address the funding shortfall of Edmonton public schools. My question is to the Minister of Learning. Will the minister guarantee that reading recovery programs and programs like them, that have led to a dramatic increase in the percentage of students who are meeting the provincial standard for reading and writing in these communities, are not cut?

The Speaker: The hon. minister.

Dr. Oberg: Thank you very much, Mr. Speaker. One of the things that we are doing with the new funding formula that is coming in is guaranteeing the flexibility to the school boards to put their dollars where they're most needed. If, for example, in Edmonton it's reading recovery programs, then the school board has the ability to put their dollars towards reading recovery programs. If in another particular school jurisdiction it may be mathematics skills, numeracy skills, they have the ability to put their resources towards that. The flexibility of school boards is actually going to increase quite significantly this September, and I would hope that the school boards make the right decisions.

The Speaker: The hon. member.

Mr. Mason: Thank you very much, Mr. Speaker. Given the minister's answer, will he explain how greater flexibility is going to help the school boards, when the overall dollars that they have available are dramatically reduced as a result of the need to fund the teachers' arbitration?

Dr. Oberg: Well, Mr. Speaker, perhaps the hon. member should read the budgets that have been tabled in this Legislature for the last five or six years. What you have seen is steady increases in the

amount of dollars that have flowed into education. As a matter of fact, since '95 it's about a 46 percent increase. In the last four years, since I've been minister, we're sitting at around a 21 or 22 percent increase, so there's a large amount of dollars that has actually gone into the education system.

In talking to the school boards, one of their main issues is that too many of the funds have been targeted, for example, to this particular program or that particular program. They have lobbied quite vociferously to have the flexibility to put their funds where they're needed the most, and this government, being the government that it is, has agreed to that and agreed to work with school boards to ensure that they have that flexibility to put the dollars where they're needed.

The Speaker: The hon. member.

Mr. Mason: Thank you very much, Mr. Speaker. Well, I want to give the minister credit. These programs have in fact been very successful.

The question is: will the government not recognize that there is going to be a significant reduction in these programs as a result of this minister and this government forcing the school boards to take the money for the arbitration settlement out of existing programs?

1:50

Dr. Oberg: Well, Mr. Speaker, as I've said in this House many times, there is approximately \$298 million that has been given to the school boards over the past two years. The arbitration settlement rose to a level of around \$260 million. Is there a lot of money left over? No, there is not an awful lot of money left over, but \$38 million is a significant amount of dollars. That's what they have to utilize, and that's what they will be utilizing to put it where it's needed the most. I have confidence that the school boards will put those dollars where they are needed the most, and as I've said before numerous times, we will certainly help them if that isn't the case.

The Speaker: The hon. Member for Spruce Grove-Sturgeon-St. Albert, followed by the hon. Member for Edmonton-Ellerslie.

Agricultural Policy Framework

Mr. Horner: Thank you, Mr. Speaker. While the hon. Minister of Agriculture and Agri-Food Canada has been in our province, many producers have expressed concerns about, among other things, market choice and the ongoing APF negotiations with the federal government. Could the Minister of Agriculture, Food and Rural Development update us on the status of the negotiations for the APF?

Mrs. McClellan: Mr. Speaker, as I indicated in my introduction of the hon. minister for Canada, we did have an opportunity to meet this morning and to just try to finalize some of our negotiations. I would say that on the four chapters outside of business risk management our task is virtually complete. Alberta has many programs that fit the program, and we don't have difficulties.

On the business risk management program we're continuing to do some work on the NISA program. As members know, Alberta has not been a participant in NISA as a province – producers are but not as a province – since 1996. I am becoming far more comfortable with the feeling that we are going to be able to manage those issues. Opportunities for beginning farmers and developing farmers: that is moving along very well; appropriate triggers so that when the money is needed, Mr. Speaker, the money indeed comes out of this program.

I have made it a practice of saying: it is the net income stabiliza-

tion account. That was what it was designed to do. It has not worked as well as it could, and I'm confident that the direction we're going will enable Alberta to be a participant in NISA in the future.

The Speaker: The hon. member.

Mr. Horner: Thank you, Mr. Speaker. A question to the same minister: given that there are some time lines involved here, if negotiations don't produce an agreement soon, what will happen to existing programs for the province's producers? Will they receive the protection they need?

Mrs. McClellan: Well, Mr. Speaker, we don't let our agricultural producers down in this province. They can be assured that the farm income disaster program will be in place as we transition into the new ag policy framework. This is the first opportunity, I think, that we've had to have an agreement in the span of five years that completely changed the focus and brought our agricultural policies up to the current times. We're appreciative that the federal minister has been able to get funding from his treasury that actually provides some bridging into the new policy framework.

Mr. Speaker, I would remind all members that thanks to the successful negotiations and the signing that Alberta did in June of last year, about a month ago we were able to introduce to our producers a very comprehensive set of crop, hay, and pasture insurance programs, probably the most comprehensive package of safety nets in Canada.

The Speaker: The hon. member.

Mr. Horner: Thank you, Mr. Speaker. My final question is to the same minister. The federal government has said that it would like to see this agreement signed by the end of this month because that's when the old agreements expire. Will the province be able to finish those negotiations in time?

Mrs. McClellan: Mr. Speaker, I think it would be indeed unfortunate if we as a province and a country let this opportunity pass us by. I've said in this Legislature in discussions on this: no, it's not perfect, but it's a perfectly good start. No, there probably isn't enough money, but there probably never would be. I am going to do my best to encourage my colleagues from across the country to take advantage of this opportunity for agriculture in Canada. My primary interest is our province. We're prepared to proceed.

Green Power

Ms Carlson: Mr. Speaker, my first question is to the Minister of Infrastructure. What is the current rate that Infrastructure pays for electricity, and what is the rate you locked this government into for the next 20 years with your new green power contract?

The Speaker: The hon. minister.

Mr. Lund: Thank you, Mr. Speaker. Thanks very much for the question, because it is a great day for the environment and for the government of Alberta. We just had the opportunity to sign a multiyear contract with Enmax Corporation and with Canadian Hydro Developers, Inc., and this sees us buying power at a rate about \$20 a megawatt-hour less than we are currently paying. So it is a huge savings to the province. The amount will be in excess of \$4 million a year on our consumption. We currently consume about 230,000 megawatt-hours per year. This contract is for 210,000. So

it's about 90 percent of our consumption. We've signed up to a 20-year contract at a fixed rate over that time. Mr. Speaker, these are environmentally sound projects, so we've also taken possession of the green credits.

Perhaps the Minister of Environment would like to add to the advantage to the environment.

Ms Carlson: Mr. Speaker, the question was: what is that fixed rate? Please share it with all Albertans.

Mr. Lund: Well, Mr. Speaker, in keeping with the openness and accountability of this government, the contracts will be available. It was through an open RFP process, and the current rate we are paying is about 89 and some cents a megawatt-hour. The new price will be 68 and some cents a megawatt-hour.

Ms Carlson: So, Mr. Speaker, then will this minister confirm that at that rate, because of energy deregulation bungling, Albertans are never going to see their electricity prices fall once again to affordable rates? Look at the price you're paying.

The Speaker: The hon. minister.

Mr. Lund: Well, thank you very much, Mr. Speaker. I'd like to thank the hon. member very much for that question, because the fact is that if it hadn't been for generation deregulation, we wouldn't have been able to enter into this contract because the small producers were not allowed to sell into the market. There was a cap uncovered, and this allowed them to come into the market, so there's hope for that break.

Don't forget, hon. member, that we own the green credits. The green credits are worth about \$15 a megawatt-hour. So the fact is that we will have that rate down to about 5.1 cents a kilowatt-hour, which is actually very much a good deal.

The Speaker: The hon. minister.

Dr. Taylor: Yes. Mr. Speaker, I'd just like to briefly supplement on behalf of Environment. You can see that I'm excited by this announcement today, and I'd just like to point out that for every one megawatt-hour we buy, it saves one tonne of carbon, one tonne of CO₂, one tonne of greenhouse gases. So this is very much a benefit to the environment. It is green and it is powerful and, quite frankly, the only way the Liberals will ever be green is green with envy.

The Speaker: The minister is not only excited, but he's also a fashion statement.

The hon. Member for Calgary-Currie, followed by the hon. Member for Edmonton-Glengarry.

Postsecondary Education

Mr. Lord: Thank you, Mr. Speaker. Many people in my constituency are wondering what is happening with education these days, and they wonder whether or not young people in this province are able to access the proper education or whether or not they're falling behind. Our government has recognized and is promoting the importance of education. However, one still often hears negative media stories of students being turned away or choosing not to attend postsecondary education. Recently Statistics Canada released the 2001 census data on education. The statistics include information about the level of education of Canadians and how much they earn. My questions are to the Minister of Learning. Can the

minister explain what this data means for Alberta and how our province compares to other provinces in terms of educational attainment?

2:00

Dr. Oberg: Well, thank you very much for that very, very excellent question, and I'd be more than happy to respond to this. Yesterday Stats Canada brought out a major report on the state of education in Canada. It's called Education in Canada: Raising the Standard. There are some very interesting details in that, and some of them relating to Alberta are nothing short of exceptional. I'll give you some examples. From 1991 to 2001 40 percent more people graduated from a trade school, college, or university in the province of Alberta. There was a 49 percent increase in the number of students who graduated from college and a 51 percent increase in the number of students who graduated from university. I think that this is absolutely exceptional. I'd like to be able to take all the credit for it, but the credit actually lies with our postsecondary education institutions and facilities and the excellent, excellent job that they are doing.

The Speaker: The hon. member.

Mr. Lord: Thank you, Mr. Speaker. To the same minister: so what does this data show about how Alberta compares with the rest of the world?

Dr. Oberg: Well, Mr. Speaker, I just happen to have that answer right here. What it shows first of all in Canada – and I realize that there are members of the federal government here, so everyone in Canada should be happy with this – is that 41 percent of the workforce population from 25 to 64 have a university or college education. That is the highest in the world, that is the highest in the OECD, and I think that we should all be very proud of that.

To put that into perspective, Mr. Speaker, the United States is at 37 percent, the United Kingdom is at 26 percent, and Japan is at 34 percent. So I think we are definitely going in the right direction. We are preparing our workforce for the educated world that is out there, and again I'd like to commend all the universities and colleges and postsecondary institutions in Canada for the excellent job that they're doing.

Mr. Lord: My final question to the same minister: given that there are always exceptions and that some of the most successful people in society don't always have that much formal education, what average correlation is there between education, lifetime earnings, and net worth?

Dr. Oberg: Well, Mr. Speaker, there is – and this has been proven time and time again – a direct correlation between education and lifetime earnings. I will add one thing though. The net worth tends to not be quite as direct a correlation, as many of us in this Assembly can certainly attest to. So that is not there, but the lifetime earnings certainly have gone up. The more education you have, the more lifetime earnings you get, and again certainly something we want our students in Alberta to strive for.

Untendered Contracts

Mr. Bonner: Mr. Speaker, it's amazing how this government operates behind closed doors and from under a veil of secrecy. It's undemocratic, and it's just not right. As an example of this behaviour, the Minister of Infrastructure refuses to let the public see any

documents relating to untendered contracts in his department. To the Minister of Infrastructure: why have you broken your promise to Albertans to govern fairly and transparently by denying them access to the records of contracts that were issued by your department but never tendered?

Mr. Lund: Mr. Speaker, a little background. What the hon. member is referring to is a written question that they placed on the Order Paper asking for a horrendous amount of information relating to the contracts that we have out there. We have a myriad of contracts. If the hon. member would be specific – what is it that he's looking for? – we'd only be too happy, but I cannot in good faith take good taxpayers' dollars and a whole bunch of book work that is going to yield nothing. We have little contracts out there where we simply set out for the most minor of things that we ask for, and we sometimes have contracts that are a little larger. But anything that's of any size goes out for either a tender or a request for qualifications and then an RFP.

Mr. Bonner: Mr. Speaker, to the same minister: what is fair and transparent government worth to this minister? According to the FOIP co-ordinator from his own department, these documents could be made public for less than \$6,000.

Mr. Lund: Well, Mr. Speaker, I would sure love to see what it is that he asked of the FOIP co-ordinator, because if he's specific in what it is that he's looking for, we'll provide it. But when you put just a whole blanket out there, I will not ask my staff to spend hundreds of hours looking for these little, tiny issues.

Mr. Bonner: Well, given that the research has already been done, Mr. Speaker, and that this minister has refused in the past to operate in a fair, democratic, and transparent manner, when can Albertans expect to see the contents of the documents relating to untendered contracts in this province?

Mr. Lund: Mr. Speaker, once again, I would love to see what it is that he asked of the FOIP co-ordinator, because if he was specific in his request and indicates that it was only a \$6,000 bill, why didn't he go ahead with it? Why didn't you ask then? Why didn't you get them to deliver it? Why didn't you go that route?

The Speaker: Hon. members, I should advise you as well that we do have a Standing Order that covers this last type of question. There was a decision of the House with respect to this motion.

The hon. Member for Edmonton-Castle Downs, followed by the hon. Member for Edmonton-Riverview.

Energy Prices

Mr. Lukaszuk: Thank you, Mr. Speaker. My constituents lately are inundated with information in newspapers, radio ads, and television ads with various companies promoting various contracts on energy. To the Minister of Energy: is there any objective information on which my constituents can make an educated decision whether they ought to follow some of the suggestions or not?

Mr. Smith: Mr. Speaker, as a matter of fact, at lunchtime I was going through the Department of Energy's web site where it talked about licensed retailers, talked about the ability for consumers to make choices, for consumers to be able to budget their bills, for consumers to be able to find the right energy mix for their particular circumstances. Now, that information is available on the Energy

web site, and in fact some 40,000 residential consumers in Alberta have already either purchased on a budget equalized payment plan or have purchased on contract.

This market, Mr. Speaker, is going to become more active, as we know. As we do that, the government of Alberta, the Department of Energy, will be very active in a consumer education program. In other areas where deregulation has worked, not as well as it has in Alberta, they found that one of the cornerstones of market success is consumer education. We intend to be full, we intend to be complete, and we contend that there will be adequate information out for all consumers to make wise, good choices depending on their individual circumstances. That's going to be the key: working with their utility companies or energy retailer such that they can make a good purchase. Our job has been to create through Bill 3 and Bill 19 a plateau, a menu-driven network where people can choose what's best for themselves.

