

## Legislative Assembly of Alberta

Title: **Tuesday, April 19, 1994**

**8:00 p.m.**

Date: 94/04/19

head: **Committee of Supply**

[Mr. Tannas in the Chair]

MR. CHAIRMAN: Order. Hon. members, before we begin might we have unanimous consent to revert to Introduction of Guests. All those in favour, please say aye.

HON. MEMBERS: Aye.

MR. CHAIRMAN: Those opposed, please say no. Carried.

head: **Introduction of Guests**

MR. CHAIRMAN: Hon. Member for Clover Bar-Fort Saskatchewan.

MRS. ABDURAHMAN: Thank you, Mr. Chairman. It gives me a great deal of pleasure to acknowledge in the public gallery this evening Kenny Waterhouse, Brad Wood, and Les Sykos. I would assume that possibly we're earning the parliamentary badge this evening. I'd like to ask you to please stand and receive the warm welcome of the House.

head: **Alberta Heritage Savings Trust Fund**  
head: **Estimates 1994-95**

MR. CHAIRMAN: All right. The committee is reminded that we are only going to have one person standing and talking at a time. Others may be standing on the way going out or to another desk. That would be most helpful.

This evening we have under consideration in the Committee of Supply the estimates of the Alberta heritage savings trust fund capital projects division. We have a number of ministers who may wish to speak to this. I'll call on the Provincial Treasurer to begin.

MR. DINNING: Well, Mr. Chairman, thank you. It's a pleasure to be here with all of my colleagues to lead off the discussion on an important debate tonight, the proposed expenditure of some nearly \$51 million from the Alberta savings trust fund capital projects division for projects in agriculture, Community Development, Environmental Protection, Health, and Labour.

Before we do that, I just simply ask my colleagues in the Assembly to imagine Alberta without the capital projects division. It wouldn't be as rich and vibrant a place as it is today without the likes of some of the following projects. Just a brief review of the heritage savings trust fund annual report 1992-93, a very spartan publication. It talks about the Alberta heritage scholarship fund providing nearly 80,000 scholarships to young and older Albertans to the tune of over \$110 million, created in the early 1980s with \$100 million. It has granted over \$110 million, and yet today the capital is over \$200 million. I think of the Clinical Research Building at the University of Alberta. Think of our rail hopper cars. You know those blue hopper cars that go across the prairies and in and out of our cities and towns . . .

MRS. MIROSH: With our name on it.

MR. DINNING: With the Member for Calgary-Glenmore's name on it, with Glenmore on it and High River on it and Athabasca

and "Visit Morley flats" for goodness' sakes. You can imagine that Alberta without those hopper cars, the prairies without those hopper cars, wouldn't be nearly as colourful and productive a place as it is.

Mr. Chairman, I think of the Alberta Heritage Foundation for Medical Research, a \$300 million investment in 1979, and today \$300 million has put Alberta on the map when it comes to medical research compared to many, many other centres around the world. That forward thinking that created that fund today has invested an incredible amount of money, yet the foundation's assets are valued at some \$625 million.

Mr. Chairman, I ask you to think about AOSTRA, the Alberta Oil Sands Technology and Research Authority, a gem, a diamond in the crown of Alberta that shows off our ability to go into those deep oil sands and unlock the secrets of one of the largest reserves of oil in the world. That's not a well-known fact. I know the Member for Calgary-West is absolutely seized with that kind of thought, but that's the wealth of Alberta that AOSTRA, through the heritage fund, is helping to tap.

Mr. Chairman, no discussion of the capital projects division would be complete without talking about Fish Creek provincial park. That's something that the members for Calgary-Shaw and Calgary-Fish Creek and this Member for Calgary-Lougheed could stand before the Assembly and say, "That is a gem in the city of Calgary." It's something that southern Albertans, southern Calgarians are proud of, and a small investment of some \$17 million, Mr. Chairman, provides enjoyment for literally hundreds of thousands of Albertans each and every year, something that's unusual, to have a provincial park in a city in this province. Then Kananaskis Country. The Member for Banff-Cochrane could - I'm sure he will tonight when he talks about his estimates in the Environmental Protection area. You'll probably let him deviate only slightly to talk about the beauty of Kananaskis Country. It's something that we can be proud of.

Mr. Chairman, I, as you would well know, could go on at length, but let me talk about one last item, and that is \$16 million worth of investments over five years in airport terminal buildings in 18 communities around the province that have opened those communities. Not Calgary, not Edmonton, which have international airports, but smaller towns like Grande Prairie: an investment by the heritage fund in the Grande Prairie airport. Members on this side of the House are proud to be able to fly from time to time, when we're able to get out of the minister of public works just a one-hour flight, because he's pretty spartan and thrifty with those government aircraft and doesn't want us to overuse those propellers. He's not listening to me either, I'm afraid. We are able to access more parts of Alberta, and Albertans receive national and international visitors because of the investment of some \$16 million, largely because of the foresight of a person like Dr. Hugh Horner, who pushed that kind of investment and saw that forward thinking that was the use of the heritage fund.

Mr. Chairman, as of March 31, 1994, the heritage fund has invested some \$3.4 billion, nearly \$3.5 billion in those kinds of projects. They are no longer part of the financial assets of the Alberta heritage savings trust fund, but they are valuable assets that all Albertans enjoy.

So, Mr. Chairman, as we discuss agriculture, Community Development's urban park development, water management systems improvement in Environmental Protection, applied cancer research with my colleague the Minister of Health, and the occupational health and safety research and education area, those are important investments that my colleagues I know will be proud to stand, explain, account to members of this Assembly, and answer questions from our colleagues around the Assembly.

Thank you, Mr. Chairman.

MRS. McCLELLAN: Mr. Chairman, I'm pleased to speak to the heritage fund estimates and to emphasize how important that fund has been to health in this province. I will only speak on the specific cancer research program that falls under my responsibility, but I do want to recognize the importance of other areas of health research which are under the responsibility of other ministers.

This year cancer research has been approved for expenditure by the Legislative Assembly. Research is the only avenue to prevent and cure cancer in the future. We must continue to learn if we're to develop new treatments and prevention measures. Targeted research is extremely beneficial to Alberta and to the health and quality of life of Albertans, and I should say very proudly in this Assembly on behalf of all of my colleagues that Alberta is a Canadian leader in cancer research and treatment.

Recent technological and procedural innovations in cancer treatment have enabled the board to move to more ambulatory and outpatient cancer treatment. For example, 15 years ago chemotherapy required four or five days of hospitalization for each treatment. Today the same treatment can be done on an outpatient basis. This means that patients can stay at home with their families while they're being treated. Our present-day treatment methods can now help cure more than 40 percent of patients with cancer. Long-term control of the disease is possible with another 35 percent. This year's commitment of \$2.8 million will add to the substantial investment this government has made in cancer research.

### 8:10

Over the past 17 years we have expended \$51,711,000 towards supporting this valuable work. This year 15 new projects were added, bringing the total number of projects funded by this important fund to 27. These are funded through grants, and they are awarded on the basis of an annual competition. All applications are reviewed by a scientific peer group. An advisory committee on research made up of international and national cancer specialists then makes recommendations to the board of management of the Alberta Cancer Board. The research work funded by the board is done in close association with our universities and the Alberta Heritage Foundation for Medical Research. This maximizes the benefits and allows collaborative teams to be formed. Some research projects being funded this year would include the development of research outcome models to focus and critically evaluate clinical research efforts, a major molecular oncology program, and projects which explore the commercialization potential of technology resulting from cancer research.

In closing I'd like to just speak about cancer in general. One in 3 Albertans alive today will get cancer. The probability of a Canadian man dying of cancer is 1 in 4 or 25 percent. For women that number is 22 percent. It's projected, given current trends, that by the year 2001 there will be a 50 percent increase in the frequency of cancer. We need to continue to explore for answers that will lessen the suffering behind such statistics. Alberta cancer research programs are steadily gaining national and international recognition. Being a part of such international work brings opportunity and prestige to Alberta. Much more importantly, though, Alberta-based research brings all of the world closer to a cure. Whether it's through heritage funding or general revenue, I believe we must continue to show a commitment to research if we are to target our resources where they are truly effective.

Mr. Chairman, I look forward to questions and comments from members. If I do not hear them, I will review *Hansard* and ensure that members will have the answers to their queries.

Thank you.

MR. CHAIRMAN: Any further comments?

Hon. Minister of Agriculture, Food and Rural Development.

MR. PASZKOWSKI: Thank you, Mr. Chairman. I'm certainly pleased to be part of the evening's . . . [some applause] Thank you. I'm very pleased to share the proposed expenditures for the Alberta heritage trust fund as they affect agriculture in '94-95. When I've completed my remarks, I'll welcome questions from anyone in the House actually, and we'll try to discuss the expenditures in vote order here tonight.

First, we have Farming for the Future where we've budgeted \$4.8 million. This is a slight reduction of \$200,000 from the \$5 million budget in place last year, and this certainly identifies with the province's deficit reduction efforts. Our three-year business plan shows that the amount Farming for the Future will receive from the Alberta heritage savings trust fund will decline to \$4 million by '96-97.

Mr. Chairman, we believe research and technology are important for the future of this province and our industry. Therefore, it's not our wish to reduce our investment in research. We feel that we've identified research as being a key component of the success of our industry and that it will remain a key component of the success of our industry.

We've taken two complementary measures to maintain or even expand support for research in the light of our deficit reduction plan. First, our department will reallocate funds to research from its general revenue fund to offset the reduction that Farming for the Future will face from the Alberta heritage savings trust fund. Second, the Alberta Agricultural Research Institute, the body that administers Farming for the Future and other research programs, very ably chaired by our hon. Member for Vegreville-Viking, will increase funding for matching grants from the private sector. In that way we'll be able to maintain our flow of funding. Thus the overall level of resources that will go to research will indeed not only be maintained but expanded.

Since its inception 15 years ago the Farming for the Future program has supported over 1,700 research and demonstration projects in this province. Over 1,700, Mr. Chairman. New crop varieties, improved livestock production methods, new soil conservation techniques, better marketing information, and improved food processing technology were made possible because of the expenditures of the Farming for the Future dollars.

The Alberta Agricultural Research Institute, which is chaired again as I mentioned by my hon. colleague from Vegreville-Viking, is doing a fine job of co-ordinating and supporting research. The institute's research and demonstration programs, led by Farming for the Future, have sparked a unique province-wide co-operative method. Producers, processors, research associations, academic institutions, federal research stations, and our department work closely together on the many projects supported by the institute. This mobilization of agriculture and food researchers in the province to develop creative and innovative ways of improving competitiveness, profitability, and sustainability of the industry bodes well for the future of our industry.

Mr. Chairman, the second vote covers another program that creates positive returns for Alberta. Already this program has helped farmers develop new acres, diversify crops with the potential to be manufactured into value-added products, and increase crop yields. I'm referring to the irrigation rehabilitation and expansion program, which continues to transform Alberta's irrigation districts and bring prosperity to our province in an area that was previously hit with extended periods of drought. This program assures water supplies, creates economic expansion, and

provides expanded recreation and wildlife habitat opportunities in this area.

As outlined in the ministry business plan, the budget for this program is to be reduced to \$17.2 million over the next two years, and the cost-sharing formula will be revised from the present 86-14 to a 75-25 balance. The first step in this program is to reduce the budget to \$18 million in '94-95 on an 80-20 basis; '94-95 is the fourth year of a five-year mandate for this program. By '96-97, when the current mandate expires, funding to support the ongoing rehabilitation of irrigation district infrastructure will be provided by the general revenue fund rather than the Alberta heritage savings trust fund. No further contributions will be made to the irrigation district rehabilitation endowment fund.

The subcommittee of the standing policy committee on agriculture and rural development will be reviewing how the province funds irrigation. The subcommittee will also be providing the government with recommendations on how a new partnership can be established with the irrigation districts to sustain this infrastructure which is so important to the economy of the area. Included in this review will be a discussion of Alberta Environmental Protection's proposed water users fee and how the endowment fund should be disbursed.

Mr. Chairman, vote 3 provides support for irrigators developing newer irrigation projects.

The last item will involve the grazing reserve enhancement program, which of course is vital to our cattle industry in this province.

MR. CHAIRMAN: The hon. Minister of Environmental Protection.

8:20

MR. EVANS: Thank you very much, Mr. Chairman. I'm absolutely delighted tonight to present the Department of Environmental Protection's plan for 1994-95 projects under the Alberta heritage savings trust fund. The project that we will be seeking approval from the committee for this year is our water management systems improvement program. That's project 1. For the information of members on both sides of the House, I would point out that project 2, land reclamation, and project 3, Pine Ridge reforestation nursery enhancement, have zero amounts attached to them. So the only estimate that we will be reviewing tonight and for the coming days will be the water management systems improvement.