The Speaker: The hon. member.

Mr. Lukaszuk: Thank you, Mr. Speaker. My first and last supplemental is to the Minister of Infrastructure. What is the minister's department doing right now to offset the high cost of energy that the school boards must face so that school programs need not be adversely affected?

Mr. Lund: Mr. Speaker, we recognize that there are some school boards that are having some difficulty, and we are monitoring that and asking them to let us know the severity of it. But I also want to point out that as of today the spot price of gas has dropped 50 percent from its peak, so it's headed in the right direction. I also know that many of the school districts had forward contracts as far as their electricity is concerned, so they knew what that number was going to be.

As far as taking funds out of the classroom to pay for utilities, no, the school boards cannot do that.

2:10 Asbestos Abatement in Calgary Hospitals

Dr. Taft: Mr. Speaker, under repeated questioning the Minister of Human Resources and Employment continues to provide nothing but vague assurances regarding asbestos exposure at the Foothills. The opposition raised this issue because we have obtained documents, many documents, and we've spoken with various people involved with these incidents. I'll be advising the people affected to contact his department but not until they speak with a lawyer first. To the Minister of Human Resources and Employment: how can Albertans take this minister's investigations seriously when the opposition, with very limited resources, finds more information and witnesses on both the Holy Cross and the Foothills asbestos contaminations in months than his entire department seems to have found in years?

Mr. Dunford: Well, Mr. Speaker, we have a workplace health and safety department, that is staffed by professional people. This department has been working with the Calgary health region and with the asbestos contractors I think since 1999 on this particular issue. I have given the word that I have received from the department about this issue in my place here in question period in previous situations. I also asked then that if they had information based on whatever research they have, whatever people have come forward to them, to please bring it to my attention and that I would make sure that it got looked at. I continue to wait.

Dr. Taft: Well, Mr. Speaker, we've done exactly that, so what

explanation can the minister give to workers like Ray Klaschinsky, whom we sent to him? This is a worker who faced substantial asbestos exposure at the Holy Cross, wrote the minister's department six weeks ago asking for help, and hasn't had any response. What's your response?

Mr. Dunford: The challenge was made by this hon. member to me a day or two ago, and my response still stands. I asked the member, if he had this evidence, to provide it directly to me, and I'm still waiting for that. Now, there have been I don't know how many letters that we would have that come to the department – that's right; I see you nodding – and that's exactly what I want you to do. We don't need to have any innuendo or anything like that about what might be happening elsewhere. If you want to make a direct accusation, then you present it to me, and we'll look into it. It's pretty simple.

Dr. Taft: Okay. So we'll carry on, Mr. Speaker. Will this minister commit to ensure here and now that all workers who have reasonable grounds to suspect that they've been exposed to asbestos at the Holy Cross and the Foothills will get the appropriate medical testing they deserve under the law in a timely manner?

Mr. Dunford: We have continued to operate within our mandate, Mr. Speaker, which of course is the law. The Holy Cross is now back on the table, then, besides the Calgary health region, and we continue to look at both of those areas. We will administer our own laws, and we don't need to be reminded by this hon. member to do that.

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

Natural Gas Rebates

(continued)

Dr. Pannu: Thank you, Mr. Speaker. Today marks the second anniversary of broken promises and the continuation of this government's policy of high energy prices. Instead of its promise of energy rebates to offset natural gas price spikes, this government has delivered the highest electricity bills in Canada and a rebate program without rebates. Instead of helping Albertans to avoid frostbite in their living rooms, the government tells voters to look on the Internet for nonexistent better energy deals. Perhaps the government should advertise this new web site: www.untilthenextelection.com. My questions are to the Minister of Energy. What purpose does the rebate program without rebates serve other than filling up space on Tory election leaflets?

Mr. Smith: Well, Mr. Speaker, we'll look for that question under www.dumbquestions.com.

I will table at the appropriate time today the prices of natural gas from 2000 to the present time. If the member will go through the detail, the information that I will table, he will find that the prices in 2002-2003 are lower than they were in 2000 and 2001, and in fact the basis on which we struck the Natural Gas Price Protection Act was a strike price 5 percent lower than what it was in 2001 and one that has access for people, and it's very easy. It does work like a thermostat. It's just that the thermostat is in the middle of the door. It's not at the bottom of the door, and it's not at the top of the door. In fact, when the appropriate price is reached, rebates kick in. The money is then collected through the collection of royalties, and it fits inside the parameters of the budgeting process.

The Speaker: The hon. member.

Dr. Pannu: Thank you, Mr. Speaker. To the same minister. As early as next Monday's cabinet meeting this government could change its regulations and provide rebates. Will the minister tell Albertans why he won't or can't fulfill his party's election promise?

Mr. Smith: Well, Mr. Speaker, I'm sure if this government was to respond to every question every day in question period – why can't we change this, and why can't we change that? – we'd probably be like ND governments in other jurisdictions. For example, in Manitoba we don't even know how they'd price natural gas, but today the price of it is over \$10 a gj. So, in fact, as the member who was present, I hope, during the debate of Bill 1 in 2001 and read the press release of August 8, 2001, knows, this government reviews every regulation in a timely manner. The review for that regulation is scheduled to be July of 2003, and we will go through the appropriate process.

Dr. Pannu: My final question, Mr. Speaker, to the same minister. A dictionary in my office defines a lie as something meant to deceive or give a wrong impression. Doesn't this fit the Tory Party's rebate promise?

Mr. Smith: Mr. Speaker, I want to take this opportunity to stand and publicly recognize the importance of green power in this Assembly. In fact, the deal that was announced today, the energy price, would not have been available without the benefits of energy deregulation, would not be able to provide people across this province with the choices they have and with the ability to know that Albertans will always have good, up-to-date electricity; good, up-to-date transmission; good, up-to-date transmission facilities for natural gas; and they will always have natural gas because this province is looking ahead. It doesn't have the ability to look behind, as the NDs continue to point out.

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

External Legal Counsel

Mr. Rathgeber: Thank you very much, Mr. Speaker. My question today involves some recent media reports concerning legal fees for external legal advice related to the yet to be implemented Kyoto accord. These reports indicate budgetary items of approximately \$500,000, approximately half of which has already been spent. My questions are for the Attorney General. Why is the government obtaining the services of outside legal counsel rather than relying on the expertise and advice within its own department?

The Speaker: The hon. minister.

Mr. Hancock: Thank you, Mr. Speaker. The stories that were generated recently obviously came as a result of supplementary supply estimates in this House a week or so ago, in which we asked for and received permission of the Legislature to spend a supplementary amount of up to \$500,000 on external legal advice. We have, as I indicated in defence of our estimates at the time, a superb group of people who work within the Department of Justice who provide legal advice to government on constitutional matters, and we certainly have relied on their expertise and the expertise of that team in providing legal advice with respect to the Kyoto protocol and matters surrounding that.

Notwithstanding the excellent advice and the excellent support that we get from our in-house counsel, the Kyoto protocol is a matter of considerable importance to Albertans, and it could have a considerable impact on the Alberta economy. The government of Alberta and the Department of Justice quite prudently, I think, decided that we needed to look at all aspects to provide good corporate advice to all departments of government that were affected and to the government itself. You sometimes, in order to do that, need to have more than your current resources at hand and supplement those resources by going to external counsel, which is what we did in this case.

2:20

I might also say that it's sometimes prudent and was certainly prudent in this case to go to external counsel to have another look, another viewpoint at what we're doing so that we make sure we cover all the bases in providing that corporate advice. We had, in addition to external counsel, of course, the subcommittee of our External Advisory Committee, a legal subcommittee, which did not receive payment but which also provided legal advice and direction in getting on with how Alberta deals with the impact of the Kyoto protocol.

The Speaker: The hon. member.

Mr. Rathgeber: Yes. Mr. Speaker, to the same minister: what is the Attorney General doing to ensure that Alberta taxpayers are getting good value for the money they spent on outside legal counsel?

The Speaker: The hon. minister.

Mr. Hancock: Well, thank you, Mr. Speaker. This indeed is an important question with respect to any matter where we look for external legal advice in terms of monitoring how the files are handled and how the work is done on the files. I can assure the hon. member and all members of this House that we get exceptional legal value on this particular file because the file is of such signal importance to all Albertans and to the Alberta economy.

So while it seems like a lot of money – it is a lot of money to ask in terms of supplementary estimates in addition to the amount that we're expending through the use of our internal counsel. The value that Albertans get in having good corporate legal advice with respect to the Kyoto accord and the impact that it may have on our economy and on Albertans and the value that we've already seen in terms of the distance that the federal government has moved from the various positions they've taken over the course of the last six months to where they currently are, the positions they're taking in negotiating with industry in this province with respect to the targets that they might set – in all of those cases we can see both publicly and behind the scenes the value that Albertans have received from not just the legal advice but from the work of all members of the cabinet committee on climate change and all the departments of this government that have been engaged in this important discussion.

The Speaker: The hon. member.

Mr. Rathgeber: Thank you, Mr. Speaker. Given the government's occasionally unenviable record when it comes to constitutional challenges, can the minister advise how outside legal firms are chosen?

Mr. Hancock: First, Mr. Speaker, I'd like to address the preamble to that question because we sometimes get, I think, a bad knock for

the unenviable record, as he puts it. First of all, we don't take easy cases to court ever. The easy cases get resolved. It's the difficult cases that have to be litigated, so I don't apologize at all for the record of our department or of the external counsel that we hire.

Legal advice is not just about going to court. Legal advice is about assessment of risk and giving good corporate advice to government so that we can avoid risk where necessary and we can plan to deal with issues on a prudent and practical basis. Legal advice is not about going to court. Legal advice is about knowing where the risks are, knowing how to handle situations. It helps in the prudent planning of legislation. It helps in planning for whatever eventuality comes forward. The federal government in its lack of wisdom in this case did not set a strategy in place and say: this is the way we're going. So we had to plan for all the potential strategies.

But in terms of getting the right legal advice, we make sure that we go to the most competent people available, and when there are a number of competent people available, obviously other considerations come into effect with respect to timeliness, accessibility, affordability, and certainly to make sure that there's no potential conflict of interest.

2005 World Masters Games

Ms Blakeman: Mr. Speaker, the city of Edmonton is going to host the 2005 World Masters Games and is expected to put up \$2.6 million to host the games. It has been indicated that the province is also planning to fund the games to the tune of \$4 million. My questions are to the Minister of Community Development. Has any money from this year's budget been paid out or budgeted to be paid out to support these games before the end of this fiscal year?

Mr. Zwozdesky: Mr. Speaker, the World Masters Games are going to be one of the most incredible multisport events this province has ever seen, and I'm very pleased that the city of Edmonton took the initiative to put in the bid and followed that up with a visit to Australia, which I also was able to go on to help bring that good news here to Edmonton.

We did provide a commitment of, I believe, \$4 million or thereabouts to that very important event, and, yes, we have provided some budget moneys for it. I couldn't tell you if the cheque has actually been written and sent, but I'll find out for you. The short answer is: yes; we have budgeted for it. Whether it has been taken up or not is another matter. There are still some contingent moneys due from the federal government, and we haven't received anything in writing that I'm aware of that would effectuate a formal agreement in that regard.

The Speaker: The hon. member.

Ms Blakeman: Thank you. As part of the payment for hosting the games, has a portion of the funding been earmarked for a cultural component?

Mr. Zwozdesky: Thank you for that question. Yes, we are looking at a cultural component. As many members here will know, a cultural component does accompany virtually all of our sports events, and that's a good thing. The Canada Winter Games are an example; the Seniors Games are an example; the Arctic Winter Games are an example. We fund a variety of projects, and I'm very proud, actually, hon. member – and thank you for raising this – that we do emphasize wherever possible that culture is equally important and that it has a place within the overall celebrations of our sports events.

The Speaker: The hon. member.

Ms Blakeman: Thank you. I'm glad we could agree on that.

My final question to the same minister: will the government be smart enough this time to follow the example of the federal government by entering into an enforceable contract for a specific amount that is directed to the cultural component? You didn't do that last time. We didn't get the money to the cultural component.

Mr. Zwozdesky: Well, Mr. Speaker, we do build that in with the events that we sponsor or help provide money toward provincially. Now, as I've indicated in my first answer, we have not yet signed a formal agreement with all of the details. We have what you might refer to as a letter of understanding. We have a committee that has been struck and has met several times. We've referenced the cultural component, but I will undertake, in response directly to the question, to ensure insofar as possible and with whatever dollars we can allocate to it that a strong cultural component does surface within the World Masters Games.

The Speaker: The hon. Member for Wainwright.

Food Permit Fees

Mr. Griffiths: Thank you, Mr. Speaker. Several months ago the department of health allowed regional health authorities to charge food permit fees that range up to \$500 for handling, preparing, and selling food from scratch. My constituents have expressed concern that small restaurants, grocery stores, and bakeries are charged the same fee as their very large counterparts, who can absorb the fees more readily. My question is to the Minister of Health and Wellness. Will the minister consider changing the permit fees to reflect volume of sales of food so that our small business entrepreneurs will not be unjustly burdened?

Mr. Mar: Well, Mr. Speaker, I'd refer the hon. member to *Hansard*, issue 12 of the 25th Legislature, Third Session, Monday afternoon, March 10, 2003, at page 355, where I did answer a question from the hon. Member for Whitecourt-St. Anne relating to the history and the background of the charges for food permits. So for his information he may want to refer to that.

Now, it is correct, as the member says, that the cost of the permit varies between \$100 and \$500 depending on the class of business. So, for example, Mr. Speaker, for class 1, low-risk, prepackaged foods, the cost of such a permit is \$100. It ranges up to class 4, which is any establishment offering food through multiple venues, a fee of \$500. But the cost of the permit is related to the degree of risk associated with the food that is being vended. It does not relate to the volume of food that is being sold.

2:30

The Speaker: The hon. member.

Mr. Griffiths: Thank you, Mr. Speaker. I did refer to *Hansard*.

My next question, then, to the minister would be: will those small business entrepreneurs' concerns about the price of their fees be included in the review that's going on?

Mr. Mar: Well, Mr. Speaker, I did indicate in answering this question the other day that we are proposing modifications. We are listening to the concerns of Albertans, including the ones that the hon. member has mentioned. We've talked about, for example, exempting charitable and not-for-profit organizations that are selling

prepackaged foods and chips, licensed liquor stores and nonfood businesses that offer their customers food like coffee and doughnuts, perhaps an ice machine and vending soft drinks. Perhaps they should be exempted as well, but we're open-minded to modification of these fees.

The Speaker: Hon. members, before we go to the next item on the Routine, might we revert briefly to Introduction of Guests?

[Unanimous consent granted]

head: **Introduction of Guests**

(*reversion*)

The Speaker: The hon. Member for Cardston-Taber-Wamer.

Mr. Jacobs: Thank you, Mr. Speaker. I'm pleased today to be able to introduce to you and through you to all members of this Assembly 32 students and their 10 leaders from Taber, Alberta. These young people have traveled a long way to be here with us today and shown a great deal of persistence in making the trip. Their teachers are Mr. Pat Pyne, Mr. Nick Beer; parent helpers Mrs. Joanne Machacek, Ms Bonnie Elliott, Mr. Fred Williams, Mrs. Corinne Tye, Mrs. Sheila Heal, Mr. Rick Born, Mr. Ed Derksen, Mrs. Cheryl Domolewski. They are seated in the public gallery, and I would ask them to please rise and receive the warm welcome of this Assembly.

head: **Recognitions**

Second Anniversary of Election to Legislature

The Speaker: Hon. members, today, March 12, is the second anniversary of the right to the arrival in this House of some 23 members. A two-year anniversary is a very important anniversary, but I think I'll just recognize the group, the 23 new members that arrived. When it gets to be 12 and 20, then we'll probably write something else further in there.

To speak on behalf of the group, the hon. Member for Edmonton-Castle Downs is first.

Edmonton Firefighters

Mr. Lukaszuk: Thank you, Mr. Speaker. I would like to recognize today Captain Rod Kutney, Paul Hawes, and Jason Fiissel as well as Jeff Deptuck and Kurt Weare from station 5. These men are the five firefighters trapped and rescued while battling yesterday's apartment fire mere blocks away from our Legislature Building.

Mr. Speaker, firemen are a very proud group who may not often welcome accolades from others. However, I was filled with an uneasy feeling while reading about the rescue in today's newspaper. I imagined being trapped under a pile of metal, wood, and concrete. I imagined the smell of smoke and being trapped in the dark. I imagined not being able to yell for help because the mask I was wearing provided precious oxygen and protection from the rubble. I also imagined thinking of my family, especially my daughter.

We are all aware that working in dangerous conditions is always part of a firefighter's job, but I would like to recognize the heroic efforts of the firefighters who rescued their brothers as well as the five men trapped in the fight of yesterday's blaze. I understand that many firefighters feel that they are only doing their job and events as such just simply come with the territory, but to me yesterday's rescue was a sobering reminder of the dangers these men face every day.

Thank you, Mr. Speaker.

The Speaker: Also on his second anniversary, the hon. Member for Whitecourt-Ste. Anne.

Daryl Zelinski

Mr. VanderBurg: Thank you, Mr. Speaker. A young man from Whitecourt, Daryl Zelinski, just recently returned from running the Mardi Gras Marathon in New Orleans, Louisiana, on behalf of Team Diabetes and the Canadian Diabetes Association. To qualify for this marathon, Daryl raised \$6,500 and trained outdoors in Alberta's cold winter weather. As diabetes runs in his family, affecting his father and his two uncles, the cause was close to his heart. Twenty-seven other Team Diabetes members from Canada joined Daryl for the run of their lives with the other 2,000 marathoners.

Daryl finished 18th overall and was top Canadian. With a time of three hours, two minutes, 49 seconds he qualified for the prestigious Boston Marathon. This was only his second marathon, which is 26.2 miles, or 42.2 kilometres. Quite an accomplishment for Daryl, but the real winner was Team Diabetes, collecting \$165,000 in pledges.

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

Manor Village of Garrison Woods

Ms Kryczka: Thank you, Mr. Speaker. Last Thursday I was very pleased to speak at the dedication and opening of the Manor Village of Garrison Woods as MLA and as chair of the Seniors Advisory Council for Alberta. Statesman, a well-known developer in Calgary and Edmonton, is an authentic family-operated business with president Garth Mann continuing to pursue his vision of quality independent living for seniors in a community setting. Garrison Woods, their third Manor Village for seniors in Calgary, is a beautiful congregate living facility that provides excellence in housing design with an array of services to maximize personal independence, physical health, and emotional and spiritual well-being for its residents, and it is very affordable.

I was also very excited to learn about Dr. Mann's new expanded vision for seniors' housing, which, when developed in the near future, will provide an important bridge between independent living and long-term care living.

Congratulations to the Mann family for their continued commitment to community housing that provides Alberta's seniors with a quality lifestyle.

Thank you.

Edmonton Firefighters Red Cross Disaster Services

Ms Blakeman: Mr. Speaker, I want to take this opportunity to thank and recognize three groups who literally rush in where angels fear to tread. I'm reminded of the message often circulated after September 11 that the only people running into the World Trade Center buildings were firefighters and police officers; in other words, members of public sector unions. Yesterday again Edmonton firefighters ran into a building. They risked their lives as an apartment building caved in on them, and their colleagues worked to rescue them. Thankfully we have no loss of a firefighter's life.

I'd also like to recognize the Red Cross Disaster Services. These constituents hit by the fire are not wealthy, and they have lost everything, but am I ever grateful that we have the Red Cross at hand to at least provide assistance, temporary shelter, some replacement household goods and, most of all, personal support.

Finally, I'd like to thank in advance the people of Edmonton, who have always come through with great generosity to help folks recover from a tragedy like this. Thank you.

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

Members of the Alberta Legislature

Mr. Cao: Thank you, Mr. Speaker. Our parliamentary system has been proven through the test of time for over 800 years. Of course, it has evolved and become a remarkable, versatile, modern governance institution. Our province of Alberta has been blessed by choosing such a governance system.

Generally speaking, a system can only be as good as its components. I can say that our Alberta Legislative Assembly is the best and so are its members. First and foremost, MLAs represent their constituents. The MLAs earn their keep by making the views of their constituents known, by introducing bills, debating and discussing concerns with other members and various government ministries, but that's only a small part of the MLAs' work. MLAs perform most of their duties in their constituencies, out of sight of cameras and reporters, out of the dome. For 12 months of the year, all hours of the day and night, seven days a week they do their jobs with their ears, listening to the problems, the questions, ideas, and opinions of their constituents.

Mr. Speaker, today, March 12, is the second anniversary of the most recent election. I want to congratulate all members of the Assembly on their honourable commitment to serving Albertans with integrity and honesty and to protecting our parliamentary system.

The Speaker: The hon. Member for Medicine Hat.

Medicine Hat Curling Club Bonspiel

Mr. Renner: Thank you, Mr. Speaker. Curling bonspiels have been a long tradition in Alberta, a tradition that has been celebrated by curlers in Medicine Hat for over 100 years. The story of the first curling game in Medicine Hat is lost in antiquity. However, it is known that there was some play with, quote, iron rocks near the shoreline of the frozen river in the 1890s. This led to a turn of the century lean-to with two sheets of curling ice that hosted 18 rinks in the first annual bonspiel played in January 1903.

Over the years many things have changed. The club moved indoors in 1906. The new building solved a number of problems. However, on days when chinooks moved in and melted the ice, scheduling a bonspiel still was a little challenging. It wasn't until 1948 that ice-making equipment arrived. A new building in 1956, countless renovations, additions, and improvements, and the club continued to thrive until today. Throughout all the change there remained one constant: the annual bonspiel. A hundred years; a hundred bonspiels.

Mr. Speaker, please join me in congratulating Mr. Jim Poersch, bonspiel chairman; Mr. Des Grant, Medicine Hat Curling Club president; and all curlers competing this week in the 100th annual Medicine Hat men's curling bonspiel.

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

2:40

Edmonton Firefighters

Mr. Mason: Thank you very much, Mr. Speaker. Yesterday shortly after 11 a.m. an enormous fire broke out in an apartment building very close to this place. Edmonton firefighters were on the scene immediately. While working in the parkade of the building, the roof suddenly collapsed, trapping five of the firefighters. Fortunately there was no loss of life. All five were rescued, treated by Edmonton hospitals, and released.

This story reminds us of the heroes in our midst who are not always on the front page. They are heroes the minute they rush out to answer their community's call for help. They daily face risks in

order to keep the rest of us from harm. Mr. Speaker, they also face long-term risks in their profession, and that is why it is so important that this Legislature pass Bill 202, the Workers' Compensation (Firefighters) Amendment Act, 2003. I am proud to rise and recognize these Alberta heroes, our firefighters.

head: **Presenting Petitions**

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

Mr. Mason: Thank you very much, Mr. Speaker. On behalf of the working poor here in Alberta I'm presenting a petition signed by 63 individuals from Calgary, Edmonton, and Fort McMurray. These Albertans are petitioning the Legislative Assembly to urge the government to immediately raise the minimum wage to \$8.50 per hour and then index it to the cost of living in a manner similar to that done for the salaries of MLAs.

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

Ms Carlson: Thank you, Mr. Speaker. I'm presenting today a petition signed by more than 600 Albertans from all over Alberta who want to stop new development in the Kananaskis valley. They are urging the Legislative Assembly to immediately withdraw the draft management plan for the Evan-Thomas Provincial Recreation Area and revise it so as to disallow any further commercial or residential development of the Kananaskis Valley.

head: **Notices of Motions**

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

Dr. Nicol: Thank you, Mr. Speaker. I rise at this point to give notice that at the appropriate time on the Order Paper I will rise and place a motion under Standing Order 40 before this House.
Thank you.

head: **Introduction of Bills**

The Speaker: The hon. Solicitor General.

Bill 26 Corrections Amendment Act, 2003

Mrs. Forsyth: Thank you, Mr. Speaker. I request leave to introduce Bill 26, the Corrections Amendment Act, 2003.

The amendments will hold offenders more accountable for their actions while in provincially run correctional facilities.

[Motion carried; Bill 26 read a first time]

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

Bill 28 Freedom of Information and Protection of Privacy Amendment Act, 2003

Mr. Lukaszuk: Thank you, Mr. Speaker. I request leave to introduce a bill being the Freedom of Information and Protection of Privacy Amendment Act, 2003.

The proposed amendments flow from the final report of the Select Special Freedom of Information and Protection of Privacy Act Review Committee. The report was tabled in the Legislature in late 2002.

Thank you.

[Motion carried; Bill 28 read a first time]

The Speaker: The hon. Government House Leader.

Mr. Hancock: Thank you, Mr. Speaker. I'd move that Bill 28 be moved onto the Order Paper under Government Bills and Orders.

[Motion carried]

head: **Tabling Returns and Reports**

The Speaker: The hon. Minister of Energy.

Mr. Smith: Thank you, Mr. Speaker. Further to question period today I'm tabling five copies of a document that's titled Natural Gas Prices 2000 to Present.

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

Dr. Massey: Thank you, Mr. Speaker. With permission I have three tablings, three letters that constituents have asked me to table on their behalf. The first is from Diane Coburn, who is concerned with the provincial government deducting dollar for dollar EI and increases of the child tax credit from social assistance benefits and AISH benefits. Her question is, "This seems like theft to me and I ask how the Klein government can get away with this."

The second letter is from Darlene Vinge. Darlene is concerned with the funding of public education, and she poses a question.

When will our government leaders stop seeing their perceived realities through rose coloured glasses? When will their arrogance end? Where is their social conscience? And what will happen to our children?

The third letter is from Mr. D. Vinge. It's a long letter addressed to Minister Oberg and asks for the minister to stop regurgitating statistics, and his quote is, "We need solutions."

Speaker's Ruling

Referring to a Member by Name

The Speaker: Hon. members, yesterday in the House a member of the opposition rose on a point of order with respect to the naming of names, and admonition was provided to the member who did do it. Now, twice today the hon. Member for Edmonton-Mill Woods mentioned an individual member by name. My phone will start ringing in my office about: why am I not enforcing the rules? So there was an admonition. The rule was that we do not mention names of members in the Assembly.

The hon. Member for Edmonton-Riverview.

head: **Tabling Returns and Reports**

(continued)

Dr. Taft: Thank you, Mr. Speaker. I rise with four tablings today. One is a copy of a letter to a manager in the workplace health and safety unit of the department of the Minister of Human Resources and Employment dated January 21, 2003, and he's asking for help. He has had no response.

The other three tablings are all related to education. I'm getting swamped with them. I've been asked by the writers to table these. One is to the Minister of Learning from Heather Waldie. It begins by saying, "I am appalled and saddened by your continued efforts to disregard the importance of funding education in this province."

The second is to the Premier from Melanie Shapiro. It's a long letter addressing the issue of public education as an investment, not an expense.

The final tabling is a letter to the Premier from Kelly Steeves of Malmo school raising issues around the formation of a new group called the Riverview Public Education Coalition.

Thank you.

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

Dr. Pannu: Thank you, Mr. Speaker. I've got two letters. I'll be tabling five copies of each. The first letter is from seniors, 26 residents of Meadowlark Lodge. I received this letter in the middle of December. By then the House had risen, so I couldn't table it then. They wrote to me to make sure that the House knows about their concern about the hefty increase in their monthly rent. I'm sure that by now those increases have gone even beyond where they were then, over \$40. So that's the first tabling.

The second is a letter that I received. It says, "To Whom It May Concern," but I as an MLA received it. It's from Wendy Girletz from the small community of Cereal in the Drumheller-Chinook constituency. I just want to read the last few lines of it into the record, with your permission, Mr. Speaker. Ms Girletz says:

We as a community are tired of fighting to keep everything in this town and losing in the end. Many years ago we fought and lost our high school, two years ago we lost our elevators, this spring we fought and lost our health center, and now we have to fight again to keep our school.

She's suggesting that when she talked to her MLA, she said: you guys didn't holler and yell loud enough, so that's why you're losing your school.

Thank you, Mr. Speaker.

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

Mr. Mason: Thanks very much, Mr. Speaker. I'm tabling a letter from Margaret Fester dated March 3 and addressed to the Minister of Energy. She indicates that in her condominium her thermostat is set during the day at 68 degrees and at night at 62, but her last bill was still \$100.68. She writes to the minister and says, "It does not appear your theory is very effective. What is next, a toque, gloves and wool socks?"