That was first announced, Mr. Chairman, in 1980 as an integrated 15-year water management plan for southern Alberta. As a result of that 15-year time frame, it will terminate on March 31 of next year, 1995. The primary objective of that project is to rehabilitate, to upgrade, and to replace existing water management works, to construct additional water storage facilities and new water delivery systems, and to help ensure a water supply for irrigation and other multiple-purpose use in southern Alberta. Of course, as my colleague the Minister of Agriculture, Food and Rural Development has indicated, this is really a joint program because there are funds that are allocated to the minister's department as well as to the Department of Environmental Protection. I think that's been a very good and prosperous partnership over the years, and I think the farmers in southern Alberta and the economy of all of Alberta are the net benefactors.

Certainly improving and upgrading of systems in southern Alberta is necessary in order to meet the existing and the expanding demands for multiple-purpose use of our water resources. I'd like to mention at this time, Mr. Chairman, that this project is essentially for rehabilitating and upgrading older and inefficient

conveyance systems. Built during the earlier part of this century, the headworks systems of some districts have been in operation for over 70 years. That's a long time for irrigation in this province. After seven decades, some of the structures and the conveyance canals had deteriorated badly and were in need of repair. That was the genesis for the program that began in 1980. Certainly the system capabilities were limited. They were inadequate to meet the ongoing and future needs of the districts. Therefore, a major rehabilitation project was required to ensure the uninterrupted operation of the headworks systems for a reasonable length of time.

Now, generally work on all the components of the improvement project has progressed very well. By March 31 of this year approximately 95 percent of the project has been completed. I think that's a very positive record, realizing that we have another year of the project, to 1995. For the 1994-95 fiscal year we are seeking \$16.3 million for provincially owned water management facilities.

Since this is the final year of the water management systems improvement project, I'd like to take a moment, Mr. Chairman, to list a few of the accomplishments that have been achieved during that 14-year period of time. All of the provincially owned headworks systems, except for the St. Mary's spillway and the Carseland-Bow canal, have been rehabilitated and upgraded. The St. Mary and the Eastern irrigation district main canals have been rehabilitated. Four off-stream storage reservoirs have been developed. Water supply systems have been completed to deliver water to the Barry Creek region in special areas represented by our Minister of Health. These vital water supply lifelines for southern Alberta are going to ensure quality of life and economic growth for many decades into the future. I think it is very fair to say that this project has been a very positive investment for both present and future generations of Albertans, and I'm very proud to have had some small role in the continuation of the project.

That will conclude my remarks on project 1, but I could not take my seat without jumping to the challenge of the hon. Provincial Treasurer to make some comment on the capital projects division amount that has been expended for Kananaskis Country recreational development in my constituency of Banff-Cochrane and which I now have the privilege of having under my Ministry of Environmental Protection. Indeed, Kananaskis country is a gem. It is a multiple-use area that has developed a sense of working together, co-operation, partnership with a number of government departments. The proof is in the pudding, and I know that many hon. members of both the heritage savings trust fund committee and others have traveled to Kananaskis and have enjoyed the great outdoors that Kananaskis provides to Albertans, regardless of the kind of activity they are interested in in the outdoors, regardless of the kind of accommodation that they're looking for as well.

I could go on to expound further, but that might sound like I was beating my own drum and blowing my own horn. Of course, much, much more important – such a glowing statement that was made by the Provincial Treasurer will suffice to call for the vote on the benefits of Kananaskis. I'm just speaking rhetorically, of course, Mr. Chairman. So with that I will take my chair and allow other members to participate in the debate.

MR. CHAIRMAN: The hon. Member for Edmonton-Roper.

MR. CHADI: Thank you very much, Mr. Chairman. I sat here with great interest and listened to the Provincial Treasurer when he got up and started to speak. He went on at length about "imagine Alberta." Imagine Alberta, he said, without the capital

division of the Alberta heritage savings trust fund. Imagine Alberta. Well, I've tried to, and I think most people today in the province of Alberta are trying to imagine what Alberta would look like if there were some imagination on the other side of the House during the times when the Alberta heritage savings trust fund had an awful lot of money in it and continued to build and continued to increase. I wish then that we could have imagined what Alberta would be like without having a debt of \$30 billion attached to it. So when I listened to the Provincial Treasurer telling me to imagine what Alberta would be like, I can't help but think that it could have been a heck of a pile better.

"Forward thinking," he says. You know what? Everyone responded to that by clapping and cheering. It was really nice to know that the Provincial Treasurer was here in the mid-1980s to the latter '80s, Mr. Chairman, and was part of that forward thinking that brought us the \$30 billion of debt that we have created today in this province of Alberta. So it's nice to know that we stand here today and say to ourselves that now we have to correct it.

We heard the Minister of Agriculture, Food and Rural Development saying that we are now embarking on our deficit reduction measures. Maybe he should reflect on some of that forward thinking that took off in the mid-80s and what created the problem we are facing here today and that is causing us to debate here in the House tonight: some of that forward thinking.

I listened with interest when he mentioned Fish Creek park. Here is a park, and he says that it's \$17 million, the most beautiful park, a highlight in Calgary, just a gorgeous thing. But one thing for certain, Mr. Chairman: the Provincial Treasurer fails to realize that, yes, we expended those millions of dollars on that park, and now we can't afford to maintain that park. That's because of the forward thinking of the Provincial Treasurer in the days gone by. To have the Member for Calgary-McCall stand up and smile and be right proud of that fact, right proud of it, saying: we expended \$17 million on that Fish Creek park. But at the same time we're closing hospitals in his own constituency that are slated to close. I wonder how the Member for Calgary-McCall is going to be smiling then in front of his constituents when he starts talking about that.

Mr. Chairman, I know you're getting a bit anxious. I'm only responding to the remarks made by the Provincial Treasurer. If the Provincial Treasurer had a right to make those comments, then I feel I have every right to respond, so please bear with me.

When we start to talk about the expenditures in urban parks, for example, that took place – and they took place to a great degree; no question about it. As a matter of fact, Mr. Chairman, the urban parks program I believe was in the range of about \$115 million dollars from the capital division of the heritage savings trust fund. Now, they are all over the province. We're talking about parks in Calgary and Lethbridge and Medicine Hat and even parks up in Fort McMurray. We've got parks all over the province where we spent a hundred million dollars or more that we can't afford now to maintain. We have to look at user fees and charging people for their firewood, et cetera, et cetera, right throughout the whole scenario of using parks. It was a wonderful idea, and I'm sure that the forward thinking of the government of the day did not take into consideration that some day we were going to have to face the music. That's what we're doing here today, Mr. Chairman. We're facing the music because of that forward thinking.

**8:30**

MR. DUNFORD: Give us some positives, Sine, some positives.

MR. CHADI: Well, there are members on the opposite side that are saying, "Give us some positives." Certainly there are some positives. We all live fairly decently in the province of Alberta. For a long, long time we sat here and had everything handed to us by the government. Why? Because the government of the day wanted to get re-elected. Now, isn't that a positive in itself? I mean, just think of all the things that could have happened here in the province if it weren't for the forward thinking that took place during the mid-80s that caused these problems.

I say the mid-80s because that's when the first deficit budget came about. The first deficit budget was 1986; was it not? Mr. Chairman, 1986, 1987, 1988, and we're not done yet. We're going to see deficit budgets all the way through till 1996-97, and Lord knows, that's only when the Deficit Elimination Act says we're going to end it. I heartily doubt that. I think we're going to see some more problems, and I'm going to be part of this government that is sitting on this side of the House, part of this Legislative Assembly that is going to ensure that we don't run into more deficit budgets past 1996-97. Now, I expect very much that we're going to run into opposition from the other side of the House, but I can tell you, Mr. Chairman, unequivocally that we are going to fight tooth and nail to ensure that the government of the day lives within the Deficit Elimination Act, because that is what they promised Albertans. That's what got them re-elected. I can tell you one thing: I suspect that they will not be re-elected if they cannot live within the boundaries of the Deficit Elimination Act.

With respect to the Alberta heritage savings trust fund capital projects division and Farming for the Future, I have a great interest in that area, particularly in the area of grazing reserves, Mr. Chairman. You see, we have about 136,000 acres that translate to 21 grazing leases, I understand. The concerns that I have – and I've argued this before in this Legislative Assembly. Why on earth aren't we looking at privatizing these grazing reserves?

You know, here we are listening to the government saying that we don't want to be in the business of being in business. But what indeed is it, then? What, in fact, are the grazing reserves that we've got that we charge for? I note that this year and the next year and the year after that we're going to try to take this to a cost-recovery situation. We're going to expend here \$3.7 million, and I believe that we've expended far, far more dollars than that over the years. Now, the amount of money that was expended I think is in the range of about \$40 million. I'll get those numbers a little bit later, or maybe the Minister of Agriculture, Food and Rural Development could just correct me on that one. That's an awful lot of money to expend in building these grazing leases, these pastures, and maintaining these pastures when farmers in our community, ranchers in southern Alberta, northern Alberta, and central Alberta that own their own properties, that pay interest on those properties, that run cattle on their own land, that fence their own land, that maintain their own properties, fix their own fences, et cetera, have to compete with the government in the government's own grazing reserves.

I would think that if this were a worthwhile venture and a worthwhile project, then somebody would come along and say: "I'm interested in pursuing this on a commercial basis. I'd be interested in buying so many acres, perhaps a grazing reserve in an area, and I'm interested in working it on a commercial basis with the ranchers and the cattle people in that particular area." Now, that is a very interesting concept, I think, for the minister of agriculture. I would like to hear what he has to say about that. I would suspect that you would find takers; you'd find buyers that would be interested in buying that property.

Now, I know that there may be some property that is in a certain zone that we don't want to get rid of for some odd reason. I'd like to know the reason that we are hanging on to this property and that we maintain it and cultivate it and look after it. Other than for grazing reserves, is there another motive here, something that I'm missing? That's what my question is to the minister. I'd like to know if there is something there that I'm not picking up on as to why it is that we would care to hang on to these properties that we have out there for grazing reserves.

It would make decent sense. Going to a cost-recovery basis may indeed, Mr. Chairman, restrict some people from using those grazing reserves now, since the ranchers and the farmers have had it so good for so long. I recall years and years ago it used to be very cheap. I'm sure it was – you know, I can't remember for sure but probably \$5, \$10 a head. It was really reasonably cheap to have a cow or one unit on the grazing reserve. So it certainly doesn't make sense to hang on to them for that reason. Now, if we go to cost-recovery, that may eliminate a fair number of people from using and utilizing those grazing reserves. Perhaps our revenues would then go down. Is it really worth it?

I think some consultation should have taken place, and if there was indeed some consultation, I'd like to hear some of those results. I know that if I were involved in something like that, I would perhaps maybe go to the different people that are subscribing, that are utilizing the service that we've got, and I'd consult with them on whether or not, with the increase in fees that will be levied, these grazing reserves would be something that they would consider continuous use of. If there is any correspondence in that regard, I'd kind of like to know. One has to bear in mind that we could lose a tremendous amount of revenue awful quickly if we raise the prices and then people decide that they're not going to be using them or that it might be more cost-effective for them to go out and purchase a quarter section.

Lord knows, Mr. Chairman, nowadays it's very simple. Even a bush quarter with aspen poplar or even birch today is worth a lot of money. I can tell you that if it had spruce, it would be a premium, but today, with the poplar, one could sell a quarter section of land for the wood itself. Nobody's interested in the farming anymore; they're interested in the trees on the quarter. For that reason maybe it would be wise for anybody to go in, even a bush quarter, buy it, sell the trees off it, and they've got themselves one heck of a nice quarter, probably paid for after selling the trees.

So it might not be a wise idea for them to consider keeping their cattle on a grazing reserve. Therefore, the expenditure of \$3.7 million from this capital fund today might be just an absolute waste of money. I don't know if we should expend any more money, and perhaps an amendment might be in order, seeing that we may consider dropping this expenditure from the capital fund. Then again, Mr. Chairman, I'd like the response from the Minister of Agriculture, Food and Rural Development because I need to be clear on this. If there is a good argument, I'd like to hear it. That's all. I'm not trying to be sarcastic in my comments. I just want to hear the argument from the other side.

#### 8:40

My next comments relate to the applied cancer research. I couldn't help but listen to the minister say that one in three Albertans will undoubtedly get treated for cancer or at least get the news that they have cancer. This is a very, very tragic situation, Mr. Chairman. I know that we are spending \$2.8 million from the heritage fund this year. It appears that it's the same amount of money that was expended last year, so we are applying the same amount without any consideration for the

reduction of our deficit. I'm not saying that that is bad; I'm just saying that it's an area that we have to perhaps look at.

I'm sure that the minister will have an answer for this, and that is: what areas have we investigated and researched in terms of ensuring that other jurisdictions around the country aren't doing the same research? I'm sure that the Canadian Cancer Society is in touch and in tune with what's happening in the province here, but I think we should go further than that. I'm wondering if we aren't going further than that and we aren't dealing with the United States and we aren't dealing with Europe and with other parts of the world: Asia, Australia, et cetera. Cancer isn't something that is unique only to Alberta. It's a disease that has caused a great deal of tragedy and suffering throughout the whole world. So in areas throughout the whole world I'm quite sure that they are expending funds for cancer research. I only make my comments because I would hate to see our good, hard-earned money going towards a project that is being researched, where the same type of research is going on somewhere else throughout the world. I would hope there might be a way, if this isn't already being done, that indeed there is a linkage throughout all the different cancer researchers throughout the whole world and that we can pull all that research together and then come, hopefully, to a successful conclusion, and that would be a cure for this dreaded disease.

I know that there are private corporations in our midst now who are doing cancer research, and I'm wondering as well: are some of these funds that are being expended now, this \$2.8 million that we're expending, going towards some of these private corporations that are, hopefully, chasing after the same results as the different researchers around the world? Again, when we talk about private corporations that are in the province here that are using their own money, I'm thinking of one in particular that is on the stock exchange. I think it's on the Toronto Stock Exchange, Mr. Chairman. It's quite a successful company. It's a successful company inasmuch as it raises a fair amount of capital each year, and they're successful in their research. I know that on a number of occasions they've come awfully close. At times when I have followed that corporation, I've seen that they've come close to a cure for a certain type of cancer. Any cancer that we can cure I think would have wide-ranging effects on all of the cancer all over the world. I mean, it's all the same. Cancer in Europe has got to be the same as somebody having cancer here.

Mr. Chairman, I also want to talk about the public review of the heritage savings trust fund. The Premier on a number of occasions made it clear that we are going to have the heritage savings trust fund reviewed and that indeed what we were going to have was perhaps maybe an all-party committee whereby we can assess whether or not the heritage savings trust fund is doing whatever it can in the best interests of the province of Alberta. This has been long awaited. On a number of occasions in the House during question period the Premier alluded to that, and I'm hoping that we can get some answers from the Provincial Treasurer in that regard. I understand that there are actually funds allotted already and set aside for that public review. I would hope and I'm going to continue to press that any review, any panel for a review, would have a situation where we would have the two different parties involved. This is something that is of vital importance for all Albertans. This isn't a partisan issue. This is a very, very important one that has to be taken seriously, and it has to be taken in the best interests of this province.

I know that when we talk about the heritage savings trust fund, the amount of money it generates back to the GRF is somewhere in the range of \$750 million is what I'm told. We keep hearing time and time again that that is why we ought to keep the heritage

savings trust fund, because it provides these revenues for the GRF. I have to finish.

Thank you very much.

MR. CHAIRMAN: The hon. Minister of Agriculture, Food and Rural Development in response to the questions.

MR. PASZKOWSKI: Thank you, Mr. Chairman. Normally, I sit very placidly in my chair and I take the beatings from the opposition without any comments, but today I have to rise regarding the points that were made by the hon. Member for Edmonton-Roper. These are the same points that have been made at Public Accounts, and for some reason this hon. gentleman has taken to beating up on our beginning farmers. For the life of me, I wish he would explain during one of his dissertations why he's chosen the poor beginning farmer to pick on. Why do we have grazing reserves that are publicly owned? How in heaven's name would a beginning farmer go out there and purchase a vast plot of land? Perhaps he could explain that to me.

This hon. gentleman has told us here tonight that nobody's interested in farming anymore. I quote: "Nobody's interested in the farming anymore." Mr. Chairman, there are 104 people directly involved in farming in Alberta. No other industry in Alberta has that many people involved in one industry.

AN HON. MEMBER: A hundred and four?

MR. PASZKOWSKI: One hundred and four thousand people, and I hope that that understanding is there. I hope that along the way there develops an appreciation for what agriculture is doing for this province. Mr. Chairman, if the net realized income projections come true, agriculture in Alberta will be \$1.1 billion, \$1.1 billion. This will make Alberta agriculture the number one agricultural producing province in all of Canada for the first time ever, for the first time ever. It's obvious that agriculture plays a very leading role in this province. The way this has come about is through a partnership of government and industry, and it's been a very successful partnership. It's unfortunate that we have a member across the way that keeps picking on agriculture and keeps suggesting that agriculture is a drag on the economy, the hon. Member for Edmonton-Roper, who's been after it and after it and after it.

Mr. Chairman, I'd like to point out that 64 percent of all of Canada's slaughter cattle are right here in Alberta, right here in Alberta. I would further like to point out that 52 percent of the cattle production in this country is right here in this province of Alberta. It didn't happen with the direction that those hon. members would bring to agriculture in this province.

Mr. Chairman, I'm honoured and pleased to say that the agricultural community of Alberta recognized that at the last election.

[Mr. Clegg in the Chair]

**8:50**

MR. DEPUTY CHAIRMAN: The hon. Member for Edmonton-Whitemud.

DR. PERCY: Thank you, Mr. Chairman. I'll take us back now to the topic at hand, which is the heritage savings trust fund capital projects division. The first series of questions are really directed to the Provincial Treasurer.

As my hon. colleague from Edmonton-Roper had indicated, there has long been promised a review of the heritage savings

trust fund. In fact, on April 5, 1993, in the Alberta government response to the recommendations of the Alberta Financial Review Commission, there was a clear commitment to reviewing the fund and taking the recommendations of the Financial Review Commission as input to this review. That was April 5, 1993. That's over a year ago, Mr. Chairman, over a year.

I could go through date after date after date, but I'll give some of the highlights just to give you an idea that we've been awaiting this review, and I'll relate it directly to the topic at hand. On September 7, the hon. Provincial Treasurer: we've committed to launch a review of the Alberta Heritage Savings Trust Fund Act. On November 9: we are committed to an open review of the heritage fund involving Albertans directly in the important decisions about the future of the fund. December 17: I expect that and I would hope that before the end of this fiscal year we would have launched this very important review. March 31 has been and gone, just like the MagCan and riverboat guarantee reviews. On January 13, 1994, the government responds to the Auditor General's '92-93 report, again recommending a review of the heritage savings trust fund: "The recommendation is accepted. A public review is planned for 1994." Open-ended commitment there, Mr. Treasurer. February 24: the review is to be undertaken in 1994. On January 19, the Premier said:

Yes, I'm fully committed to a review . . . It is, I believe, the Provincial Treasurer's intention to announce the review committee as part of the budget presentation in February.  
Missed that one too.

Now, the reason this is important, Mr. Chairman, is that when we look at the Alberta heritage savings trust fund capital projects division, a number of features stand out. First of all, when you look at the summary by object of expenditure – that would be on page 5 of the little gray book – what do we see? Well, operating expenditures are \$36 million and capital investment is \$14 million. By gosh, when I look at the title, it says capital projects division, and almost two-thirds of the money is in fact operating, not capital. So there's a problem there in just the title, let alone the content. Now, the reason this is important is that this really does blur the distinction of what is a capital investment and what is operating. One of the reasons that I think this fund was set up is that the previous government – as the other side laughingly refers to it, as though they were not part of it – had set this up to provide a backdoor window for financing an array of projects they did not want to come through the front door so that they would enter into the general revenue fund deficit.

So we have this particular division set up, and it funds a variety of both operating and capital projects. Many of these are worth while. Let's not quibble about that. They are worth while, but they ought to be part of the expenditures of a particular department. They ought not to be out of the heritage savings trust fund. They ought to be subject to the same review that other expenditures are subject to within departments. They ought not to be hived off here, because the reality is that they are a part of the expenditures paid for by taxpayers of Alberta. Some of them are clearly operating and some of them are investment, so they ought to be allocated where they belong, to a particular department in the appropriate operating and capital expenditure. The reason that this is important, I think, is because many of these projects are in fact desirable from the perspective of society. They do enhance either our capital stock, the research expenditures under Farming for the Future, or those under the Department of Labour. They're worth while and they ought to be funded.

What concerns many of us on this side is that when these projects come hived off like this, they're not put in the context of the overall level of expenditures, Mr. Chairman. They're kind of

orphans. If there is a review undertaken, a long awaited review now into its second year, what's going to happen, then, in fact that review committee says: "Well, we do believe that the heritage savings trust fund should be liquidated. Yes, the Liberals have a good idea in this regard, and we should consider applying the assets of the heritage savings trust fund to the stock of debt, an orderly disposition of the assets." If that were to occur without justification on a line-by-line basis of these projects, many might in fact disappear as they go into the overall global budget of departments.

So I think it is incumbent upon ministers, as they discuss these particular items, to put them in the context as well of their particular department's expenditures, why they're here as opposed to their own department line items. I think many of these items could be within the line items and ought to be there. I say that part of the reason they're not is that this was a way of trying to keep the deficit under the general revenue fund lower, by financing these out of the heritage savings trust fund. That really doesn't carry much water now, given the changes in financial accounting, but at the time that this particular division emerged, it did. So I think we have to focus on that and make sure, as we look at a variety of these programs, that we justify them, and if there is a review that says, "Let's clean up the heritage savings trust fund; let's make it solely an investment entity that generates revenue that's plowed back into the general revenue fund, or let's proceed along in an orderly disposition," that these things that were hived out some time back for political reasons in fact do not get lost in the shuffle.

Now, with regards to specific line items in the department, I will ask some questions on behalf of my colleague for Lethbridge-East, who is on the road at a community meeting.

SOME HON. MEMBERS: Order.

DR. PERCY: With regards to Agriculture, Food and Rural Development, Farming for the Future is a program I've spoken of very positively in the past, in part because of my tenure at the university and also because of the good press that it has and the variety of international jurisdictions. My question specifically here is the nature of the expenditures. Many funds that finance research have gone to targeted research. In fact, the social sciences humanities research foundation and the NRC, National Research Council, have all sort of targeted their research. They've attempted to pick winners in the research field. Myself, I think that's a bad way of going. I think the best ideas often are discovered randomly by having somebody go off in a direction everybody thinks stinks. The reality is that you'll have smart people who will find some of the these good ideas that will pay.

Now, my question, then, is to the minister. It is my impression that the financing of Farming for the Future is in part applied to the more practical applications in agriculture but that there is a pure research component to it. The issue is: has he kept the focus as it has been, which has been broad based and widespread so that you can get these good ideas emerging and you don't get a consensus emerging that good research is this particular area? I do think you need the spectrum. Occasionally you will finance a wing nut and you get nothing from it; that's life. But if you attempt to pick winners, saying that this is the research area that we focus on, the odds are that you run into diminishing returns in that area very quickly, and you don't get real payoff for your money. It's the random and the, you know, entrepreneurial researcher that you often get the greatest payoff from, and you'll get that from moving away from targeted research to more broad based in nature.

With regards to the irrigation rehabilitation and expansion and the private irrigation development assistance, the question here relates to the extent to which – we've talked about going for cost recovery in these types of program. Cost recovery also implies, then, charging for water services, the use of water. The question here is: specifically what type of costing formula is being used? Because one of the major problems that one runs into when you're attempting to cost very capital-intensive types of projects – you run into it trying to set freight rates, for example. How do you allocate overheads? It's a little cleaner when it comes to irrigation rehabilitation and expansion because it's dedicated to a particular area, to a certain group. But there are still some of the problems there that you run into in terms of setting freight rates and how you allocate overheads. So the question is: how in fact have the capital costs been allocated, over what time, and what's the amortization rate? Exactly how is the cost recovery proceeding? How does it take into account the costs of the capital and the minute operating expenses that might be there? What is the specific formula that is used by the department as they proceed down this route? Has it been held up for public scrutiny and debate that this is perhaps the most appropriate way of going?

9:00

With regards to the broader issue of irrigation expenditures, one hears sometimes that there are regional quid pro quos in the province, that this is to the south what EEMA is to the north. We've heard this in debate here on occasion that there are regional trade-offs and that sometimes these things become linked when they ought not to be. To the extent, then, I would be curious as to the ability of the minister to ensure that such projects are evaluated on their own merits and not as any part of any regional quid pro quos, that for what you do up here, you've got to have a counterbalance down there. It happens on occasion, I know. I hate to bring it up, but I think it is true on occasion. So I would like to make sure that as we evaluate these, they are evaluated on their own merits and that they don't get caught up in this notion of regional quid pro quos – because that exists in Canada as a whole, quid pro quos for certain provinces vis-à-vis others – and that we don't go this route and further balkanize within the province, because the country itself is sufficiently balkanized.

With regards to community development, the urban park development, at this stage of the game, Mr. Chairman, I think this program should be canceled. I think to the extent that we are shutting down schools, that actually on the margin you have to say: should the province be paying for this or should the municipalities or local government? I think it is now time that we bite the bullet and say that if this is highly valued by a particular community, the ratepayers there ought to pay for it directly and just pull the string on this. We can't afford it. If taxpayers choose, if this is high on their priorities, give them the option. Let local ratepayers. Let's move out of financing this at the provincial level, because I do think that if you ask most Albertans, they will say: "Finance our schools. Finance our health care system. Then if we have money left over, finance this." I think its time has come. In fact, given that the budget cuts were in place, this would have been a good item to cut, and I don't mind at all if that is sent to my constituents in this city.