Thank you, Mr. Speaker.

2:50head: Motions under Standing Order 40

The Speaker: Hon. members, on a Standing Order 40 application the hon. Leader of the Official Opposition.

Natural Gas Price Protection Act Regulations

Dr. Nicol:

Be it resolved that the Legislative Assembly urge the government to amend the regulations of the Natural Gas Price Protection Act to base the trigger price for rebates on a monthly, not annual, average price of natural gas.

Dr. Nicol: Mr. Speaker, under a Standing Order 40 application a case must be made that shows urgency and/or pressing necessity. The issue that I want to raise here in terms of urgency and pressing necessity is that the responses and the inquiries that we're getting from the public in Alberta are indicating that the high price of natural gas that is being experienced by users of gas in this province is really getting to be burdensome. They're looking at the bills that they've paid so far this winter, they know that their March bill is probably going to be higher, and they're very concerned that they don't have the money to make those kinds of payments.

But this is also a reflection of the fact that many of the seniors now are starting to call back in and say that they find that they don't qualify for the program that was introduced for seniors under the seniors' benefits program, that they are, in effect, on fixed incomes, and they cannot make a good case for keeping up their utility bills because of the cost and their fixed-income situation.

The other aspect is that many people on low income have no safety net, no mechanism through the government that they can access to get help, and their low-income status is creating a crisis. They're being faced with making choices about paying their bills versus other necessities in their life like prescriptions, like food for their family or themselves. This really puts them into a position where they feel that something needs to be done and done now.

Other groups that are calling in are talking about the crisis that it's creating for them as service providers to our community. One of the examples I talked about yesterday was food banks. This is a group that, in effect, is caught in a double position under the current high prices of natural gas, a double position because they have high utility bills now and they're getting an increase in demand on the services that they need to provide. So, in effect, they need to have a greater throughput of food, but they're being cut back in the amount of money that they've got because they have to pay those utility bills.

The other issue that comes up in terms of urgency is that we have at least one more month of high bills resulting from high consumption and the high prices, and that's going to be March. Because we've had reasonably cool weather the first two weeks of the month, we're looking at high prices, and when the bills start to come in, individuals who have in effect used up the cash reserves they have on their February and January bills will now be faced with: how do we pay those March bills?

The issue that comes up is: why do we have to debate this now so that we can make sure that the trigger is actually changed? It's an issue that we have to look at in the context of: what is best to provide the support to Albertans? Mr. Speaker, I suggest using a monthly trigger that's based on natural gas prices, and that in effect creates part of the urgency. If we're dealing with this on a month-to-month basis, using a monthly trigger, working in a relationship with the gas providers and the gas marketers, we can get the money to them at the time their bill comes so that it, in effect, provides them with timely support and timely rebates that will give them a share.

The issue comes up about: should we deal with this on a volume basis or a total bill basis? I don't think that's appropriate. The idea is that we've got to make sure that it's tied to price, because if it's tied to price, then what we show is that when prices go up, the royalties of the province go up and we have the actual money available to make those payments. So we don't want to tie it to a volume base that, in effect, could provide support as well.

Mr. Speaker, on that basis, you know, the idea here is to provide a sense of urgency, and in review I would like to say that there are a number of Albertans out there facing a real crisis trying to pay their February bills. Fear is prevailing in their minds about the March bill that could be coming yet, so if we don't put in place a workable program that will give them some support in the next week or so, in effect they will not be getting support by the time that March bill comes.

So with those arguments, Mr. Speaker, I ask everyone in here to give unanimous consent to support the idea that we need to debate this. We need to pass this motion so that the government will re-evaluate that trigger point.

Thank you, Mr. Speaker.

[Unanimous consent denied]

head: **Orders of the Day**

head: **Government Bills and Orders**

head: **Second Reading**

Bill 14
Securities Amendment Act, 2003

[Adjourned debate March 4: Mr. Hlady]

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

Mr. Hlady: It's okay.

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

Ms Carlson: Thank you, Mr. Speaker. I was just a little concerned that we had yet to receive the bills that were tabled in the Legislature, and that was the discussion I was involved in.

Mr. Speaker, Bill 14, the Securities Amendment Act, 2003, in second reading is one that, generally, we are thinking we will be able to support. We've got a few questions, and I'd like to go through those.

To recap what this bill talks about, it's the Securities Amendment Act, 2003, and it provides greater protection for investors, which is a good thing. It's designed to allow Albertans improved access to capital markets. Perhaps given where they've been these last few months, it may or may not be all that great, but generally speaking we should have good access. Improved access is a good idea.

It's also part of an ongoing project between securities commissions across the province to harmonize Canada's securities regulatory system, and it represents really the initial phases of these changes. These new regulations are expected in the fall, and hopefully these changes that we see here now are not premature.

We saw with the beginning of the collapse of Enron that investor confidence in securities around the world had been, we could say, I think, Mr. Speaker, shattered. It illustrated the various loopholes that existed under securities legislation and tax evasion that could be used to deceive shareholders. It raised awareness with stakeholders that something had to be done, and securities commissions, mostly in the States, began to make small changes that would hopefully prevent another situation from occurring. However, another Enron-like occurrence happened when WorldCom collapsed last summer. This was even more spectacular and shed light on even larger loopholes that existed in the electricity market. Profits had been inflated, which meant that the company was overvalued, and once this was discovered, of course, the stock plummeted to next to nothing. This province had in fact invested in WorldCom, and we're not sure exactly what the total of some of the losses were there, but they would have been significant.

So these indiscretions of the companies in the United States caused the Sarbanes-Oxley Act to be passed, which made CEOs and CFOs personally liable for the financial statements. With the passing of the act, we saw the way paved for reform of security exchanges all over the world because it applied to all companies that trade in New York. Since the passage of this securities act commissions that operate outside of the United States have begun to undergo reforms to ensure that they are in line with the act and don't have any of the similar loopholes.

All securities commissions are a provincial jurisdiction, and Canada has begun this reform process as well. The federal minister has struck a committee and is looking at harmonizing and reforming securities commissions across Canada. Alberta is a leader in this field but has decided not to participate in the committee or even the process. So one of our key questions here that we hope gets

answered in committee is: why not? This government often talks about costs of duplication. This could be the case here. Will some of this work be redundant? Could it have been streamlined and more efficient if you worked with the feds on this? So if those questions could be answered, we'd be happy for that. But it is a good move, and I want to applaud them for recognizing as an issue that the Securities Act does need to be cleaned up, and we see some of the closing of the loopholes.

3:00

It tightens up the controls and clarifies the role of the Alberta Securities Commission and participants, and that's all good. But what about the ongoing harmonization project across Canada? The feds are in the midst of their consultation process, and that's a step in the right direction. Are we jumping into something before we know exactly where we need to go? We think that perhaps this bill is premature, and maybe what will happen is it gets held over. Do you think this bill is going to be held over to the fall?

Mr. Hlady: No.

Ms Carlson: No. Okay. Then we would like to have these questions answered when it gets to committee because the indication is that this bill will be passed somewhat quickly.

I just want to see if I've got any other questions that may need to be asked at this stage.

The government may tell us that the changes are mostly editorial in nature and that there really shouldn't be any debate on this bill, but we think that it is important to address the issues that we've talked about. We've talked to the Alberta Securities Commission, and they would like the government to give it new powers over public companies to prevent the kinds of scandals we saw in the past occur here, and the ASC would like the power to oversee corporate boards. Some of these additional powers are introduced here, but what we've heard from the commission, if we understood them correctly, is that they believe that further reforms are going to have to be made before this situation has been completely rectified. So if the government could address that in terms of what they see happening in the future or whether they recognize the Alberta Securities Commission's position on this, it would be helpful.

Mr. Speaker, if we can get those questions answered when we get to committee on this first, then we may see a fairly speedy passage of this bill in the Legislature. Thank you.

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

Ms Blakeman: Thanks very much, Mr. Speaker. I'm pleased to have this opportunity to speak in second reading on Bill 14, Securities Amendment Act, 2003. This is not a great area of expertise for me because I've never had enough money to invest, so I have some questions for which I'll apologize in advance to the sponsor. I hope they're not too obvious; they're not obvious to me. So bear with me, please.

The bill is supposed to be providing better protection for investors and improved access to capital markets and is part of a harmonization, which my colleague from Edmonton-Ellerslie was talking about. She was talking about the new federal regulations that are expected to come in and that hopefully this bill doesn't sort of contradict that. I'm interested that Canada did begin this reform process, as well, as a result of the fallout, as everybody has been saying, from investor confidence in security markets fading because of the behaviour of Enron and Arthur Andersen and WorldCom and Tyco and all of those ones that gave everyone else in the security

sector a very bad name because they deliberately cheated people.

So the feds have started this reform process in reaction to this. They're looking to harmonize. Alberta is pretty good in this field. Why isn't Alberta working with the federal government as part of a movement across Canada? We're such a leader. Why aren't we using that leadership with the rest of Canada? Instead, we're striking out on our own. I'm certainly sensing from some of the things that have been said in here in the last couple of weeks that there's a very strong separation streak in some of the members here. Is that why this is happening? He's shaking his head. Well, he'll give me an answer, then, when we get to Committee of the Whole. But I'm wondering why Alberta, who is a leader, is not participating in this at all.

There is a section here that is amending part of the financial matters re commission section. This is dealing with how the funds collected from the administrative penalties are spent. Right now this is spent for endeavours or activities which enhance or may enhance the capital market, and this is changing to only allow these funds to be spent to educate investors. Could I hear from the sponsor: what's anticipated here? Are they looking at public information or television commercials or leaflets stuck in your utility bill? How is it anticipated that these funds are going to be spent to educate investors? I think it's a great idea, and I'm glad to see it. I'm just wondering what's being anticipated here.

Now, when I look at the sections that are around the FOIP Act, I notice that there are changes in here governing whether or not information will be provided to or received from the bodies outlined in the section. Can we get some detail and explanation on what's expected to happen here? Let me back up. A number of times when you request information through FOIP and you're told that there's a third party involved, unless you get the permission of the third party, you're not going to get the information. Is this looking to sort of expand the definition of third party or expand the third party's participation in this? In other words, are citizens going to be able to have access to less information as a result of this or more or is it neutral?

The second FOIP amendment that I'm thinking of that really comes into play with business is the one about harmful to business interests, that the information won't be disclosed because it might be – and I'm not using the correct words – prejudicial to future business endeavours or something. Is that what's being contemplated here? So I'm just looking for some detail about what's being anticipated through this clause.

The registration section is also being amended, and it's eliminating the clause that lists the criteria that have to be met before the registration of a person or a company can take effect. So what happens now? If there's no requirement to meet criteria, does that mean that the registration is instant or doesn't require criteria or there are different criteria? I'm just curious about that.

Could I get some background, please, on the area that's talking about the types of parties not required to register before trading on the Securities Commission? Several of these types of trades and conditions have been removed, which indicates that they do have to register in order to receive this information. I'm not understanding why. Could you explain why?

Section 19 repeals a section in the Securities Act that requires reporting issuers that are not mutual funds to file financial statements every 60 days. Why is this being removed or lifted? I'm just looking for the explanation behind it.

I notice that again the power of the Lieutenant Governor in Council to make regulations is being expanded. I hate that. Now, I'm assuming that the argument here is that because the securities sector and the markets change so quickly, there isn't time to bring a

bill through the Legislature to address necessary changes, but I'd like to hear why. I really find that doing things by regulations is decision-making behind closed doors. The public doesn't get to scrutinize the arguments or the debates that happen around why something is put into place through a regulation. They're just told after the fact, and even then they're not really told. You're just supposed to know where to look to find out that something changed. It's very frustrating for citizens. So I am always going to be asking for justification when there's more regulation-making that's going on.

3:10

Finally, I'm noticing that the Alberta Securities Commission chairperson is looking for additional powers, and I'm sure that the member has been in close contact with this chairman of the ASC. They're looking for all kinds of things. I'm just reading from a newspaper article, but can the sponsor just talk a little bit about how far the government is willing to go with what's being suggested here by this individual? I guess that's not very fair if you don't know what I'm talking about. I'll table this for you or send you over a copy so you know why I'm asking.

So those are the questions that I had wanted to put on the record, and if the member is able to answer them at the beginning of Committee of the Whole, that would be helpful, and I thank you for the opportunity to bring forward those issues. As I say, I represent a very diverse community. We really go from people who live under the bridge, not trolls but people that don't have a home, to the folks that are living on Victoria drive in the multimillion dollar condos. There's some expertise in my community about investments, but an awful lot of people, myself included, just have never had the extra cash to be able to do this. This is a bit of a foreign world and a foreign language, so any clear explanations are most welcome.

Thank you.

The Speaker: The hon. Member for Calgary-Mountain View to close the debate.

Mr. Hlady: Well, thank you, Mr. Speaker. I do appreciate the questions from the Member for Edmonton-Ellerslie and the Member for Edmonton-Centre, and I look forward to answering them in committee.

[The voice vote indicated that the motion for second reading carried]

[Several members rose calling for a division. The division bell was rung at 3:14 p.m.]

[Ten minutes having elapsed, the Assembly divided]

For the motion:

| | | |
|-----------|-----------|------------|
| Amery | Hancock | Melchin |
| Blakeman | Herard | Nelson |
| Calahasen | Hlady | Oberg |
| Cao | Horner | Pham |
| Cardinal | Hutton | Rathgeber |
| Carlson | Jablonski | Renner |
| Coutts | Jacobs | Smith |
| Danyluk | Jonson | Strang |
| DeLong | Knight | Tannas |
| Doerksen | Kryczka | Tarchuk |
| Dunford | Magnus | VanderBurg |
| Fritz | Mar | Vandermeer |
| Goudreau | Marz | Woloshyn |

| | | |
|-----------|------------|-----------|
| Graydon | McClellan | Yankowsky |
| Griffiths | McClelland | Zwozdesky |

Against the motion:

| | | |
|--------|-----------|--------|
| Bonner | MacDonald | Massey |
|--------|-----------|--------|

| | | |
|---------|----------|-------------|
| Totals: | For – 45 | Against – 3 |
|---------|----------|-------------|

[Motion carried; Bill 14 read a second time]

Bill 20

Alberta Municipal Financing Corporation Amendment Act, 2003

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

Mr. Hlady: Thank you, Mr. Speaker. It is my honour to move second reading of Bill 20, the Alberta Municipal Financing Corporation Amendment Act, 2003.