With regards to Environmental Protection, my specific question there is to the hon. minister. Again I'm sure that he can answer this. When I look at the numbers and I see reference 1.1, page 13, the estimates for program support are \$1,165,000. The comparable set of estimates for '93-94 were \$1,350,000. Can the hon. minister tell me why this expenditure line has remained relatively constant when overall expenditures here have declined

from 12 and a half million dollars to \$1.7 million? I'm sure he's answered it before, but if he could answer it in more detail for me, I would very much appreciate it. Surely this isn't administrative bloat, but there are legitimate reasons why program support would remain at such a high level. Perhaps "program" is a misnomer; it in fact refers to other types of investments. I would very much like a much clearer definition of program support than is found in here.

With respect to project 1 in the Department of Labour, I see that the estimates have remained at \$750,000 for the two-year period. Very much the question I'd pose to the minister of agriculture: has there been targeting of these expenditures? Have they been narrowly focused? Or is it broad based and the committee to whom it accrues has said, "Well, we think these are good ideas that should be pursued"? Or in fact do they say, "We have the good ideas; the research is here"? They're fundamentally different roles that are played in terms of allocating research funds.

With those comments, Mr. Chairman, I'll conclude.

MR. PASZKOWSKI: Just briefly to respond to the hon. Member for Edmonton-Whitemud. I appreciated the questions because they have a lot of merit, and certainly I plan on responding to the questions in a similar manner. It is my intention.

The question of economic benefit for irrigation is one, of course, that can be debated, has been argued, and there have been various studies done. What I would like to do, Mr. Chairman, if I may, is quote from the three most recent studies that we have that have basically been sent out to develop what economic benefits have been generated from irrigation. The first report estimated that with a \$25 million annual level of provincial expenditure, nearly 700 person-years of employment and \$15 million of wage and salary income are generated. That was the Coopers & Lybrand report that was done in 1987. In 1984 the Alberta Irrigation Projects Association's study estimated that irrigation contributed \$941 million to the provincial economy annually and generated somewhere in the area of 35,100 jobs. A more recent study completed in June of this year indicated that without irrigation in the year 1990, there would have been 12,270 fewer jobs in the province. The provincial gross domestic product would have decreased by some \$1 billion. The study also concluded that one out of every three jobs in the region depends on irrigation associated activities, so certainly as far as cost benefits are concerned, there have been studies done and they prove very conclusively the results of the benefits.

As far as participation in cost funding, in the past the funding has been 86-14, the province contributing 86 percent, the farmers contributing 14 percent to the charges and the costing of the whole irrigation programs.

As far as working one end of the province against the other, that's not the way we operate. We try and balance the industry, and that's why we have a successful industry from north to south, from east to west in the province. That will always be our objective and always be our intention, to work with agriculture and provide for a very balanced agricultural economy. That's why we feel that agriculture is Alberta's future, and I say that in all sincerity. I think this industry is a growing industry; it's a thriving industry; it is the industry of this province. I have no problems whatsoever in sharing with anyone who wants to discuss agriculture that indeed we have a bright future for agriculture in Alberta.

As far as economic assessments for Farming for the Future, we indeed have studied that as well and we're certainly not picking winners and losers. That's not our objective, and that's not how we're operating with Farming for the Future. Farming for the Future covers a very broad segment of agriculture. It does a lot of things as far as agriculture is concerned. It creates a lot of

jobs, ultimately, through the process that is developed. It advances agricultural knowledge and technology. It trains agricultural people. It provides a good training grounds for the industry. Indeed, the most important element of course is that ultimately it creates new technology, and I think those are the results of the Farming for the Future program.

As far as assessments are concerned, there was an assessment done in 1992 by Serecon Management Consulting. The consultants estimated a direct gross economic return to Alberta's economy of \$455.6 million over the last 10 to 15 years on 20 projects alone. To date Farming for the Future has invested \$77 million in over 1,700 research programs in the province. Indeed, we feel very confident that the money is being well spent, we feel that it's being well directed, and we'll continue to work with the industry in that process.

9:10

MR. DEPUTY CHAIRMAN: The hon. Minister of Environmental Protection.

MR. EVANS: Thank you very much, Mr. Chairman. Briefly in answer to the questions from the hon. Member for Edmonton-Whitemud. He asked a question about the program support under program 1, water management systems improvement, and compared the forecast for 1993-94 of \$1.350 million based on an estimate of \$26.4 million of capital expenditures. Hon. member, I would refer you to the actual. Actually, it just shows here the forecast for '93-94, but I can confirm to you that that was the actual for 1993-94. What we did in order to reach our own budget targets, our budget goals, was put a capital moratorium on some of our projects last year, and the capital moratorium amounted to \$10,100,000. So you had actually six projects that were the recipients of funding in 1993-94, and that was dealt with to a capital amount of \$16.3 million, using project support of \$1.35 million. This year we have actually seven projects that will be receiving funding, again at the same amount of \$16.3 million. I know that the hon. member is very interested in the particulars of the projects that are funded because I know that he takes his job seriously and would be interested in having that information, so I will give a little bit of information on those projects.

The first is completion of installation of controls on the Waterton-St. Mary, and that is forecast at \$350,000. Secondly, the installation of bridges on Waterton-St. Mary, Mountain View, Leavitt, and Aetna headworks, and that's \$477,000. Thirdly, the construction of Taylor's Coulee chute in the Waterton-St. Mary headworks at \$6,265,000. Next, the final design engineering on the St. Mary dam spillway, and that's \$1,600,000. Next, the completion of bank stabilization and stage 1 reclamation and clean-up work in the Western headworks, and that is a cost of \$708,000 forecast. Next, the continuation of rehabilitation in the diversion. We are in the United headworks, and that's \$545,000. Finally, work to be done on the Carseland-Bow River headworks at \$6,355,000. I know the hon. member is doing a mental count on that, and I'm sure that he will add up to the same figure that I add that up to, namely \$16,300,000. I hope, hon. member, that answers your question.

MR. DEPUTY CHAIRMAN: The hon. Member for Calgary-West.

MR. DALLA-LONGA: Thank you, Mr. Chairman. It is with great interest that I speak to this section of the estimates.

MRS. FORSYTH: Sit down.

AN HON. MEMBER: Who said that?

MR. DALLA-LONGA: I think it was the hon. Member for Calgary-Fish Creek. Maybe she'll give us some of her enlightening comments afterwards.

The hon. Treasurer made some very enlightening comments. He's says that we've made some tremendous investments, and that's true. We have made some good investments, and certainly one can't argue too much with the quality of life that these investments have made for Albertans. But those days are over now, and I think now we have to think about the future. We've spent the money like drunken sailors, and I might add that it wasn't a Liberal government that spent that money. In fact, it was a Tory government. Many of the same Tories are here that spent that money, and it was that forward thinking that got us into this \$30 billion debt that's going to be \$34 billion of debt before we're finished.

I see there was a bunch of clapping when the Treasurer talked about this forward thinking. I guess they haven't learned yet. They haven't learned about how to blow your brains out in nine years with one of the highest deficits and debts per capita. Imagine. Imagine what the rest of the country must be thinking. We had this heritage savings trust fund which was this mountain of cash, mountain of value, and we're viewed as the have province, and suddenly we become the have-not province. We're technically insolvent, growing a deficit faster on a per capita basis than any province in this country. Imagine. They must think how stupid we are in terms of managing our finances. But that was forward thinking. We spent all this money with that forward thinking.

Let me give you a sample of some of that forward thinking. We mentioned landing strips, terminals that we've got spread around this province. Well, Mr. Chairman, I have my private pilot's licence, and sometimes I have a hard time getting into those terminals because now we can't even afford to man them. They're locked up. The government went and built these landing strips, paved a really nice, long asphalt landing strip, put in a nice terminal so all the folks would really be happy, but nobody's got planes. They can't even afford to keep the things open.

Fish Creek. Yeah, that's a good facility, I must admit. I live in Calgary. I believe the hon. Member for Calgary-Shaw's riding borders on Fish Creek. I'll refer to his comments here that he had back in January. He asked the Premier the question:

The capital projects division consumes a considerable amount of money on an annual basis, and in light of the financial difficulties that we're faced with, I was wondering if you have given any thought to curtailing such spending in the future and in particular in light of the fact that we are now using consolidated budgeting or a version thereof.

You know, I guess we have to seriously rethink. I know we've cut down on the amount of money that we spend in some areas. As a matter of fact, in the Department of Energy we no longer spend any money in there. I'll get to some of the specifics a little later on. I want to talk a little bit more about this forward thinking that we talked about.

One of the projects that came out of this fund, I believe, was the Lloydminster upgrader. We had a write-down of \$306 million for this upgrader. Now we have to pay to fund the operating shortfalls on an annual basis. The other day I read that if we don't spend another hundred-odd million dollars for capital improvements, this thing might even shut down. Yes, ladies and gentlemen, it might even shut down. I can't believe it.

We spent \$126 million on the Prince Rupert grain terminal. Now we've got an unrecorded capitalized interest of \$34.3 million

owing, and the payment of the principal and interest is due by July 31. Then there's the one that we all know about, spoke about it recently, Western pulp mill, which is another fantastic investment.

You know, the hon. Treasurer keeps quoting the Institute of Chartered Accountants. He has very selective quotes that he makes from their various publications. In Facing Fiscal Facts 2, the Institute of Chartered Accountants said that to keep this fund in its current form only invites further direct intervention by the government in the economy, something which can only lead to further losses of fund dollars.

So, Mr. Agriculture Minister, I guess when we're talking about how we've spent our money, it's not that we're against agriculture; it's that we can only lead to further losses in our funds. To continue having this capital fund is only going to continue to dwindle what's left of the Alberta heritage saving trust fund, which is another interesting point. What is in that Alberta heritage savings trust fund? The government says there's \$13 billion in this fund, and a report prepared by a professor from the University of Alberta pegs, with the information that is available, of course, the fund to be at \$8.5 billion, which you know begins to beg the question: can we even believe the financial information relating to this Alberta heritage savings trust fund? Being an accountant by background, I shudder. I mean, I have a heck of a time just figuring out how these numbers float around in a circle. I guess it was done by design; I don't know.

9:20

Now, my colleague from Edmonton-Whitemud talked about the review of the Alberta heritage savings trust fund, the one that keeps getting promised to us. You know, it's time that the government acknowledges the recommendations made by the experts that the Treasurer often refers to, that he acknowledges those recommendations before this heritage savings trust fund is mismanaged into oblivion.

The Auditor General has

recommended that the Treasury Department initiate a review of the . . . heritage savings trust fund to determine whether . . . assets are being used in the most effective manner.

That's one of our points: are the heritage savings trust fund's assets being used in the most effective manner? I doubt it.

The Alberta Financial Review Commission has stated that the retention of the fund in its present form is going to create a false sense of security. We already see that now. I mean, I sometimes wonder what the rest of Canada must be thinking. We talk about this fund that we've got, yet we've got the highest per capita deficit in the country. I don't know. The Institute of Chartered Accountants has recommended that the government initiate a comprehensive and complete analysis of the fund, an independent analysis of the fund, to see and to determine what the valuation of the portfolio is. Moody's, one of the Treasurer's favourite sources for quotes, has said that they favour liquidating the fund because it's going to pay down the provincial debt, and the proceeds would be greatly needed to reduce our debt servicing costs.

Now, we've had numerous promises to have this review initiated. We have something like in the order of 11 separate promises by the Treasurer and by the Premier on separate occasions. I'll just read you a couple of them. In January of this year the Premier says:

Yes, I'm fully committed to a review. I guess it's just the form and the nature and really the time to get the review committee established, and certainly we would seek the input of the members of the Official Opposition relative to the form and structure of the particular committee . . . It is, I believe, the Provincial Treasurer's intention to announce the review committee as part of the budget presentation in February.

That was last February, not this February coming up.

March 31: what we're trying to do is to pull the mandate together, organize a plan of attack.

Anyway, Mr. Chairman, the Alberta Liberal position on the heritage savings trust fund has always been clear. We've always favoured liquidating the heritage savings trust fund.

MR. FISCHER: Who cares?

MR. DALLA-LONGA: The member across the way says, "Who cares?" Well, maybe someday Albertans will care. Maybe someday Albertans will know the truth as to what the true value of the fund is instead of all the smoke and mirrors that's currently going on, just like the false sense of security that Moody's has said that we currently enjoy.

This fund was originally set up as a rainy day fund. If it isn't raining now, I don't know when it is. I mean, we've told everyone in the rest of Canada that we've got this debt problem and that we're going to solve it.

MR. MAGNUS: You know, Danny, you're all wet.