The Alberta Municipal Financing Corporation Amendment Act, 2003, contains amendments that are designed to give the AMFC greater operating flexibility, Mr. Speaker. The AMFC Act was introduced and passed in 1956. The corporation was the first of similar organizations in North America. The act established the Alberta Municipal Financing Corporation, whose mandate is to help Alberta's local governments and other public service related entities gain access to capital markets at the lowest possible cost consistent with the financial viability of the corporation. This access is particularly helpful to smaller borrowers that would otherwise find it uneconomical to borrow on their own.

[The Deputy Speaker in the chair]

Since 1956 the corporation has made over 19,000 loans totaling over \$13 billion for roads and bridges, water and sewer projects, other utilities, schools, hospitals, and airport authorities. The act has not had a major restructuring or review since the early 1980s, and there is a need to reform the corporate governance of the corporation. Basically, the proposed changes are intended to make the corporation more flexible in responding to changes in financial markets and to modernize the corporate governance structure of the corporation.

In the current act the corporation's powers are specifically identified, and any changes that are needed because of changes in business practices, Mr. Speaker, require legislative amendments. Providing the corporation with natural person powers allows the corporation to react to changes in business practices or other forms of innovative financing while still complying with the overall mandate as set out in legislation. The natural person powers are the broadest in law and are the modern approach to corporate legislation. Corporate powers beyond the mandate could only be approved by the Lieutenant Governor in Council.

Legislation has also capped the total debt of the corporation at \$7 billion, thereby also capping its loan-making ability and the total guarantee that the province is susceptible to. Mr. Speaker, as at December 31, 2002, the corporation had debt and loans of approximately \$3.9 billion.

Another part of the modernization involves changing the name of the Alberta Municipal Financing Corporation to the Alberta Capital Finance Authority. The corporation's shareholders include postsecondary institutions, schools, regional health authorities, airport authorities, and irrigation districts. The term "municipal" doesn't reflect the true nature of these shareholders, Mr. Speaker.

Also, the term “corporation” isn’t widely recognized by international financial institutions like the title “authority” is.

To ensure that there is a reasonable turnover of the AMFC board members, Mr. Speaker, it’s proposed that a maximum term be put in place so that members serve no more than three 3-year terms. It’s also recommended that the minister have the ability to appoint the chair and the vice-chair. This proposed amendment is similar to what’s already being done with other Crown agencies, Mr. Speaker. Normal corporation bylaws are usually approved by the shareholders. Resolutions are normally approved by the board of directors. Like most Crown corporations only one set of policies is required, and therefore “bylaws” should be changed to “resolutions” to reflect the fact that the board of directors approves the overall policies of the corporation.

I urge all Members of the Assembly to support Bill 20. Thank you, Mr. Speaker.

3:30

The Deputy Speaker: The hon. Member for Edmonton-Ellerslie.

Ms Carlson: Thank you, Mr. Speaker. Happy to have an opportunity to speak at second reading to Bill 20, the Alberta Municipal Financing Corporation Amendment Act, 2003.

I have a few more questions for this particular bill than I did for the other one. Generally we don’t have too many problems with it, but my first question comes with regard to stakeholder consultation. The stakeholders we consulted with, who were Alberta municipality kinds of associations, for the most part didn’t have anything to say about the bill because they weren’t aware that it was coming, so I’m wondering if the sponsor could elaborate on that a little bit and perhaps share with us those organizations that he did consult with in the process of this, because that seems unusual. Maybe we didn’t talk to the right people in the organizations, and until we know what the process was, I’m just a little reluctant to disclose who it is that has said they weren’t consulted with. Perhaps we didn’t talk to the right people.

Overall, this bill gives greater flexibility to the AMFC to distribute loans. It changes the name of the corporation, does quite a bit of housecleaning, and puts term limits on directors of the corporation. There’s greater flexibility in the mandate, and it’s good to see that some of this legislation has what is, in effect, a sunset clause in terms of reviewing what they’re doing, what their mandate is, and we applaud that kind of a process and wish that we could see it happen with more acts and certainly with regulations, which seem to be a big problem with this government in terms of renewal and looking at how effective they still are.

So what we have here is a provincial corporation that acts only as an agent of the Alberta Crown. It assists municipal jurisdictions within the province to obtain capital funds at the lowest possible cost through access to capital markets which would not be available to them on an independent basis. We see loans go to municipalities, school boards, and other local entities at interest rates based on the estimated cost for provincial borrowings with similar terms. All in all, a good concept. It was established in the mid-50s, and it issues various debt obligations to obtain the funds necessary, and they have the unconditional guarantee of the province. It was restructured in the ’80s, overall doesn’t have anything shocking in it and some interesting cleanup aspects to it.

Overall, we have a few issues, and those are in terms of delegating too much power to regulations. There are a few questions, and if I could put the questions on the record here at second reading and they get answered when it first comes up in committee, then perhaps we can move this quite quickly through the Legislature.

The first question is around section 3, where we see the definitions in the act, and most of the definitions are only a slight modification of those in the original one. We see new definitions being introduced for “improvement districts,” “minister,” and “special area.” Some of them are just modifications, but one of my questions is: why is the board of Northland school division No. 61 under the Northland School Division Act specifically cited as an educational authority? The definition of “health authority” is “a person, other than a regional health authority, that owns an approved hospital under the Hospitals Act.” Could you answer the question of whether or not this is a reference to privately owned hospitals? If not, what is the reference to? The term “resolution” is introduced here, and it replaces the term “bylaws” in many portions of the bill. According to what we hear, this is to reflect that these are approved by the board and not by the shareholders, which we understand and support.

Section 4. The name of the corporation is changed to Alberta Capital Finance Authority. It also gives the corporation the capacity and powers of “a natural person” but allows cabinet to make restrictions on these powers, rights, and privileges. The section also states that the corporation is not to engage in activity outside the business of the corporation. The ministry claims that by giving the corporation the powers of a natural person, the corporation will be better able to react to changes in business practices and forms of financing. We would like to see that justified. What’s the basis for this decision? Is there some background, or has it not worked in the past? If we could get some clarification there, that would be a little bit helpful.

The restriction that’s mentioned in the last subsection of this section which indicates that the corporation may not engage in “activity that does not pertain to the business of the Corporation” is good. It would seem like an unnecessary clarification, but I know from my past experience that this is actually a good thing to have happen.

Then if we go on to section 7, we see that this section repeals the original section 5 of the act, that talks about shares and their rights and so on both for class As and class Bs and class C and Ds. Our question is: why is this section being edited out entirely and not replaced at all? Some of the original sections here should be amended in the act, like the improvement districts’ rights – we agree with that – but we think the section should have been amended to conform with the new sections of the act, not just deleted. So if we could get some comments, that would be helpful.

Section 8(a) is fine, I think. Section 8(b) talks about an amendment that makes the wording say that the authority to purchase shares of the corporation may be given by resolutions “of the local authority or the Corporation.” The question is: why are you doing it there, and why shouldn’t the authority to buy shares have to be authorized by both the corporation and the local authority, not an either/or situation? Maybe we just don’t understand that, but if you could clarify that for us. It seems that the authority to purchase a share should be given the authority by the corporation. It’s maybe just confusing to us. If you could clarify that.

Section 11 talks about sections 10 to 13 of the original act being repealed, and now we see new sections to replace them. We understand that it’s largely a reorganization of the contents of the old act, and remuneration for directors and their services as well as travel and living expenses in the course of their duties is added. How that was handled before would be a question that we’d like to know. Why the reduction in the number of employees that the Alberta government can appoint to the board? It was three and now two. Cost savings or some other reason for that? If that could be answered. We see what’s repealed and added later on in the

amendment is that “the corporation is a Provincial corporation.”

Also, there’s no longer the provision that establishes how a person may establish the right to vote. Why did that happen? We think remuneration of directors is reasonable and a good idea. We’re hoping that the reason why you limited the number of employees that are directors is to establish more of an arm’s-length provision. Can you tell us why there’s no longer a provision establishing how a person may establish the right to vote in the directors’ election? We think there should be a provision requiring how this happens, so if you could tell us why that was left out.

Section 12 repeals the old sections 15 and 17. If we take a look at the amendment, it changes the term limit of a government-appointed director to three years from a potentially indefinite period and explicitly states that the directors are eligible to be re-elected or reappointed. It’s good to set terms for government appointments to the board. We think that that’s progressive and certainly support that, and it then hopefully promotes a review process for appointees. Could you tell us what that would be? Do you have some criteria established?

3:40

In section 15(4) you talk about: the terms of office are arranged so that the expiry of the elected directors’ terms will be staggered over three-year periods. So that’s the same as the original act. Is it necessary to have a staggered election format enshrined in the law? I can understand why you want to do that so that you’ve got some continuity on the board. That’s a good idea, but it seems like we see, generally speaking, that kind of stuff happen in regulations, and it seems to be interesting that it’s here at this time.

Section 15(5) to (7) talks about the consecutive year limits, and we think that’s good. A nine-year limit – so that’s three reappointments – is supportable.

Section 17 talks about the minister having the power to appoint the CEO of the corporation rather than having the board elect the CEO. I have a little bit of a problem with that. I think it’s good and it establishes a better arms-length kind of transition when the decision comes from the board. There is always the question of whether or not an appointment by a minister passes the smell test. Whether that is always at issue or not, it’s something that is talked about and there is concern about. So tell me why this happens. Is this a retirement spot, or is there some other good justification for why the board would not have an opportunity to do this? I think that is almost all of what I have to say.

Now, in section 15 where the section repeals sections 21 to 25 of the original act, we see an insertion of a section specifically dealing with the business of the corporation. So it repeals quite a bit of stuff there, and we see the inserted section indicating that the business of the corporation is “to provide local authorities that are its shareholders with financing for capital projects” and more information. My question here is: why shouldn’t the corporation have to include numbers in their annual reports anymore where we see this happen down in parts of section 25? We think that it’s very important to see the numbers in the corporation’s annual report, and we have quite a few concerns over them being deleted. This is an area where we might actually see an amendment come through in committee.

When the added section allows the corporation to act as a financial agent for the shareholding authority and also allows other businesses and services of the corporation to be described and authorized by the regulations, we have a real problem with that because this is the kind of stuff that we should see more detail in. The mandate has got to be straightforward and not have that delegated to the regulations. It’s got to be. This isn’t a change from the old legislation, but it should have been changed, we think. So if you could answer those two questions on that part.

Part of the part that’s repealed here is where it talks about “a

statement of the amounts borrowed by the corporation in any year shall be included in the annual report of the corporation” or “an estimate of the amounts required to be borrowed by the corporation in any year shall be included in the annual budget of the corporation for that year.” Now we don’t see those numbers, and if these dollars are backstopped by the Alberta government, which they are, then we think they should be available. So if the member could answer that, that would be helpful.

In section 16 we saw the subsections (2) and (4) of section 26 repealed, so if you could tell us why. This is an area that talks about the government’s guarantee to be endorsed on the securities issued by the corporation. Maybe there’s some technical reason why this is no longer relevant, but whatever the reason, if you could share that with us, it would be helpful.

Section 18 repeals section 28 of the original act, which talked about the corporation not accepting securities of a local authority unless all the requirements of the governing acts had been complied with by the authorities. So our question here is: does this mean that the corporation will accept securities from local authorities who have not complied with the requirements of the governing acts? Definitely we would see that as a wrong thing to do, but perhaps we’re just not interpreting this quite as accurately as the intent was.

Section 20 repeals sections 31 to 33. The changes we see here are that there is no explicit provision allowing the government of Alberta to purchase securities of the corporation instead of allowing a local authority to borrow money from the corporation by selling its securities. The local authorities can now “borrow money from the Corporation in any form or manner . . . acceptable to the Corporation.” No security provided by a local authority is invalid simply by virtue of failing to comply with statutory or other requirements related to this security. So is this good? I think we need some explanation here. Not requiring local authorities to borrow money by issuing securities allows the borrowing process to be more flexible, I think, is what I’m seeing here. If that’s the case, if you could confirm that. Not requiring them to conform to statutory or other requirements doesn’t seem very good, and we would like to have an explanation for that. It seems like you’re not requiring the securities to be legal in all aspects, and that seems illogical. I’m sure there’s some good explanation for that. That was repealing sections 31 to 33 of the original act. Maybe we just don’t understand that. It could be just that it’s not clear in how it’s laid out for us.

Section 21 repeals sections 34 to 36. There you’re dealing with the regulations for the corporation and loans to local authorities. The loss of sections is compensated for by a new section. What happens here is that the first added section indicates that the Corporation must adhere to . . . policies, standards and procedures that a reasonable and prudent person would apply in respect of a portfolio of investments to avoid undue risk of loss and to obtain a reasonable return.

Tell us why it needs to be in the act. It seems like there might be better ways of managing this. Perhaps this is a case, again, where regulations could be made respecting the corporation’s ability to make investments. If you could comment on that.

The part here where we see the added section on regulations that essentially says that cabinet can make any regulations they please, of course we’re not pleased with. Could you explain that to us, please? It looks like *carte blanche* for the government. Not that I would be untrusting. [interjection] Yeah. What’s my point? Exactly. You know, we just need to hear again why it’s so much more important to make stuff like this by regulation rather than having full and open debate. [interjection] Yes, well, that’s fine. Let’s hear it again.

I think that that pretty much explains the questions, and depending on what we hear in committee, we might have one amendment come

up here. Generally speaking, it looks like it's a bill we're supportive of. It was good to have some of the details that we got in the notes. We appreciate that and look forward to seeing what happens at the next stage in this bill.

With that, Mr. Speaker, I conclude my remarks.

The Deputy Speaker: Are you ready for the question? The hon. Member for Calgary-Mountain View to close debate.

Mr. Hlady: Thank you, Mr. Speaker. I look forward to answering all those questions, a couple of pages of them, for the Member for Edmonton-Ellerslie in committee.

[Motion carried; Bill 20 read a second time]

3:50

Bill 25 Class Proceedings Act

The Deputy Speaker: The hon. Member for Edmonton-Calder.