MR. DALLA-LONGA: That was really funny. That was hilarious. I could hardly stand it.

Anyway, the Treasurer said at one point:

The only party, as I recall, that has advocated the annihilation of the heritage savings trust fund, the abolition of the heritage savings trust fund, is the Liberal Party . . . Albertans rejected that position on June 15.

Well, I beg to differ with you. In a random survey done by the Institute of Chartered Accountants back in 1992, before we even knew that we had a serious problem, when we were still getting the smoke and mirrors about "Oh, the deficit's manageable" and that sort of thing, 75 percent of Albertans surveyed favoured the liquidation of the Alberta heritage savings trust fund to pay down the accumulated debt. The Institute of Chartered Accountants says that the best way to ensure that the assets benefit all Albertans is to use them to pay down our debt.

AN HON. MEMBER: Boring accountants.

MR. DALLA-LONGA: We go on and on and on. Yes, boring accountants, but it was finally the accountants who shed the light, wasn't it?

We talk about some of the expenditures that we made in the various departments. I have a few comments in some of the specific areas. I guess the one that's raised the ire of the minister of agriculture is the grazing leases. I can tell you that, you know, I've gone out and met with some farmers and some of the agricultural community, and these grazing leases are a sore spot with a number of the people, a number of ranchers and farmers. They're a sore spot because the current holders of the grazing leases don't seem to relinquish them. They're going on from family to family now. Those that don't have them would like to get them. Those that have them don't want to give them up. I guess if I look at \$3.7 million or whatever it is, \$3.6 million, being spent on grazing leases, those amounts - I stand to be corrected - aren't just all for new farmers. As I understand it from my discussions with people in the agricultural community, there's a core base of about 200, 250 ranchers that benefit primarily from these grazing leases. Once again I stand to be corrected, but there is a core group and that core group isn't shifting and there are other people in the agricultural community that do not like what's happening with these grazing leases. It apparently favours a select few.

Now, the minister of agriculture came alive and made a number of comments and tried to endear himself to the agricultural community, but let's make no mistake about that. Personally I'm not against the agricultural community; I just want whatever's fair. From my discussions with the oil industry I can tell you that this is a really sore spot, these grazing leases. Some of these grazing leases, it's my understanding, go out at 25 cents to a dollar per acre leases, and then they turn around and charge the oil companies 10 times that, 15 times that for access to those grazing leases to drill their wells. There's a sense here that at the very least maybe the government should be getting that access; it shouldn't be going to the rancher. Now, if this grazing lease issue isn't resolved soon, I think it's going to be coming to a head here.

The other thing is that the charges that are being charged to the holders of these grazing leases are below market. So we're spending all this money and we're not even getting market back on these grazing leases. I don't know.

I look at the \$3.6 million that we're spending on grazing leases, and we turn around and 22 percent if you're a female, 25 percent if you're a male, of the people in this province are going to die from cancer, and we're only spending \$2.8 million on research for cancer. Now, we're going to get all this research done, but we're not going to have any hospitals left to apply the research in, but that's another point. The fact of the matter is: \$2.8 million to keep us alive and \$3.6 million for grazing leases.

I rest my case. I have no further comments.

MR. DEPUTY CHAIRMAN: The hon. Minister of Agriculture, Food and Rural Development.

MR. PASZKOWSKI: Thank you very much, Mr. Chairman. I'll be very, very brief in that I would like to point out to the hon. member that we spend no money on grazing leases, and it's unfortunate that he doesn't understand grazing leases. I just want to make it clear in *Hansard* that we spend no money on grazing leases. Grazing leases provide an income to the province.

9:30

MR. DEPUTY CHAIRMAN: The hon. Member for Clover Bar-Fort Saskatchewan.

MRS. ABDURAHMAN: Thank you very much. Following on my colleague's debate with regards to the estimates on Alberta heritage savings trust fund, I just want to address it from the perspective that after listening to our Provincial Treasurer talk about forward thinking, the thing that comes to my mind about his forward thinking was what it did to Albertans and past Conservative governments. Even to this day we're still seeing the same attitude. They've got this false sense of security. They believe in everything they're saying, that what they're doing they know is best for Alberta. Well, I would suggest, Mr. Chairman, that the forward thinking created a false sense of security. They also created what I would call a crutch through this thing called the heritage trust fund. We hear now that the government shouldn't be in the business of being in business and that was then and this is now. Well, what I would say to this government is: when are you going to walk the talk that you're putting forward?

When we look at the heritage trust fund and at the colossal debt and our deficit, the most commonsense approach would be to liquidate the heritage trust fund. It doesn't take accountants to have to tell you that. We hear from the government side of the House that they're there as a government, and we're here as an Official Opposition. Somehow they leave you with the impression that overwhelming numbers of Albertans voted for the government

of Alberta, but the reality is that less than 50 percent of Albertans who voted, voted you in.

MR. DINNING: You lost, Muriel. Remember that. You lost. [interjections]

**Point of Order  
Decorum**

MR. DEPUTY CHAIRMAN: Order. Hon. member, excuse me. It's continued to get noisier and noisier, and the rule is that if you want to talk to your neighbours, you go and sit in a chair. Your members have been doing that.

Now, Provincial Treasurer, you have no right to yell across the floor. so please keep the noise down. We want to hear what the hon. Member for Clover Bar . . .

MR. DINNING: No, we don't.

MR. DEPUTY CHAIRMAN: We do. Now, you be quiet. If you want to yell, you'll have to go outside.

MRS. ABDURAHMAN: Mr. Chairman, when you see that type of reaction, you really realize that you've hit a chord, and it's not a pleasurable one.

Let's face the reality. There isn't one person . . .

MR. DINNING: Fifty-one to 31. That's the reality.

MR. DEPUTY CHAIRMAN: Hon. Provincial Treasurer.

**Debate Continued**

MRS. ABDURAHMAN: If it wasn't for people like the Provincial Treasurer, quite frankly I wouldn't be standing here today. The other reality, Mr. Chairman, is that when you're looking at management practices and when you look at people who have sat in cabinet and in Executive Council suggesting that the member who was elected from Clover Bar-Fort Saskatchewan somehow lost, I think it tells you something about the intelligence of this individual and the arrogance.

Getting back to the heritage trust fund, I have stated quite clearly that this trust fund has been like a crutch, and as the years have passed, it's become very weak. The reality is that this government is still in the business of doing business, but they use the excuse that because it's AADC and AOC, it's not really being in the business of business. Somehow, out there in the marketplace there are certain exemptions. Well, the fiscal reality – and you look at the global markets – is that governments around the world are going to have to get out of the business of being in business. Let's stop using the Alberta heritage trust fund to justify still being in business, whether it's a Westaim or any other area where you're lending Alberta taxpayers' money. Whatever can be liquidated in this fund, Mr. Chairman, should indeed be done to pay down the debt.

The other thing that was told by other elected officials over the past 15 years to provincial government cabinet ministers was, "We don't want all these handouts, all these grants, because you're building a dependency by Albertans." The reality is that that's exactly what we did. Today we don't have the operating funds to continue to support not only capital projects, some funded through the Alberta heritage trust fund, but also the plethora of programs that were developed by past Conservative governments. Now they're saying, "Albertans, you've got to tighten your belts." Well, let's face the reality that this heritage trust fund would serve Albertans better, in a more positive way,

if it paid down the debt. Now, Mr. Chairman, that's all I'm going to say with regards to what I believe and what the Liberal caucus and my colleagues believe should happen to the heritage trust fund.

The other point I want to make – my colleague for Calgary-West identified it – is that surely we could come up with what is the correct value of this fund. We've got one body saying one number and a government telling us it's a higher number. What is the truth? Surely with today's sophisticated technology we should be able to get a handle on that debt. Or is it just another example of the former federal Conservative government that we didn't know what the national debt was? You know, we hear: we were elected, and you lost. But the reality is that that same arrogance was in Ottawa, and what did that do to them?

Now let's get to Health. Whether there's an Alberta heritage savings trust fund in place or not, this is an area where we have a significant role to play, and that is in research. So I firmly believe we should not be using heritage savings trust funds. Where there's a relevance to ongoing health it should be part of the Health budget.

[Mr. Tannas in the Chair]

Now, with regards to the applied cancer research there are certainly some questions that I feel should be addressed, and I certainly am looking forward to the answers. The Alberta Cancer Board annual report shows that the focus of the project that was set out by the objectives and implementation was changed in 1987 to one of a theme-orientated, multidisciplinary initiative related directly to the problem of cancer. This research fund is the driving force behind the Alberta Cancer Board's research program. Now, what I would like to see is the detailed information about the specific research projects which have been funded by this \$2.8 million. The question has to be asked: why is medical research for cancer separated from the other medical research that I identified in my opening comments to the area of Health? And one has to ask: why is the mandate not expanded to include research and topics such as chelation therapy, the effects of air pollution and effects of landfill sites, and the autoimmune diseases? I believe we're seeing a significant increase in autoimmune diseases in the province of Alberta. We're also seeing identified very rare autoimmune diseases, and the question has to be asked: why? What research is being done in those areas?

As we move to the regionalized model, how will funds for cancer research be distributed? Will it be split between the major centres of Edmonton and Calgary only, and will the regional boards have control of those moneys? That should have been addressed, and I hope there is an answer to that question well ahead of the debate we're going to go into on Bill 20. Will the regional authorities be able to reduce expenditures on cancer research and focus on different types of medical research or perhaps no research at all? Who's going to make that kind of decision? Is this going to be the regional authorities?

**9:40**

Research on breast cancer continues to be a question. Will these studies undertake to determine whether some women should be excluded from the mammogram screening program? We're hearing now whether there are indeed benefits from this program, or is there a possibility it's actually spreading cancer and causing more problems than clearly identifying?

The other area for cancer research is: are we looking at outcome measurements? And what of the quality of life? It gets back to the ethical debates around all of medical research and treatment programs. How is that tied back into the research

programs? Are research projects funded by the heritage saving trust done in co-ordination with other provincial or federal research? In other words, can we be absolutely sure that there isn't duplication going on there? I would go even beyond Canada. What's happening in Scotland? What's happening in England? What are the results? What are the treatments being used? I know, for example, at first hand that there are certainly some new chemotherapies being used in Glasgow. Have we taken a look at what's happening there, and where are we in relationship to the research that's being done there or in Edinburgh or for that matter in Paris?

In our health care system, which is hopefully moving to a holistic approach, could research moneys be used more effectively by combining all the funds and having only one body administer the use of the money? Then potential projects involving research into cancer could be evaluated as compared to health care research, not only compared to other cancer research. That gets back to the point, Mr. Chairman, that it's indeed so important that we have outcome measurements there or benchmarks to ensure that there is value to the research that's being undertaken, that there's value to the treatments. Also, the whole question of bioethics and quality of life has to become all part of research and treatment and certainly should be dealt with in the holistic delivery of health care.

With those comments, Mr. Chairman, I look forward to specifically the questions being answered related to health.

Thank you.

MR. CHAIRMAN: Okay. Hon. Member for Edmonton-Mayfield.

MR. WHITE: Thank you kindly, sir. This particular fund has a history that many would know and remember, but I have a particularly good recollection of it in that I happened to be around when it was just in the germination stage. The name caused a great deal of difficulty for all of those that were involved. How did you capsulize this rainy day fund, as it was termed by the then Premier? How do you put a name to it? It was very, very difficult. The name was, in fact, a compromise, because it is a long, cumbersome name. There's no question about that. The important parts were "heritage," the future, and "savings trust fund": "trust" meaning for future generations, and "savings," of course, meaning that you can trade it in. The initial idea was to hold or invest those funds so that you could in fact recoup them, so you could expend them on those priorities of the day that required expenditure of the day when the rains did fall. Well, quite frankly, for a long time now the rains have been falling quite heavily. It wasn't very long after the inception of this fund that politics came into play much more in the dissemination of these funds than the original idea envisaged. That's for sure. Certainly the members of the party at that time did not feel in hindsight that all the expenditures were the ones that should have been done.

The investments were and some of them to this day in fact are invested very well, but when you come to dealing from a perspective of some \$30 billion in debt – round numbers, whether it's up or down; it can be more or less – 30,000 millions of dollars, that's an awful big chunk of change. If the people at the inception of this fund could hear what they list in the contents of the last annual report and therefore by extension the budget that we're speaking of today, if they could hear of some of the expenditures that have come out of that fund, they would really, really be hurt, because it was not intended for that at all.

Certainly there are a number of expenditures that should have and quite frankly would have sat high on a priority list of any government of the day. The difficulty is of course that they did

not stack up against that priority list. They were taken aside and said: no, no; we know how to manage these better. I cite the example of the now quite famous fireside chat of the current Premier not that long ago when he was explaining the difficulties that the province was in with its debt. I had no difficulty understanding that. His explanations in fact were very simple, very understandable.