Mr. Rathgeber: Yes, thank you, Mr. Speaker. It is a pleasure to rise today and move second reading of Bill 25, the Class Proceedings Act.

As I mentioned during first reading, this act outlines the specific procedures for parties to follow when bringing class actions forward in our civil courts. Generally, a class proceeding is a legal action that involves a number of plaintiffs with similar claims against the same defendant or defendants. These actions may include mass disasters, defective consumer or industrial products, defective medical services, or misrepresentations of financial products or services.

Specifically, this bill does five key things, which I'd like to overview for the members of the Assembly today. First, the act creates a certification process. To become a class action, the proceeding must first be certified. Five criteria must be met for the court to certify a class proceeding. Number one, a cause of action must be disclosed, such as negligence. Number two, there must be an identifiable class of two or more persons. Thirdly, there must be an issue that is common among the class members whether or not that common issue predominates over issues affecting only individual members. Four, a class proceeding must be the preferable procedure for the fair and efficient resolution of the common issues. Five, there must be a representative plaintiff for the class.

Subclasses can also be created. Each subclass must have its own representative plaintiff. A subclass may be a group within the larger class that has common issues against a defendant that are not shared by all of the class members. Selection of a representative plaintiff is important, Mr. Speaker, and the act identifies three requirements for the representative plaintiff. The representative plaintiff of a class or subclass must be a person who

- (i) will fairly and adequately represent the interests of the [entire] class [or subclass],
- (ii) has produced a plan for the proceeding that sets out a workable method of advancing the proceeding on behalf of the class [or subclass] and of notifying class [or subclass] members of the proceeding, and
- (iii) does not have . . . an interest that is in conflict with the interests of other . . . class [or subclass] members.

In certain cases, Mr. Speaker, the court may certify a person who is not a member of a class or subclass as a representative plaintiff. The court may appoint an incorporated nonprofit organization as a representative plaintiff. If the court determines that the representative plaintiff is not fairly or adequately representing the class or subclass, the court may substitute another representative plaintiff.

Also, Mr. Speaker, the act sets out what a certification order must include. A certification order must describe the class, appoint the representative plaintiff, state the nature of the claim, state the nature of the relief sought, set out the common issues, state the manner and time in which a class member may opt out, and state the manner and time in which a person who is not a resident of Alberta may opt in. If a class includes a subclass or subclasses, the certification order must include the same information for each of those subclasses.

Mr. Speaker, the court may refuse to certify a proceeding or may decertify a proceeding if the criteria for certification are no longer satisfied. However, the act specifies that the court cannot refuse to certify only because one or more of the following may apply: first, that there is a claim for damages that would require individual assessment after determination of the common issues or that the relief claimed relates to separate contracts involving different class members or that different remedies are sought for different class members or that the number of class members or the identity of each class member is not ascertained or may not be ascertainable or, finally, that the class includes a subclass whose members have claims that raise common issues not shared by all class members.

Mr. Speaker, the second key thing that this act does is set out how a class proceeding will be conducted. The act requires common issues for a class to be determined together, then common issues for a subclass to be determined together, and, finally, individual issues to be determined unless the court orders otherwise. The court may stay or sever any proceedings related to the class proceeding. The judge who makes a certification order is to hear all applications that take place prior to the trial but cannot preside at the trial unless the parties consent. This is consistent with our current rules for case management.

Moreover, the act sets out how class members will participate in the action. Generally, the representative plaintiff conducts the case, making the decisions and giving instructions to the lawyer, but the act also allows the court to permit other class members to participate in the proceeding. The act indicates who is a class member, and the act sets out that an individual who is a resident of Alberta and who meets the criteria for the class is a member of the class unless they opt out of that proceeding. An individual who is not a resident of Alberta who meets the criteria for the class may, Mr. Speaker, opt into the proceeding.

The act sets out specific instances where notice is provided to class members. The representative plaintiff notifies the class members in three cases. First, notice is given when a class proceeding has been certified; second, notice is given when the common issues have been resolved in favour of the class; and third, notice is given when an application for certification of a settlement is made. The court will also be able to order that notice be given whenever it considers it necessary to protect the interests of any class member or any party or to ensure the fair conduct of the proceeding. The act sets out the details of what must be included in the notice in each case. The court must approve the content of any notice and the method of delivery before notice is given. Finally, Mr. Speaker, the court may order who will pay the costs of giving notice.

The third key thing that this act does is to establish procedures relating to orders and judgments given by the court in a class proceeding. The act specifies the details that must be included in a judgment on the common issues of a class or subclass, and it also states that a judgment binds every class member or subclass member.

Bill 25, Mr. Speaker, sets out the procedures that the court may follow to decide individual issues for class members or subclass members. It specifies the types of awards that the court may make and how they will be distributed, and it allows the court to make aggregate or lump sum monetary awards. The court may order that

the members of a class or subclass share in the award on an average or proportional basis or on an individual basis depending on the case before the court.

Mr. Speaker, the court may order that an award be directly distributed to each class member including crediting the class members as well as requiring the award to be paid into court or some other depository. The act also allows the court to make an order dealing with any unclaimed or undistributed amount of an award. The act requires that the court approve any settlement, discontinuance, abandonment, or dismissal of a class proceeding.

Finally, Mr. Speaker, the act allows orders or judgments under the act to be appealed to the Alberta Court of Appeal.

The fourth key element of this legislation, Mr. Speaker, deals with how costs will be awarded between the parties to the proceeding and the rules for contingency fee agreements in class actions. The court may award costs between the parties following the same rules that currently apply to other actions under the Alberta rules of court. Rules that apply to the content and requirements for contingency fee agreements also follow the same rules that currently exist in other actions under the Alberta rules of court.

As well, the act requires court approval of contingency fee agreements at two times during the proceeding. First, the class lawyer must apply for court approval of the contingency fee agreement prior to or at the time of applying for certification of the class proceedings. Secondly, Mr. Speaker, after the common issues have been resolved at trial or when a settlement has been approved, the representative plaintiff or the class lawyer must apply for court review of the contingency fee agreement. A further check on contingency fees is that if the court determines that the agreement should not be followed, it may amend the agreement and determine the amount owing to the lawyer or direct that the amount owing be determined in any other matter.

Finally, Mr. Speaker, the fifth key element of this act deals with the general issues such as limitation periods. It applies the Alberta rules of court to class proceedings except where varied by this legislation and indicates which proceedings the act may apply to.

Mr. Speaker, thank you for this opportunity to provide an outline of Bill 25, and I move adjournment of debate on Bill 25.

[Motion to adjourn debate carried]

head: **Government Bills and Orders**

head: **Committee of the Whole**

[Mr. Tannas in the chair]

The Chair: I call the Committee of the Whole to order.

4:00

Bill 19

Gas Utilities Statutes Amendment Act, 2003

The Chair: Are there any questions, comments, or amendments to be offered with respect to this bill? The hon. Member for Edmonton-Ellerslie.

Ms Carlson: Thank you, Mr. Chairman. It's a pleasure to stand for the first time in committee on Bill 19, the Gas Utilities Statutes Amendment Act, 2003. This is going to be a bill that is subject to a great deal of debate in this Legislature, and certainly, as we speak, amendments are being prepared for approval so that we can try to clean up what looks like a bill that is going to create more problems than it solves.

We heard some interesting comments when we spoke to it in principle in second reading, when certainly those of us on the side

of the House that I sit on were opposed in principle very much to seeing deregulation occur in gas in this province. They really see this as a companion bill to Bill 3, which is the electrical deregulation bill, and wonder why the government had to go here in the first place at this time. There is, I believe, a fairly good understanding in the communities that in order for this to become economically viable as a deregulated service in what is a very small market for outside players or those who currently play in this market in Alberta, we had to see the companion pieces of both gas and electricity come forward for deregulation so that companies looking at moving into the market could bundle services as compared to offering stand-alone services, and this is why we see this bill before us.

On the one hand, if we are going to be in a deregulated market, I do actually like to see more businesses rather than fewer offer services in Alberta. I do understand the cost efficiencies that occur when you talk about bundling services. If those were the only reasons for this government moving forward, then they might be supportable, but in fact we have not been convinced by anything that we have seen or that has been so far presented by either the government or by potential service providers that has convinced us that deregulation is going to decrease costs in this area.

What would have been a good transition for deregulation was when several years ago this government first brought up the idea to provide a framework for what the rules of the game would be. That would have been hugely beneficial because then those existing players in the market and those who are watching Alberta from the outside could have taken a look at the framework and decided then and there whether or not it was a market they wanted to be in, whether there was going to be a good transition phase put in place, and whether at the end of the day they could stand and actually make a profit and offer a good service.

That isn't what happened. The government put off making the decisions on how the deregulation process would move forward for literally years, Mr. Chairman. What happens then is: what business who has a profit motivation is going to invest in capital structure when they don't know what the rules of playing in the game are going to be? So all of the players, those that currently exist in the province and those who are looking at us from the outside, just sat back. They need some certainty in their life, and they need to know what the rules of business are going to be. They are not going to invest in megaprojects or even in small microprojects without having some kind of certainty, so they really had to see some of the rules of the game.

So why is that important to us as consumers? It's very important because if we don't have a streamlined process from the time that deregulation is started until the time it's actually implemented by the government, then we have a lack of investment. A lack of investment means a shortage of available power – in this case, it's a shortage of available gas – and what does that do but drive up costs for consumers, consumers being individuals, companies, schools, municipalities, and hospitals. That's exactly what we saw happen.

With the undercapitalization there wasn't enough quantity of product available to consumers when they needed it, and a shortage of product also pushes up the cost. Lots of demand and less supply: obviously, prices go up. Prices go up, and it's good for the companies, so they start to accumulate the capital that they need to capitalize to bring more power onstream. That makes it an attractive market for other global companies to come and take a look at Alberta, but it doesn't do any good at all for us as individuals. To add insult to injury, we're talking about driving up a cost which has traditionally been provided at a very low and sometimes subsidized rate, Mr. Chairman.

So we now have this interesting mix in the marketplace where we

have projects that were formerly subsidized by the government from a capital perspective, which gives those providers an interesting advantage in the marketplace. Of course, it's not an advantage that consumers benefit from, because the way the prices are determined is an advantage to those companies themselves. Did they accumulate that money in order to reinvest in the province? That's a good question, and I hope that somebody, maybe the Energy minister, can answer that. What it did do was certainly ensure that we had a great deal of uncertainty around all the decision-making, and that provided a very unstable market, which helped increase the prices.

Involved with that as well were some of the decisions that the government ended up coming out with on electricity, which have created some huge problems, and that is how they decided how they would eliminate monopolies and do what they felt was increased competition, and that meant putting a fence around what some of the companies could provide. So by doing that in a manner in which companies didn't have a lot of transition time between when they had to change the way they were providing a service and how they could then go out to the open marketplace, we created some real problems in the province around billings and compatible systems and things of that nature.

There's no guarantee that we're not going to see the same thing happen with gas utilities. I haven't seen anything yet come out from the government that encourages me that this is going to be a seamless transition. In fact, past performance by this government in any area would indicate to me that it's going to be far from seamless, and we're going to see any number of huge stumbling blocks as we move through this process. Who carries the burden for those stumbling blocks? Certainly, it is the consumer. So what we see here by the government's own news release is 900,000 natural gas consumers. It'll be open season on them for companies to come in and sell their natural gas to the consumers.

What we haven't seen in this process is any kind of education program by the government. When a service has been provided as a monopoly or in a monopoly kind of environment for decades, then if the government chooses to change the way that the service is provided, I believe that they have a fundamental responsibility to inform consumers of their new roles and responsibilities and rights as consumers in the new environment that they are going to be operating in, and that certainly hasn't happened here.

The problem is that the first wave of new companies in to try and supply consumers also includes a wave of less scrupulous organizations. People are out there to hustle the contracts and are middlemen and don't necessarily intend to deliver an excellent product with excellent service. When, in fact, people are locked into long-term contracts, there is no necessity for these companies to be supplying good product.

4:10

So we haven't seen any kind of an education program going out to consumers, which is, I think, a problem. Consumers need to know exactly what it is they're buying, where they can go for information on it, how they can line up the various companies and assess who's going to actually be here tomorrow, who's going to provide a good service, and who's going to have a customer service component to it that will be able to answer questions in a timely fashion, bill in a timely fashion, problem-solve in a timely fashion. We need consumers to be able to know how they get that information and how they compare apples and oranges. It's really easy to go into Safeway or IGA or Save-On and comparative shop between the apples here and the apples in another store. It isn't so easy to go to ATCO or AltaGas or any of the new companies that are talking about coming into the marketplace and compare them. People don't know how to

do it. They don't know where to find them, and they really don't know what questions to ask.

So we would expect that if this province really cares about consumers, they would have provided this kind of a background. It's not too late, Mr. Chairman. They can still do that, and we certainly would like to see that process happen. They need to know what competitive pricing will look like. They need to know the kinds of products they can expect and the kinds of services they can expect to be offered. They need to know how to actually compare them in terms of whether or not they're going to be getting good deals. I'm primarily thinking about individual consumers, households, when I say this, but we can't leave out other large buyers in this province, and we, perhaps even more than with individuals, need to be concerned about what uncertainty in the marketplace has as an impact on their prices and the long-term economic viability of those organizations within this province, on gas particularly.

I was just very recently out in Morinville talking to a business owner there who was absolutely beside himself. His prices for gas for two small retail locations had more than doubled over two years, and then in January the bill more than tripled, and he anticipated that in February, given what the prices were, he was going to go from having paid \$800 a month on average two years ago to paying \$5,000 in that month just for his gas. This was not the kind of business that can increase their retail price or attract more customers in order to pay that. He was very much concerned that he would have to close his business down. So that puts a large number of employees working at, essentially, minimum wage levels out of jobs in a town where there are not a lot of jobs available and his whole family, which was an extended family, out of business.

I'm sure that all of the rural members that we have represented in this Legislative Assembly are hearing similar concerns from small businesses in their jurisdictions, and I'm sure that, in fact, this person had talked to his MLA, who said that they couldn't do anything about it and was really quite unsympathetic to his situation. He really wanted to know who to turn to for answers and was really at his wits' end. I'm sure that people here in this Legislature are hearing those same concerns, and I would like to hear from them while we're in committee about what they're telling the people and the business owners in their area to do and how they think that they're going to solve this problem and when they think that we can see some stability in the marketplace and whether or not, in fact, they believe that prices are ever going down. It doesn't look to me like that's going to happen, and I really wonder what's going to happen to those small businesses.