You take that same metaphor of the house and apply it to this. It's the case of having an investment portfolio that you're saving, part of which is in equipment like a lawn service, some of which is in a swimming pool, some of which is in other things. Some of it is in fact in a nursery that was very important to the management of the household, and some of it is offshore or a long ways away in an investment fund. At the same time that you're accumulating this debt, you're living on, I think he said, the credit card.

Well, the former government and this government seem to believe that these are so totally and completely different funds owned by totally and completely different people that the twain should not meet; I mean, their right hand or left hand does not know and should not know and cannot know what is going on. It is absolutely ludicrous. Explain that to grade 6 students, which I have the privilege of going to talk to a number of times because of the proximity of my constituency, which I can't apologize for, because that's the way it works out. It's such a shame that other members don't have that same advantage. When I explain that same sort of situation to them, and they have to understand – they have an inkling of what debt is and how you have to bring that down and where the expenditures have to come. They understand that, but when I explain the savings and the debt to them, they really have a great deal of difficulty understanding the sanity of this place.

Now, there are a number of other areas that could and should be delved into, and I shall deal with only one or two of them here tonight because of time being as short as it is. We're not against any of the projects that are envisaged in the document, nor are we saying categorically that any of the expenditures that were made in the capital projects division prior to this particular budget – but there are some that surely in hindsight seem just a little silly now, especially with the events that are occurring as we speak in the health care system, in the delivery of health care now.

9:50

I point to \$30 million in applied research. Now, that's not applied to the research. This is applied to the facility for the research in three different centres, and a little better than a third of the money went into the Calgary General. What is happening to the Calgary General as we speak? There's \$40 million of capital funds in the Alberta Children's provincial general hospital. Now, I have some difficulty explaining that one to anyone, but explaining it to a child of 11 or 12, when they understand full well what happened to the money – the money is long gone. You cannot continue to make these kinds of expenditures and have credibility with those that this fund is supposed to be there for when the time comes. You just cannot do that.

There are a number of other former expenditures that need some ongoing sustenance if they're to be maintained in the present form of a capital investment of the province of Alberta; notably, the Capital City recreation park in this city, Fish Creek in Calgary, Kananaskis Country, those kind of things. They have to have some money to sustain them. If they did fit on the priority list of the day, they may have in fact been funded. I have a little difficulty with the magnitude of the expenditures in Kananaskis, but I can't say categorically that it was wrong at the time. I

wasn't there. But if it was put on this priority list, it may have fallen off. Fish Creek, in my view, would have probably made it because it serves a great area: the residents of Calgary and Midnapore and all of that area just south and east of Calgary.

The difficulty is that when you take that expenditure and you take the expenditure of the Capital City park here in this city and you put them on a per capita basis and you see what has happened in the city just immediately to the north and west of this city in St. Albert: the money wasn't particularly well spent, at least for the utility of the people. The number of people it serves versus the number of people it serves in either Fish Creek in Calgary or for that matter the park - I can't recall right off the top of my head what the one in Red Deer is, but it certainly doesn't serve the same amount. If you're trying to serve the people, what you have to do - and I suspect it was done more to a political end than a pure service end. The original idea - and it hasn't been completed - was on a per capita basis; that's the way it should have been done. Somehow on the first phase it got way out of whack; someone was ahead, earlier than the others. Consequently, we ended up with this more heavily weighted for the smaller urban centres than the larger urban centres.

Still on those centres, if you had had the advantage of putting on a priority list all of the capital expenditures of the provincial government in those smaller centres, one surely would find that it's a lot easier to analyze those numbers. The people that were there on the front line, those people that dwelt in those areas, would have come up with a different answer than they might have had under this.

I wouldn't mention the expenditures in the Paddle River basin development because they in fact were expended to the net benefit of a great number of the residents close at hand in that basin for flooding, but the way that it was managed is unbelievable. There's a whole case study that I'm sure will be studied by those developers of capital projects hereafter for a great deal of time on what is reasonable and just in dealing with a contractor from an owner's point of view.

There are the priority items that today seem absolutely classically absurd when we're talking about closing hospitals, having to explain to citizens why the government is allowed to cut kindergarten funding in half. All I can really point to and say is, "Look, there's money needed, and that's the way they've promised to cut the budget, to balance the budget, and this is one of the methods, rightfully or wrongfully," but if you take those expenditures and line those up against \$54 million . . .

#### **Point of Order Relevance**

MRS. BLACK: Point of order, Mr. Chairman. *Beauchesne* 459, relevancy.

MR. CHAIRMAN: Point of order, the hon. Deputy Government House Leader.

MRS. BLACK: Could we have the hon. member stick to the . . .

MR. CHAIRMAN: Sorry, I can't hear you.

MRS. BLACK: Mr. Chairman, could we have the hon. member please try and gear his comments to the heritage savings trust fund capital projects division so we can get on with it?

MR. CHAIRMAN: The hon. member has brought up the matter of relevance. All I can say is that as prolonged as this may appear, the estimates are an opportunity for all members to bring

the ministers and the government to account, and we have traditionally accepted a rather wide-ranging debate. However, I'm sure the hon. member will take your admonition under consideration in the formation of his additional remarks.

#### **Debate Continued**

MR. WHITE: Thank you, Mr. Chairman, and I shall, but I can remind the member that I'm speaking of the history of this fund and therefore what is being spent from that fund into the future. You cannot separate one totally from the other. If that were the case, I mean, how would any budget be predicated on any other budget?

Certainly when the Treasurer spoke in glowing terms of Fish Creek, the Member for Calgary-McCall actually stood and was quite proud, and so he should have been. I'm merely speaking of the same matters. The hopper cars we were speaking of. The Member for Grande Prairie-Wapiti . . . No?

MR. DALLA-LONGA: Smoky.

MR. WHITE: Grande Prairie-Smoky was speaking in grand terms and very, very, very broad terms of agriculture and its need. Certainly hopper cars and expenditure for them are examples of it. I have difficulty with the arguments, and I thank the Chairman for making that ruling very clear.

There are some other items in history that would be and could be and should be explained to the populace how it can be in the capital expenditures of the heritage savings trust fund. Some of the items that really are a great deal of difficulty in hindsight and therefore in forming one's opinion of how expenditures should be made - for the minister, the individual line service in rural Alberta. Thousands upon thousands upon thousands of dollars were expended and continue today in the service of the system. Now, if you want to come from a very far right-wing point of view, well, then you say that those that want the service should pay for the service. This is not a completely public utility. It's surely not a public utility now, as the former government made that very, very clear and in fact sold the, quote, unquote, utility to private enterprise. Here we are, developing all of these, one citizen paying for another citizen's service, and now we're in a horrible shortage of funds for hospital beds. The members from Calgary are going to have a great deal of difficulty when they go home this weekend and find the almost riotous situation with the closure of hospitals. It's tough. I would not like to be in their shoes at all. [interjections] Well, it could be. It could be no problem at all, but I stand to be corrected. When you come back on Monday, write me a note if nobody talked to you about it.

The Alberta Microelectronic Centre here is and has proven to be . . .

AN HON. MEMBER: Call that a fiasco.

MR. WHITE: Yeah, a fiasco. There are millions of dollars there. For what purpose? Some purpose to diversify the economy. Well, this is a savings fund. I revert to the original intent of it. You are not supposed to risk the capital in that fund. [interjection] Yeah, you don't go out and buy votes with it; that's what you definitely don't do.

#### **10:00**

There is, of course, one part of the heritage savings trust fund that we do not have and I don't think anyone would have difficulty with investing in the future, and that's a scholarship fund. That in fact goes right to the heart of what was envisaged in this

particular fund, which was heritage, the preservation of heritage into the future and a trust fund for those people to carry on those traditions of this province that are well earned.

The library development: a very, very, very good investment in the future. However, again, how does that stack up in that day and in this against long-term health care in any hospital regime? How does it stack? Nobody knows. This is throw it out and pick off what we can for our own pet projects for the government of the day, which is absolutely ludicrous, a terrible, terrible way to expend funds. Particularly now, in hindsight, it's a glorious, glorious case, a classic case of feast, feast and famine and how you waste it. This fund, the idea, the kernel - strip away everything else of what the idea of this fund was - has now been so totally and completely destroyed that it's beyond recognition, and the name does not do justice to the fund that these funds were protected for at all.

I turn attention to applied cancer research. There are some fundamental questions that must be asked there too. We should be and could be very, very proud of the fact of all the research that has been done. In fact, some of it has borne fruit, and some of it has in fact really done very, very well in putting this province on the map. The difficulty I'm having is: why should we be funders of the leaders in the world in these areas? Here we have 10 percent of the population of a country, which is minuscule versus the rest of the world. There are some things that we can do and we can do well, but there have to be limits to all of these things. Now, when we're spending millions and millions of dollars annually on these things, you have to stack those items on the long priority list. Maybe we cannot afford to be at that level. Then again, maybe we can. It can certainly be argued, but we'll never know because the big priority list is certainly not there before us to look at. It's chopped up in little bits and pieces. Some of it is here. Some of it has been expended. Some of it is a continuation of programs. Some of these funds would and could stack up.

A very small amount of the fund, a very tiny amount of the fund, in energy, in fact, has as I recall been very, very well expended and has been expended, on a basis of research funds anyway, on a shared risk basis with private enterprise, which is an excellent, excellent way of ensuring that the stop and go, those fundamental decisions that have to be made to choose winners and to separate the winners from losers in the research and development area, is found.

Thank you kindly for your time. I'll continue on another time.

MR. DAY: Mr. Chairman, I move the committee do rise and report.

[Motion carried]

[Mr. Speaker in the Chair]

MR. TANNAS: Mr. Speaker, the Committee of Supply has had under consideration certain resolutions of the Alberta heritage savings trust fund, capital projects division, for the fiscal year ending March 31, 1995, reports progress thereon, and requests leave to sit again.

MR. SPEAKER: Does the Assembly concur in the report?

HON. MEMBERS: Agreed.

MR. SPEAKER: Opposed? Carried.

head: **Government Bills and Orders**  
head: **Second Reading**

**Bill 22**  
**Maintenance Enforcement Amendment Act, 1994**

MR. SPEAKER: The hon. Member for Calgary-East.

MR. AMERY: Thank you, Mr. Speaker. It's with a great deal of pleasure that I rise tonight to move second reading of Bill 22, the Maintenance Enforcement Amendment Act, 1994.

This Bill is the result of much discussion and consultation, and I believe it will be a helpful tool to improve the efficiency of the maintenance enforcement program in Alberta. Our overall objectives with respect to the maintenance enforcement program are to ensure that children are being provided for and that parents are living up to their responsibilities. To find the best ways to meet these objectives, we went to the people working at the maintenance enforcement program and asked them: what could we do to improve the program; what changes do we need to make your job easier? Mr. Speaker, Bill 22 is the answer to these questions.

Mr. Speaker, Bill 22 will allow debtors' renewals of drivers' licences, motor vehicle registrations, and other motor vehicle and registry services to be withheld when arrears are outstanding on a maintenance order. The Bill also increased the tools available to the maintenance enforcement program by permitting joint bank accounts to be garnished and requiring government departments and agencies to provide information on the debtor's social insurance number, telephone number, and employer's name and address at the request of the maintenance enforcement program. The Bill also amends the previous legislation to give maintenance creditors priority over other unsecured creditors and eliminates the current limitation period on the collection of arrears.

Mr. Speaker, there are people who are unable to make their maintenance payments. No legislation will enable us to get money from people who don't have any, but that is not what this legislation is for. This Bill is to target those people who do have the money to make their support payments but for whatever reasons choose not to do so. Some people go to great lengths to avoid making maintenance payments, moving around, changing jobs frequently, and hiding their money in different accounts. Bill 22 will give the maintenance enforcement program the tools it needs to deal with these people. With this legislation the director of maintenance enforcement will have increased powers so that the program is better able to access money that is there but that is not being used properly to make maintenance payments.

The current legislation provides that the maintenance enforcement program can only attach funds solely in the name of the debtor. Some debtors take advantage of this by placing their money in bank accounts with another party so that they can avoid making payments. Mr. Speaker, Bill 22 will eliminate this problem by allowing the program to place a notice of continuing attachment on a bank account that is held jointly by a debtor and another party or parties. This loophole, allowing sneaky debtors to hide funds, will be closed.

**10:10**

Another notable improvement contained in Bill 22 is the amendment which will enable the maintenance enforcement program to obtain from any provincial government agency the social insurance number and residential telephone number of a debtor as well as the name and address of the employer of the debtor. This information, which will be provided in addition to the address or location of a debtor as allowed for in current

legislation, will improve the ability of the program to locate debtors. It will also enable the program to more easily locate their places of work in order to attach their wages. By obtaining the social insurance numbers of debtors, the program will also be able to ensure that funds are not wrongfully seized from someone with a similar name.