I'm nearly out of time, so I'll have to wait until my next opportunity to speak to talk about what the small business associations are saying about gas and the impact it's having on small businesses and whether or not at this stage in the process they actually believe that deregulation is a benefit or a hindrance to their businesses and whether or not they believe that the pain is short term and that these issues will work themselves out over time and whether or not they believe they will be able to sustain their businesses for the length of time that it takes to get this worked out. I think that we may see a little more stability in prices in the future, but I sure don't think prices are coming down significantly or anywhere close to where they have been in the past, so that is a very big concern.

We had a great economic advantage here for businesses in terms of costs of operations. We're losing that advantage now. There are no two ways about that. We are seeing that all those things that were attractive for small businesses to stay and large businesses to re-evaluate where they were going to be located and to think about coming to Alberta are slowly slipping through our fingers. A lot of people say that the low cost of operations was a huge benefit and that

lifestyle choices were a huge benefit to relocating to Alberta, but we're seeing that the reduction in tax rates that the government promised hasn't come through.

We've seen, generally, operating costs increasing, so if our gas and utility rates are going to be as high or higher than other jurisdictions, who wants to come to a province where the weather always dips to 40 below at some point during the year, often for more than one period of time, and where we see a climate where you have to turn your furnace on, generally speaking, for four or five months out of the year, where there is no retrofit program, which is something that we see in all the states, which is a huge economic driver in terms of being a business attractor that has been lost here? Then on the general consumer side what's the benefit in coming to a province where your own personal expenses are going to be significantly higher than what they have been in other jurisdictions? Those are the kinds of questions that businesses are asking themselves, and they're seeing that when they add up the pluses and minuses of coming to Alberta, suddenly it doesn't look as attractive as it did two or three years ago. So we could hope that some of those questions get answered here.

I want to spend a little bit of time talking about the Alberta Energy news release that talks about how great the news is that natural gas consumers are going to continue to pay high prices. The minister talks about:

With more real-life experience, and the implementation of choice on the electricity side, government needs to update the rules to create a better environment for competition and allow more retailers to enter the market.

In fact, he's saying exactly what I had said, and that's that new people, new organizations, new retailers won't come into the province, into this market unless they see electricity and gas bundled because we just don't have enough people to make it viable, and that is essentially the biggest problem with deregulation. With only 3 million people in the province it just isn't sustainable, and it'll be interesting to see what kinds of packages we're going to have to see bundled together in order to make it attractive to people. That'll be very interesting to watch as it unfolds.

We see here that there are quite a few other things that they said that I have questions about, and that's when they talk about:

- align the retail natural gas and electricity markets and permit both commodities to be marketed together; and,
- enable firms other than utility companies to provide regulated gas supply service to consumers.

So am I going to be able to get my gas at the local video store, or is it going to be at the grocery store, or is it going to be with some other service that I currently pay for? What kinds of restrictions are there going to be? We see now already in this province people advertising who aren't licensed, and I find that to be a significant issue. I don't think the average consumer knows that that's occurring, and the government hasn't been able to give us any good information yet about why that is occurring. I don't think they want to, and I find it quite appalling that what we see are direct links to government web pages with some of these companies that are advertising.

Those are my comments so far, and I will be back, Mr. Chairman.

4:20

The Chair: The hon. Minister of Energy.

Mr. Smith: Well, thanks, Mr. Chairman. It is a privilege for me to enter into debate on Bill 19, Gas Utilities Statutes Amendment Act, 2003. This is a fairly minor piece of legislation that, in fact, does allow choice to continue, and it will help define market conditions. So I just want to reply to the member's comments and thank her for them.

Mr. Chairman, the member is absolutely correct when she talks about the value of a consumer education program. In fact, we probably haven't done as much as we could do, and we will do more. I would think that with the exception of maybe the Member for Highwood there's little knowledge that natural gas has actually been deregulated in this province since 1985. This is simply the final piece. So we'll take the member's comments into consideration with respect to building a consumer education program. She knows as well as anybody that a good market construct depends on good knowledge with the consumers in that marketplace, and we will ensure that that consumer education is there not only on the natural gas side but also on the electricity side.

Mr. Chairman, the foundation of these bills is to create an alignment of natural gas and electricity so that they can be picked off a menu in as simple a fashion as possible. I would emphasize that businesses, in fact, are asking for this because businesses always look for certainty and always look for ways to control their prices. The most popular way in Alberta of selling natural gas has been on a spot rate, and people now want to change that configuration.

Mr. Chairman, I am, however, driven to disagree marginally with the member when she says that the Alberta advantage is leaving us, and I can only quote statistics by august organizations such as the Canadian Imperial Bank of Commerce, that says that Alberta will lead the nation in growth next year at 4.9 percent. I can only quote the Department of Economic Development statistics where they come out and indicate that the business bankruptcies are not being driven up by increased energy prices and that, in fact, business continues to thrive here. It continues to grow here. In fact, Albertans continue to benefit from the fact that natural gas is priced at world markets because that's how we get our revenues. That's how the oil and gas industry, which contributes to over a third of this economy, brings its revenues into this province, by believing in free trade. So I would look forward to the member tabling statistics that indicate that there is a loss of the Alberta advantage, and certainly that's something we would look at.

I would also disagree on the drivers that motivate an economy. I think that an overall low tax rate, a government environment that does not pick winners and losers yet lets free enterprise flourish, lets free enterprise succeed but creates an environment that allows for the private sector to create jobs – there has been a record from December 5, 1992, to date that indicates that this province has been overwhelmingly the trendsetter across Canada. I would think that a 10-year record of job creation, to the point where there are now more people working in British Columbia and Alberta than the entire province of Quebec – a release today from Statistics Canada indicates that the educated are coming to Alberta as well as being educated in Alberta. Over 41 percent of Albertans have a postsecondary education.

The Member for Calgary-Bow was pointing out earlier today in caucus the salary levels that are being obtained by Albertans in an Alberta environment and that those who want to succeed can succeed. The fact that we are simply building on this 10-year record of success and a commitment by our government to free enterprise and a commitment by government to (a) educate its consumers, (b) allow market conditions to operate, (c) take advantage of international opportunity, and (d) provide a warm environment for people to educate themselves, bring up a family, and then succeed in their chosen endeavours I think is an important part of the Alberta advantage, and Bill 19 is simply one small but fundamental building block to that.

So we take the member's comments into account, and we will reflect that with a consumer education program, Mr. Chairman.

The Chair: The hon. Member for Edmonton-Highlands.

Mr. Mason: Thank you very much, Mr. Chairman. It's my pleasure to rise again to speak to Bill 19, and I want to deal with a few things. One thing that the Minister of Energy indicated, which I think is very important to this debate, is that natural gas in this province was actually deregulated in 1985, yet the interesting thing is that for a long time nobody noticed any change. Why the change was not noticeable is a very interesting little story, and I think it bears some telling.

Northwestern natural gas and Canadian Western Natural Gas, which later became ATCO Gas, at the time had a monopoly and they owned the distribution. They, in fact, owned their own supply, by and large. They had their own transmission and distribution systems, and they were the one-stop provider for natural gas, and they were regulated in order to protect the public against their monopoly. Then the government decided that they would deregulate gas and they would require Northwestern Utilities or Canadian Western utilities to transmit other people's gas, so you had much as you have with electricity under deregulation, sort of an accounting exercise. Whose electrons really are being moved? It really doesn't matter. You get the electrons or you get the ethane molecules in the case of natural gas, and it becomes an accounting exercise to keep track of who's buying it and selling it and receiving it and so on, but it's all the same product and moving through somebody's lines.

Then nobody to speak of after 1985 began to compete with what later became ATCO Gas, and why is that, Mr. Chairman? Well, the reason is that ATCO, like Canadian Utilities before it, was making its money on the distribution, and it got a reasonable rate of return. It was still a monopoly, and other people could in theory sell gas, but they would have to make a profit on the gas. They didn't have the distribution system, so they'd have to mark their gas up, but interestingly enough ATCO didn't mark up its gas. It made its money on the distribution, and it sold its gas on a flow-through cost at cost. It didn't make a profit on the gas. It made its profit on the distribution. So under those circumstances nobody could get into the market. It was technically deregulated, but they couldn't get into the market. Why? Because the gas was already as cheap as it could possibly be.

Now, whom does that benefit? It benefits all of us. It benefits farmers. It certainly benefits Alberta business and industry. It benefits the whole public sector because they all have the benefit of the cheapest possible gas. Whom does it not benefit? Well, obviously, it doesn't benefit any potential competitors who want to sell us gas.

4:30

Mr. Chairman, the government had to fix deregulation because it was working too well but not well enough for the people that wanted to make a profit on natural gas, big profits, I might add. So they had to dismantle that system because even though it worked for 95 percent of Albertans, it didn't work for the 5 percent of Albertans that this government really represents, and that's big oil, big business.

So we now have this situation. The government now has to separate distributors and retailers in order that everybody who wants to sell gas can't just do it by making money from the distribution system. They have to do it by marking up their gas. So everybody is now going to mark up their gas, and if ATCO or Canadian Utilities or any of these people want to be involved in the retailing of gas, they have to get out of the distribution business. That means that now there's going to be a markup on the gas where there wasn't before.

Now, Mr. Chairman, this is all entirely separate and different from the fluctuations due to market cost of the raw gas because of that other enormous mistake of the government, creating a North American market for Alberta gas. It also benefited the producers of the gas, and it has disadvantaged the 95 percent of the rest of us, with the important exception that higher prices seasonally provide revenues for the government, and those revenues come in part out of the pockets of Albertans who may or may not be able to afford the cost.

Mr. Chairman, if I can just get back to the situation that we have before us now, the government is deliberately through this bill creating a system in which there must be a markup on the gas where there wasn't before. Furthermore, they are creating layers of distribution, retail, and so on, so that each layer has its own costs, its own overhead, and its own requirements for profits. These profits and overheads are stacked one on top of each other, and they create a much bigger cost, which is of course passed on directly to the consumer. The government is in another way now contributing to the higher costs that Albertans have to pay to heat their homes, run their businesses, run their farms or, in the case of municipal taxpayers, run their cities, run their towns, run their libraries, their senior citizens' homes. All of these higher costs are being built into innumerable components that all come out of the so-called one taxpayer. This is obviously a bill that is not in the interests of most of our constituents, regardless of where you live in the province or regardless of which political party you represent. This is not in the interests of the citizens of Alberta as a whole.

It will create opportunities for some companies. So far, aside from ATCO, which has been here for a long time, the only people that seem to be taking advantage of this structure that's being created is, of course, the former British Gas, which was privatized by Margaret Thatcher, the patron saint of some of the members of this particular Assembly. [some applause] I note the great applause for Margaret Thatcher and her offspring, so to speak in a way, the Direct Energy company, which is now coming to Alberta.

So the higher prices that we have to pay as consumers in order to fuel this irrational plan will then be funneled into Direct Energy and go back to Britain, and all of the people that backed Margaret Thatcher are going to benefit from Albertans having to pay more for their own gas. So we become, in a sense, not hewers of wood and drawers of water but . . .

Mr. McClelland: Passers of gas.

Mr. Mason: The hon. Member for Edmonton-Rutherford says: we become passers of gas. I think that if this government is proud of that, then there are certain remedies that they can get at the drugstore that would take care of that problem.

But we do have a bigger problem, Mr. Chairman, and that is that the government is creating a structure that's far more complex than the one that went before. It not only produces higher prices for consumers, it not only takes some of the profits from the whole hierarchy of companies and exports them offshore, but it's immensely more complicated than the so-called regulated utility that went before.

We've seen the parallel too, Mr. Chairman, with electricity. When I was in my first part of the term before the last general election, I asked the Legislature Library and our staff to put together all the bills and regulations and orders in council that were in place to govern the electricity market when it was so-called regulated, because I remember Dr. West at the time saying that we were going to deregulate because we had a complex and cumbersome system for electricity, and it was very expensive to go to these hearings and

challenge. Companies had to pay money, and there were lawyers and accountants and consultants. It was all very expensive. You know, according to Dr. West, it actually cost several million dollars a year. Contrast that to the several billion dollars a year that Albertans are now paying for the so-called deregulated system. Anyway, when it came back, there were about three documents: a piece of legislation and a couple packages of regulations. If you measure the complex regulated system in inches of paper, it was about 2 inches of paper.

Then it took them some time to gather all the regulations and the acts and so on to cover the deregulated electricity system in Alberta. This is all just government regulation. This is not anything that's produced by the transmission administrator or any of those other strange, hybrid government creations needed to run the system but just the regulations of the government, the laws of the government, the orders in council, and so on. Mr. Chairman, guess what? It took two people to carry them all into this Assembly. I carried them down. I was holding them down here, and they came up to my chin. That is the deregulated system.

An Hon. Member: That's not very far to your chin. Your chin hangs down quite a ways.

Mr. Mason: Well, I would expect that it would come up to the minister's chin as well.

I think, Mr. Chairman, one of the things that's clear is that we have not deregulated electricity, and we are not deregulating gas. As the minister said, we actually deregulated gas in 1985. What we are doing is reregulating it in a complex and, I daresay, unstable system in order to allow companies to move in and extract profits from the system where they have no such opportunity now. That is in a nut exactly what this bill is doing. It has nothing to do with benefiting consumers in this province and everything to do with helping private companies extract more money from the pockets of Albertans. It does nothing more; it does nothing less. That is what this bill is about.

4:40

So I would say, Mr. Chairman, that it would be prudent on our part as an Assembly to consider whether we want to go down this road. Do we really want to charge Albertans more for gas than they're paying today? Do we think that Albertans want to pay more for gas or that they will be happy with us as elected officials if we allow a bill to go forward that is going to create increased costs as a built-in function of a new system? I think the answer is no. I think the public of this province would be and will be outraged to know that this government and this Assembly are prepared to structure something in which they get charged more for their own gas than they're already paying. I daresay that the people of this province believe that they're already paying far too much for natural gas.