Mr. Speaker, another tool the program will have to locate debtors is the provision that allows the director of maintenance enforcement to withhold motor vehicle registration services. This provision is not to be perceived as a punishment for debtors in arrears but as a more effective means of finding them. Instead of the program having to spend time and money to find these people, they will have to contact maintenance enforcement to arrange for payments to be made in order to receive motor vehicle services. I understand that there are some who have reservations about this provision, so I will take the opportunity to explain it a little further.

This provision is an enforcement tool that will be used in conjunction with the present enforcement procedures. Each case will be individually reviewed, and the debtor will be given ample opportunity to make payment arrangements with the maintenance enforcement program. If arrangements aren't made, the director will instruct the registrar of motor vehicles to withhold services to the debtor. The debtor will be given the phone number of the maintenance enforcement program and be advised to contact the program to get motor vehicle services reinstated. When suitable payment arrangements have been made, the program will then allow for motor vehicle services to be reinstated. In the case of debtors who need their vehicles and licences to be employed, the director can permit the registrar to issue a temporary operator's licence or registration.

There is also a concern with this provision that now that registry services have been privatized, there is no way to ensure that the instructions of the director will be followed and services will be properly refused. The intention is, of course, to ensure that this provision is not ignored. It's my understanding, Mr. Speaker, that the system will be set up in a way similar to that which prevents people with unpaid speeding or parking tickets from accessing motor vehicle services. A freeze will be placed on a debtor's motor vehicle file, and no services will be possible until the director lifts the freeze from the file. The maintenance enforcement program will have direct access through their computers to the motor vehicle computer system, so there will be no inconvenience to private businesses providing registry services. As most people require motor vehicle services at least once a year, this will be an excellent way to keep track of people and to have debtors make the effort to contact the program and to arrange for payments to be made.

In the last few months, Mr. Speaker, I have become greatly involved in the issue of maintenance enforcement. As good as our program in Alberta is, some of the stories that I have heard made me realize that it could be better. I have often heard from debtors who say that they are able to make their maintenance payment, but they don't because they don't want to. They may be upset with their ex-spouses or the way things turned out in the divorce settlement, so they refuse to make their support payments. It angers me and upsets me to hear stories like this, because the ones who are hurt the most by this vindictiveness are the children.

This takes me back to the main objective of this Bill, and that is to ensure that children are being provided for. Mr. Speaker, we must do what we can to protect the children of this province, to secure a positive future for them. Parents may try to hurt each other by withholding maintenance payments, but in the end they are really hurting their children. Bill 22 provides the maintenance

enforcement program with further abilities to increase their efforts to make sure this doesn't happen. The goal of Bill 22 is to increase the authority of the director to give the program more power to enforce court ordered maintenance payments. This will help children to receive the payments that are owed to them and will make parents more responsible for their children and not the taxpayers.

Bill 22 is strong legislation. The amendments it contains will increase the recoveries of maintenance payments on behalf of creditors and enhance the efficiencies of the maintenance program. In all, the changes to the maintenance enforcement program that this Bill will bring about will give the Alberta maintenance enforcement program the broadest range of enforcement tools of any maintenance enforcement program in Canada. Mr. Speaker, this is something to be proud of, and I hope all members can recognize this and lend their support to Bill 22.

Thank you.

MR. SPEAKER: The hon. Member for Calgary-*Buffalo*.

MR. DICKSON: Thank you very much, Mr. Speaker. There's a sense of déjà vu in terms of dealing with this particular Bill at this point. The other day we were dealing with a different Bill, Bill 208, and it seems to me that we heard much of the same speech from the hon. Member for Calgary-*East*. In each case, I'm reminded, he points out the importance of looking after the children in this province. I'd hope there's not a single member in this Assembly that doesn't feel motivated that they want to do the very best job they can for the children of this province.

I would be embarrassed if this is the best we can do in terms of making the maintenance enforcement system work in this province. That's not to say that there may not be some advantage to getting involved by withholding operators' licences, refusing motor vehicle registration, and so on. It seems to me that if we look at the whole potential arsenal of devices, of tools that the director of maintenance enforcement or his counterpart would have in many other jurisdictions, what we find in Alberta is that the creditor spouse, in effect, has one hand tied behind his or her back. The reality is that it's still a lengthy process to be able to recover support, support that all members should appreciate has been ordered by the court. This isn't a question of somebody making a claim. This is a claim that's been reduced to a finite sum, and a court, either a provincial court judge under the Domestic Relations Act or a provincial statute or a Queen's Bench judge exercising power under the Divorce Act, has set out, prescribed a particular form of payment, a frequency of payment, and that's the amount that's not being paid.

I want to stand back for a moment from the detail of Bill 22 and talk about some of the principles that I think should be operative in any maintenance enforcement regime, and before I talk about the principles, I want to relate some of the concerns that I hear and I expect other members hear as well, in some cases from debtor spouses, in some cases from creditor spouses. The first problem I hear most frequently is delay. Maybe other members may have a different experience, but it's frequently a question of creditor spouses registering, being part of the program, and then waiting and waiting and waiting. One of the most difficult parts, Mr. Speaker, is they're often just waiting for some information, some notification from the office of the director of maintenance enforcement.

I can't tell you how many people I've spoken to both when I was practising law and now as an MLA in an area that has - I think something like 46 percent of the families in my constituency are single-parent, lone-parent families. So maintenance enforce-

ment is a huge issue in my constituency. Many of those people phone, and what they'll say is: "We can't find out what the status is of our file. We can't find out what's going on. We phone, and we can't get information." I think that not only do we have to put more arrows in the quiver of the maintenance enforcement program, provide more powers to that office, but we also have to ensure that it's adequately resourced so that people can get information.

10:20

Mr. Speaker, it works both ways. It's not just creditor spouses that have trouble getting information. I've had occasion to act for debtor spouses, and I hear from debtor spouses now as an MLA. People have concerns that when they're trying to either make a proposal to settle an account for outstanding arrears of child support or whatever other kind of support they've been ordered to pay, it seems to take an unreasonable length of time for them to get a response, to get information. When we consider that too many lone-parent families are operating either in poverty or at least on the edge of poverty, that should make all of us fully aware of how critically important it is that not only does maintenance enforcement work in terms of recovery, but it is able to work as expeditiously, as efficiently as possible. That's not the case now.

I don't mean to impugn the work ethic of the director or any of the people who currently work in that office, because I've had numerous dealings with them and I've found that those people are highly motivated to discharge the responsibilities in the existing Maintenance Enforcement Act. The problem, Mr. Speaker, is it seems that the department is substantially underresourced, which is a problem, and then the second problem has to do with the limited kinds of powers and the kinds of cumbersome processes which we have in the office of maintenance enforcement now.

One of the things that's been a source of considerable frustration to me is the fact that the statement of finances – and the way it works now, members, is that once you're registered in the program, the director sends out to you a form to fill out in terms of information about the creditor's income, assets, and so on. You've got that process. It then goes back to the director of maintenance enforcement, and it takes a very long time for them to digest that information, incorporate it into their records, and then take some meaningful action. Now, once again I think there have to be ways that we can speed up the process within the office of maintenance enforcement.

Another matter that gives me tremendous concern is the difficulty with continuous attachment. What we have in Alberta is a situation – and I recall a former, not the current, justice minister saying in response to a question I asked in question period: you know, we have continuing attachments now. But the problem with that continuing attachment, Mr. Speaker, is in each case the director of the department has to make a determination to attach, to make that continuing attachment. Sometimes we're talking about months and months and months before they get around to that stage.

Now, that demonstrates one of the big flaws in the Maintenance Enforcement Act, and I regret it's a flaw that is not addressed in any fashion by Bill 22. It's simply this: it's high time that in Alberta we followed the lead of Australia, Ontario, and the United Kingdom, where what they do is they have an automatic attachment. What happens is that we treat support orders and particularly child support in the same fashion we treat an obligation to the Minister of National Revenue. For employed debtor spouses there's an attachment at source, and the employer simply deducts and remits the amount that's required to be paid under whatever the subsisting support order is.

This isn't a new concept. It works in these other jurisdictions I've mentioned. We don't see it addressed here, and I don't know why. The Member for Calgary-East, who advanced this – and I take him as being very sincere in wanting to do everything he can for the children of this province, but I want to encourage him when we get to the next stage, if this secures sufficient support to move to committee, to work with members on this side to dramatically alter the mode and the style of maintenance enforcement in this province to be able to have that kind of automatic attachment and deduction at source. Now, that doesn't help or doesn't resolve the situation with the self-employed or of course the unemployed debtor spouse, but most debtor spouses are salaried employees. The model I'm talking of works in other jurisdictions; it can work here.

I regret that when members in this Assembly had an opportunity to do something about a far more effective means of securing payment of maintenance orders, some members in this Assembly, unfortunately a majority of members in this Assembly, opted to not support that more aggressive position and in fact rejected it. What I'm speaking of here was Motion 503. Motion 503 that had been introduced by my colleague for Spruce Grove-Sturgeon-St. Albert created an opportunity for us. It was only a motion. It wasn't even a Bill. It was a motion to study better ways of maintenance enforcement in this jurisdiction. I'm very sad to report, Mr. Speaker, that 40 members on the government side voted against that motion. As I say, that wasn't even setting out the mechanics. It wasn't a Bill. It was just a motion to study better ways of delivering enforcement of maintenance orders.

So I think you will understand why I'm not only disappointed but somewhat skeptical now when my colleague from Calgary comes forward and says that Bill 22 is the answer, that this is the Bill that's going to respond to the needs of creditor spouses, that this is what's going to respond to parents that are having a tough time now managing to cope as a single-parent family with the expenses of children and not getting support on a timely basis, and Bill 22 is all that's proffered to assist those people. Well, it just isn't enough, Mr. Speaker. It just isn't enough.

It may, at least superficially, sound like this is powerful stuff; it may on a superficial reading of the Bill or simply hearing a description of some of the principles involved. There may be some members in this Assembly who think: well, this is really a means of getting serious about enforcement of support orders. But you know, when we go through it and given the limitations I've mentioned before, given the fact it doesn't address the more aggressive positions taken in other jurisdictions, the more aggressive position that members of this caucus had urged on the House when we dealt with Motion 503, it doesn't really go very far at all. In fact, when you look at the provision with respect to application for operators' licences, I predict, sir, that what we'll see here is that you're still going to have people driving even if they're unable to get a licence under this, and what I predict is that we're going to see an increase in drivers in this jurisdiction charged with driving while suspended or driving without a licence. That's been the experience in some other jurisdictions when you try and use the motor vehicle operator's licence and suspend that as a hammer. It often means it has little deterrent effect, and all that it really does is encourage more people to drive without licences, which creates a whole other set of problems.

I guess the other thing that has to be said, since we're dealing with principle now and not so much with the detail of Bill 22, is my concern again about the timidity of the government. We saw it on Motion 503 when they rejected that proposal, but also we've seen no indication from the government that they're prepared to go the next step and look at the way that child support is calcu-

lated and spousal support is calculated. I think that I and perhaps other members of this House have pointed out in the past on other occasions that in other jurisdictions they've decided that one of the biggest problems is not enforcement of orders after you get the order, but it's simply being able to get the order in the first place.

**10:30**

In other jurisdictions what they've done – and I commend this to the member who's introduced Bill 22 to look at, because I'm going to rise and suggest we look at this in committee when we get to that stage – is they've started to look at a means of calculating child support that doesn't require the parent with the custody of the children to have to go to court, to have to pay large sums to retain counsel, then to go to court to deal with the uncertainty and the delays of trying to get that court order. I think we have to address that, and that's not dealt with in any fashion in Bill 22. I think we've got to show the parents in this province, the people who count on spousal support and child support to be able to pay for groceries and pay rent and pay utilities, that we recognize that the problem goes much further than simply trying to enforce the order once it's been secured from the court. The model I'm speaking of in other jurisdictions, such as Australia, is one where they have, in a fashion, a kind of grid. What happens is that the grid is broken into categories dependent on, if you will, the income of the family pre separation. In some models it's based on, if you will, the life-style of the family. Depending on where a given family fits in that grid, they're able to determine how much the child support would be for a single child or if there are two children or three children. There is also provision for recourse to the courts in case somebody feels that that formula is too arbitrary.

You know what it does, Mr. Speaker? In places like Australia where that kind of regime is in effect, it means somebody doesn't have to hire a lawyer first. It means they don't have to get into court on a chambers application; they don't have to wait for examinations on affidavits; they're able to go in and by reference to this chart find out what kind of support should be paid.

I had the opportunity a year and a half ago to meet with the director from Australia who is responsible for running their program, and I guess I was impressed that Australia, which has a system of law not unlike ours, was able to integrate this formula system for fixing child support. There was certainly a degree of resistance, but now it's fairly well received.