I've seen a number of questions. I've been very pleased to see that a number of private members on the other side of the House have been either tabling petitions against higher gas prices or asking some somewhat pointed questions to the government about their failure to provide energy rebates and to deal with high energy prices in general. That, I think, Mr. Chairman, is a positive development, but if those same members cannot analyze what's happening in this bill and cannot see that this bill builds in in a structural way increases over and above the ones that have already taken place, then I don't think they have really thought clearly about the issue, and I think that their constituents will find their efforts lacking. So I would ask the members to carefully consider if this is the path they want to go down and whether or not this act is something that they want to take

to their constituents when the session is over or, indeed, in a year or two, whenever the next election is held, because I think it's contrary to the interests of their constituents, and I think their constituents will find that it is so.

Now, one of the features of the bill, Mr. Chairman, is what's becoming a standard feature of government bills, and that is what we call the shell phenomenon. The act creates, essentially, a shell in part of it which allows the government through order in council to determine the actual content of much of the bill. We saw with the bill that was introduced yesterday dealing with the rights of workers in the health care sector that it was entirely a shell. It gave all the authority to deal with this to the cabinet, which, as we know, meets once a week during the session and almost that much at other times behind closed doors and is able, then, to issue the regulations doing the things which really ought to be done by the legislation itself and debated in public by all members of the Assembly of all parties.

Now, let's look at some of the things that this act deals with by way of the shell. It's always interesting. One of the first places I always turn to in a new bill, Mr. Chairman, is to the section called Regulations. It's always a good idea to look at the regulations section of a bill because it tells you exactly what the government is going to be able to do without any further reference to this particular Assembly.

- 27.4(1) The Lieutenant Governor in Council may make regulations
- (a) respecting the manner in which the functions of gas distributors, default supply providers and retailers are to be carried out;
 - (b) respecting the powers, duties, rights and obligations of gas distributors, default supply providers, retailers and customers.

It can authorize all of those to perform functions on behalf of the government. It can govern "the powers, duties, rights and obligations of persons performing functions" under the authorizations.

There's a long list, most of the alphabet, in fact, to go, so I would be pleased to stand up and finish my remarks a bit later. Thank you, Mr. Chairman.

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

Mr. McClelland: Thank you, Mr. Chairman. My friend from Edmonton-Highlands earlier invoked the name of Margaret Thatcher, Britain's Iron Lady.

Mr. Mason: Your patron saint.

Mr. McClelland: My patron saint – thank you – who dragged the British economy and the British psyche out the darkness of recession and despair into the sunshine of a renewed economy and a renewed confidence. One of the Rt. Hon. Margaret Thatcher's most cogent statements – and I'll paraphrase it – was that there is nothing done in the public sector using public investment that cannot be done more efficiently and better by the private sector, bringing the full weight of innovation, industry, and vision to the delivery of goods and services. Mr. Chairman, we would do well to learn from her, from her resolve, from her strength, and her vision.

Thank you.

The Chair: The hon. Member for Edmonton-Glengarry on Bill 19.

Mr. Bonner: Thank you very much, Mr. Chairman. [interjection] Obviously they do, but I would like to speak about Bill 19, the Gas Utilities Statutes Amendment Act, 2003. The natural gas industry in this province, Mr. Chairman, goes back much further than Margaret Thatcher. In fact, the first natural gas well in Alberta was found at

the Langevin siding by the CPR when they were drilling for water back in 1883. Certainly a long and storied history from that particular point about natural gas in this province.

Now, then, when I look at Bill 19, I look at something here that all Albertans feel very strongly about. I would just like to read a quote or two here. The quote comes from the *Calgary Herald*, and it reads:

Alberta is already renowned for its low home-heating prices. Soon, the claim that domestic natural gas prices will be the lowest on the continent will be incontestably true of Alberta. It is a fitting return on a resource that belongs to the people.

Now, as I mentioned, Mr. Chairman, this came out of the *Calgary Herald* of May 4, 1974, and this was certainly a different vision that the government of Peter Lougheed had for the residents of this province than what we have today. Further in this article it goes on, "As owners of the resource, though, Albertans shouldn't have to pay the full freight if they don't want to." Albertans today would agree with those comments.

4:50

Also interesting to note that at that time the Premier then promised both substantial increases in the price of Alberta natural gas and protection for Alberta consumers from those increases. So, certainly, then Premier Lougheed had this right, that, yes, Albertans do own a resource and that, yes, Albertans should be able to share directly in the ownership of that resource. It seems that we have this idea here in the province of Alberta, Mr. Chairman, that the rising tide lifts all boats, but the only boats that are being lifted in this province are the yachts.

We have the people, the disadvantaged people – the low-income people, seniors, people on AISH, people on SFI – facing unprecedentedly high costs of heating their homes without any rebate. So when they see a bill such as Bill 19, they can't help but indicate: "What is happening? We are sitting on this tremendous resource, yet we are not sharing in the benefit of it." Certainly, they have every right to be confused.

Now, when we look, we realize that Alberta produces over 80 percent of the natural gas in Canada. It is the world's third largest producer of gas, and it exports about three-quarters of production outside the province. Roughly 60 percent of the exports went to the U.S. in 2001 with the remainder used in Alberta and the rest in Canada. As well, I think that part of the confusion Albertans have is when they think that this natural resource, this great resource that we have in this province, is in short supply. Or is there a lot of it?

Again we certainly have confusion when we look at the Alberta Ministry of Energy's 2001-2002 annual report. In this particular report:

At the end of 2001, Alberta's in-place reserves of natural gas totaled 253 trillion cubic feet (tcf). Of that, about 200 tcf has potential for recovery under normal conditions, using conventional means.

Now, as well, when I looked at this, I thought: well, that is quite a lot of natural gas. Then I looked at what we produced in 2001 in this province, and it was 5 trillion cubic feet of gas. So if we have 250 trillion cubic feet of reserves, well, that's somewhere in the neighbourhood of over 50 years of natural gas in reserve.

I looked as well on the web site www.energy.gov.ab.ca and got some statistics from there, and this is where I was confused. Now, it says that the ultimate potential – and these are from their 2001 statistics – is 200 trillion cubic feet of natural gas, but then it goes on to say that the remaining ultimate potential is 94 trillion cubic feet. When we look at proven reserves of natural gas in this province, I think it's safe to say that we probably have under 10 years' supply of proven natural gas reserves in this province.

So what we have is a bill that is in front of us today where we have

certainly questionable reserves of natural gas, and we are going to open this up to choice. This would be good if the marketplace was not governed by supply and demand. As our reserves dwindle – and I think all members in the industry would certainly indicate that we do have dwindling reserves in the western Canada sedimentary basin – this bill will do nothing to address the fact that we do have a dwindling supply of oil and gas reserves. In fact, by swinging to this particular model, we will not provide those cheaper prices for consumers.

Now, as well, in looking at the issue of natural gas and the price of natural gas in this province – and again I went back to studies that have been done and looked at costs of natural gas – we look at, for example, that in 1998 the cost per gigajoule of natural gas was \$2.22. I looked at December of 1999. The price per gigajoule of natural gas was \$2.54. Then we move on to the year 2000, and in January of 2000 the price per gigajoule of natural gas was only \$2.50. As we follow along through the month-by-month pricing of natural gas in this province, we notice that in February it was up to \$2.52; March, \$2.72; April, \$3.10; May, \$3.35; June, \$4.33. Why did we get this sudden increase? As temperatures are increasing outside, we have a huge increase in the price of natural gas. It would seem to me that somewhere along the line the Alliance Pipeline must have had an influence, as well, on all of this.

Speaking of the Alliance Pipeline, I think that we also have to look, Mr. Chairman, at the amount of natural gas that is exported out of the province, and certainly in looking at that, 75 percent of our production goes out of province. Now, that leaves 25 percent of production for in-province, and that has a huge, huge impact on our petrochemical industry in the province, and the reason for that is that the natural gas liquids that we have in our gas here in Alberta are not stripped before that gas is marketed outside the province. I don't know where the people that negotiated for our natural gas to be exported to the States were when it came to this idea that we didn't need those natural gas liquids here in the province of Alberta.

A facility such as Joffre is a magnificent facility and those facilities were built in this province because of the foresight of Premier Lougheed many years ago. He certainly saw the value to Albertans of having a plant in Alberta where all of our natural gas would not be shipped to Sarnia or to the States or wherever to have it stripped and those stripped materials going into the petrochemical industry. So now we have this huge 42-inch line traveling from Alberta to Chicago, and all of our natural gas that is going through that line has not been stripped. It is no wonder that the petrochemical industry in this province is quite concerned about their future because so much of our gas is being exported. As well, at this point we cannot renegotiate the contracts to strip that material out of it.

5:00

Now, then, as I mentioned, the prices continued to climb from the middle of the year 2000 right up until December, when we hit \$8.28 per gigajoule. In 2001 is where we got the spike. In January 2001 the price per gigajoule was \$11.21. Certainly, it is no coincidence that through this particular period the provincial election year arrived.

Ms Blakeman: Oh, really?

Mr. Bonner: Yes.

Ms Blakeman: That would make quite a difference; wouldn't it?

Mr. Bonner: And it did make quite a difference. In fact, it made a difference that the government thought it was quite natural and quite

right to spend somewhere between \$4 billion and \$5 billion in rebates to Albertans and that they would forget this high price of \$11.21 per gigajoule.

Now, as well, if we looked at the prices that occurred in 2001 and we were to apply the same formula to rebates that apparently has been passed by regulation in the province, we would see today that, I think, we would not have met the same standards then that we do now for rebates. I don't have the figures in front of me for September, October, November, and December of 2001, but it's certainly something that I will be getting and I will be looking at to see if in fact we would have triggered this year average of natural gas prices so that people in this province would get a rebate.

One of the big changes in 1995 was that the Energy and Utilities Board got to set the rates, and they would do this every month. The system still worked well, and I think the Member for Edmonton-Highlands did an excellent job in indicating to all of us why the system continued to work very, very well even after regulations were changed in 1995.

We look at this legislation today, that members of this Assembly are being asked to pass, and what this legislation does is it guarantees profits to any gas distributor here in the province. This certainly isn't a free market model if you're guaranteed a profit. There's certainly no risk involved for companies that do get into the natural gas business in this province. So it is not legislation that is friendly to those who own the resource.

Certainly, when I look at this legislation – and I hear many comments from constituents. One is from the landlords of buildings, business establishments in the constituency, and they have grave concerns because the dollars that they spend to heat their buildings are enormous. They are enormous. For those that have been in business for the past decade, the prices they are seeing today are certainly quite different from what they saw 10 years ago.

As well, the higher prices have to be passed on to consumers, so certainly the consumer doesn't only see these prices reflected in whatever consumable products they happen to purchase, but they also see it in their heating costs and they see it in their gasoline. This strikes me as a bill that is so similar to what we witness at the pumps every time we go to fill up our cars, Mr. Chairman, in that regardless of what company we have out there, we see that there are groups that do control the market. All raise their price and basically by the same amount at various times, and in those cases where prices do drop, those prices are also dropped at the same time and by the same amount.

I can't see where Bill 19 just by choice is going to lessen the price of natural gas, how it is going to benefit consumers, how those families in Alberta who are presently under greater financial stress than they've ever been before in the history of this province are going to get any benefits from this bill. So really what difference does it make if you fill your car up at Esso or Shell or Petro-Can if you're paying the same high price? That is exactly what people in this province are looking at.

So, Mr. Chairman, I know that down the road I'm going to get another opportunity to speak to this particular bill, and there are a number of points that I think are very, very important that the Federation of Alberta Gas Co-ops has brought up, and they certainly have some very, very serious questions that they wanted answered. They had made recommendations to the department and to the minister, and I don't know that those were ever addressed, but I welcome this opportunity to speak to the bill.

Thank you very much.

The Chair: The hon. Deputy Premier.

Mrs. McClellan: Thank you, Mr. Chairman. I wanted to make just a very few comments on Bill 19. There was a lot said about ownership of the resource, and I think it's true that Albertans are very proud that they own this resource, but I also think it's worth noting that the resource in the ground is worth absolutely nothing to Albertans.

An Hon. Member: Why?

Mrs. McClellan: Well, it's like having something in the cupboard that you know is there, and you really need it, but you can't get the cupboard unlocked.

So what do we do in this province? We sell the right to develop the resource, frankly, and that's where the benefit comes to the people of this province. If this resource stays in the cupboard, if you wish, with the lock on it and nobody has a key or you can't get in it, there is no benefit to Albertans. I want to remind all hon. members that the royalties that we receive on that resource are what help fund the programs that every person in this province holds so dear and assures that we have the quality of life not just for us but for our children and future generations and all of the things that we desire for our families.

5:10

To continually say that it's our resource and we deserve the benefit: of course we do, and we're getting it every day. We have a great opportunity to continue to develop this resource. So when you discuss that it's our resource and we should receive the benefit, I want everyone to look at the budget for health. This province has the best health system in Canada. This Capital region for two years in a row has been applauded and noted and said to be the best health delivery system in Canada. That's what this resource pays for, and the ownership of it comes back to the people of this province. So to say that this is our resource and we should get the benefit: ladies and gentlemen, we are getting the benefit today.

We have a learning system where through our postsecondary institutions and our schools we have the highest achievers. We have the best educated workforce in Canada. That's an asset, and we get it at a very small price.

Those are only two of the very large areas where we're able to return the benefit of this resource to the people of this province. So when we talk about ownership and we talk about the people receiving the benefit, I want to go on record as saying that I believe as a citizen of this province that we receive a very large benefit from the ownership of this resource and once we have it developed.

Mr. Chairman, I would like to adjourn debate on Bill 19 at this time.

[Motion to adjourn debate carried]

The Chair: The hon. Government House Leader.

Mr. Hancock: Thank you, Mr. Chairman. I would move that the committee rise and report progress on Bill 19.

[Motion to report progress on Bill 19 carried]

[The Deputy Speaker in the chair]

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

Mr. Hutton: Thank you, Mr. Speaker. The Committee of the Whole has had under consideration and reports progress on Bill 19.

The Deputy Speaker: Does the Assembly concur in this report?

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

Hon. Members: Agreed.

[Motion carried; the Assembly adjourned at 5:14 p.m.]

The Deputy Speaker: Opposed? So ordered.
The hon. Government House Leader.