Now, I recognize that divorce law is within the federal jurisdiction and that as much as we might want to, it's not possible for us to rewrite the Divorce Act. It seems to me that for the Member for Calgary-East who's introduced Bill 22 to say as he did, that we should all do what we can for children of this province, at minimum what he'd want to say is not only are we looking at building better enforcement processes into the Act, but we also want to be aggressive in sponsoring with the other provinces and with the federal government a child support model and a spousal support model along the lines that I've mentioned. There are arguments against implementation of that kind of a model, but I think we have to address those, and we haven't reached that point yet.

Just to sum up then, Mr. Speaker, I think that of course it's gratifying that members on the government side recognize there's a problem with maintenance enforcement; I think we should all be encouraged when we hear members say that they want to do everything they can for the children of this province. That's important and something I think we should all support. But I think we have to recognize that the answers aren't in Bill 22.

Now, I'm hopeful, and although I have some reservations about the text of the Bill, I'm prepared to support this. I'm prepared to support it to get it to the committee stage. Then I hope the member who's introduced it is as willing to compromise and seek the best possible Bill as his colleague from Medicine Hat demonstrated on the adult adoption Bill earlier today, an excellent model. I commend that to the member who introduced Bill 22.

I'm hopeful we can work to make this much, much stronger. But I say to all members that we have a credibility problem with people that are trying to collect support in this province. That credibility problem started when we saw the defeat of Motion 503. I think all members are going to have to work very hard to be seen as credible by creditor spouses and parents trying to recover child support. If ever there were a time that we should assert some leadership, I think this is the time to do so.

With those comments, I'll look forward to the comments of other members in the House. Thanks very much, Mr. Speaker.

**MR. SPEAKER:** The hon. Member for Calgary-Fish Creek.

**MRS. FORSYTH:** Thank you, Mr. Speaker. I'm pleased to have the opportunity to speak in favour of Bill 22. Maintenance enforcement is an issue of concern to my constituents in Calgary-Fish Creek as well as to those all across the province. I welcome the introduction of stronger legislation to increase the efficiency and productivity of the maintenance enforcement program.

I want to emphasize that this issue we're talking about is not one of male versus female, and this legislation is not specifically made to target men, as I have heard some people complain. While it is true that in most cases of divorce involving children, the mother retains custody, there are more and more families now in which the father assumes primary responsibilities for the care of the children. When we talk about debtors and creditors in this legislation, we are not equating this with males and females. Debtors and creditors alike can be either male or female. I just wanted to make that clear, Mr. Speaker. This legislation does not target gender. It is to target and get tougher with people who do not make their court-ordered maintenance payments, whether they are male or female.

I said that I am pleased to see the introduction of stronger legislation to deal with enforcing maintenance orders so that the program in Alberta can become more efficient. I know that our program is very successful and very well used already. When the maintenance enforcement program was established in 1986, it was to address the chronic problem of debtors' failure to meet their financial obligations arising from court orders. Prior to the inception of the program two-thirds of the court orders requiring payments were being ignored. The problem had become so bad that people were starting to lose confidence in the justice system. Support payments were not being complied with, and there was nothing the government could do about it. The maintenance enforcement program was set up with the power to garnishee wages and seize assets in order to ensure that payments could be collected one way or another.

Statistics show what a difference this program has made. Since it was established, the program has collected almost \$300 million for creditors. As well, \$61.4 million have been collected on behalf of persons on social assistance who have signed over their rights to the province in return for their social assistance payments. In '92-93 operating costs for the program were \$4.6 million, while \$13.1 million were recovered for the Provincial Treasurer. The program also saves us millions of dollars from decreased requests for social assistance because families are receiving their maintenance payments.

As successful as this program is, I know there are still ways to make it better. I also know that the people working for maintenance enforcement would agree that wherever we can, we should be making improvements to the program. Bill 22 is the legislation that the maintenance enforcement officers have been waiting for. The maintenance enforcement program generally does not have problems collecting from people whose place of employment is known and who have a steady job. In these cases a continuing attachment can be placed on the debtors' wages or on their bank account. The biggest problem that the program has is with debtors who have no jobs or assets, who move around, or who avoid payments through extraordinary measures such as hiding money in joint bank accounts.

**10:40**

We cannot do much about the first group except maybe attach their unemployment insurance benefits. I am happy to see though, Mr. Speaker, that the amendments in Bill 22 will affect the other two groups. Bill 22 will allow the director to access more information about debtors through provincial agency data banks which will help the program to locate debtors who move around and try to hide. Also, putting a freeze on a debtor's motor vehicle file where he or she is in arrears will force that debtor to come to the program to make arrangements for payments rather than having the program go searching for them. I think that's a wonderful idea which will save us money and at the same time increase the amount of money that can be collected for children and families in Alberta. With Bill 22 we are seeing great advantages made to improve the situation of children across the province. By toughening up the legislation that ensures they will be provided for financially, we are saying to the noncustodial parents: "Listen up. You must be responsible for the care of your children, and we will hold you accountable."

The other side of the coin, however, and another problem that deserves our consideration in the future is the issue of visitation rights. Unfortunately, many parents have personal disputes that lead to one parent denying access to the children and the other parent denying support payments. This can be a vicious cycle, and the children end up being the big losers. I know that this is a difficult situation for the government to get involved in, but it is a problem that affects children just as seriously. I think our next step should be to look at the way we might prevent the violation of visitation rights that are set up by the same court order as maintenance payments.

To return to the issue at hand, I congratulate the Member for Calgary-East for bringing forward such a progressive and well-thought-out Bill. I know that many people are looking forward to the implementation of the amendments in Bill 22, and I urge all members to join me in supporting this Bill so that we may see these changes and their effects as soon as possible.

**MR. SPEAKER:** The Member for Edmonton-Centre. [some applause]

**MR. HENRY:** Thank you. The members across, thank you. I'd like to speak to second reading of Bill 22, Mr. Speaker. First, my congratulations to the hon. Member for Calgary-East for bringing forward this Bill. I think this Bill is a step, albeit a small step, in the right direction. It does address a very, very important issue facing us. What's at the core of this issue is how we as a society and how we as a province and as legislators value our children. It's my view that in the last number of years, in the last several decades, children have become less and less and less important in terms of what value we place on children. It's

evident when we hear people talk about children as property, which leads to, "It's mine; it's yours," or "It's not yours; it's mine," and when we talk about children as chattels, which is, as an aside, one of the reasons why I supported the effort to ratify the UN convention on the rights of the child, because it would bring a certain status to children in our province.

Mr. Speaker, I draw from professional and personal experience as well as some experience as an MLA when I say that if we don't place the appropriate value on children and if we don't set our priorities and say that children are the most important thing in our world, then we pay. We pay as a society, we pay as a province, and we pay economically if we don't say that children are the most important. We pay economically down the road because we end up having to spend more money dealing with problems with children. We pay socially in the kind of world that we're going to create when we don't say that children are the most important value that we have and that we must place children's needs and our value of children above all else, including our own.

Mr. Speaker, we pay socially; we pay morally as well. I believe that the true measure of a society – and I'm paraphrasing others who are more eloquent than I am – is how we treat those who are not able to stand up for themselves. Children are certainly the most profound example in that category. Mr. Speaker, too often as legislators, as governments, as individuals, as professionals we discount the value of children. We discount the value of what children say and of what children, in my view and I think in all thinking people's views, have a right to.

Mr. Speaker, this Bill attempts to take a step in tightening up the enforcement of maintenance orders provided by our court. I'm sure many of us could stand up here and give examples of maintenance orders that in our view were not appropriate or were too high or in some cases too low. I think we have to acknowledge – and I am sure the hon. Minister of Justice would agree with me when I say our justice system is not perfect. There's no system in the world that's perfect. But our justice system is the one and the most objective way we have as a society of expressing our view that when you bring a child into this world, you have a responsibility to that child until they're able to support themselves independently, and we've said in our society that that shall be age 18. We use the courts as our instrument to do that. Again, it's not perfect, and I'm sure not all maintenance orders are perfect, but it's the best we can do as a society, and I think it's a credit to the Justice ministry and more especially to the judiciary that we have done as well as we have in our society with maintenance orders.

Again, the reality that we have in our province is that – and I think this has been spoken to by a couple of other speakers – most of the single-parent families in our province are headed by women. I know the hon. Member for Bow Valley, who's awake and attentive and listening – and I'm paraphrasing and I apologize if I'm not accurate – but has linked single-parenting and poverty or single-parenting with an increased risk of drug and alcohol abuse. There's no question that's a broad generalization, and I know the member meant it as a broad generalization. Certainly when you start combining various factors, whether you're talking about drug and alcohol abuse, mental illness, suicidal behaviour, or depressive disorders, as you compound the various factors such as single-parenting and low income and disruption and stressful environment and lack of support, you're developing situations of higher risk. Mr. Speaker, there's a reason that I think it would be a mistake to take that broad generalization and say that children from single-parent families are automatically at higher risk of drug and alcohol abuse and other kinds of non-normal behaviour.

But when you factor in the poverty cycle that goes in with being a single parent, that becomes a bit more credible a statement. One of the things this Bill speaks to is the poverty of single-parent families, again primarily female-headed single-parent families. Mr. Speaker, it is my contention that if we could take measures to address children being raised in poverty and if we could in some way in our province and our country eliminate the situation where children are raised in poverty, then we could go a long way in solving social problems, in solving economic problems, and in making our province a better place for every single individual to live. This Bill speaks to that. However, this Bill, as some of the other speakers have said, I don't believe goes far enough, and I hope that when we get to committee on the Bill, we're able to perhaps bring in some other measures.

**10:50**

It's been alluded to that other jurisdictions use the most effective means we have of collecting cash from people, that being the deductions at source through the income tax system in order to collect maintenance payments. We have to send a very clear message as legislators, Mr. Speaker, that if you bring a child into this world, you have that responsibility to raise that child. In my heart of hearts I wish the hon. Member for Calgary-East who sponsored this Bill could find a way in the Bill to make a parent not only live up to their economic responsibilities but their moral responsibilities in parenting a child and taking responsibility for that child. I know that's pretty well an impossibility, and how do you do that? But certainly what we can do is say that when you bring a child into this world, you shall take responsibility to support that child to the best of your ability until that child becomes an adult.

Mr. Speaker, again, if we followed the model used in at least one other jurisdiction and said that the needs of Revenue Canada and filling our provincial and federal coffers were no more important than ensuring that the individual child in our society has the adequate support from the parent that should be paying it – if we took that model and said that we're going to use the Revenue Canada collection system to be able to enforce that, I think we could go even further in ensuring that those parents, mothers and fathers, live up to their responsibilities to the best of their capabilities.

This again goes back to why in our world, in our country, in our province, do we not say that the most important thing is the well-being of our children? If we really believe that, if we were sincere about that, if we were committed to that, then we would use every means possible to ensure that children are looked after economically and otherwise. We would go to whatever length, and that would include making a deal with the federal government that says that when you collect the taxes on behalf of the province and the federal government, we also want you to ensure that you collect the maintenance payments. That would also allow us to provide a guaranteed, no-hassle payment to the custodial parent, Mr. Speaker.

The issue of access is inevitably brought up when you talk about maintenance payments and maintenance enforcement. I think, I believe, I want to believe, and I hope I can believe that every member of this Legislature believes that access and access enforcement is a separate issue from maintenance enforcement. We all hear the stories of parents unfortunately using their children as hostages and as pawns back and forth. This Bill isn't meant to solve that one. I would hope there would be a way that we could help people rise above that kind of push and pull, but I do know, Mr. Speaker, that we do have to address the issue of access enforcement. Again, our justice system, our courts are not

perfect, but too often in my role as an MLA and my previous role as director of the Canadian Mental Health Association I saw parents deciding for whatever may be a good reason – and sometimes, frankly, I personally agreed with the parent's judgment – that the court-ordered access was not justified and unilaterally changing that because he or she had done something that was wrong or hadn't lived up to their part of the bargain. Again, we do have to separate the issues.

We do have to come at some time in this Legislature to address the access enforcement issues and correct a situation we have now where the noncustodial parent, male or female, who is not being given access as per an access order has to spend a significant amount of money getting back into court to rectify that. Again, it's not an easy thing. My heart goes out to the members of the judiciary. I've had some conversations with some not that long ago regarding the generalities of this kind of issue, and it isn't easy. These people are human, and they do struggle, and they try to make the best decisions in the interest of the child. We as the Legislature have to support that system, have to support those decisions.

Mr. Speaker, there is the issue of maintenance enforcement and the various ways that people get around or try to get around, at least, maintenance enforcement, such as incorporating, hiding assets, that sort of thing. We need to get right at the heart of this again. This Bill goes a little step in the right direction, and for that reason I will be supporting this Bill and voting for this Bill at second reading. I think it is a move in the right direction. I wish we could go further. I think if every member of this Legislature stood up and said that the most important thing in our province is the welfare of our children, of every single child, and make that our priority, I believe we would do much more to ensure maintenance enforcement. We would do much more to ensure that children who are living in poverty in this province through no fault of their own are given a fair chance and a fair shake.

Mr. Speaker, we don't need and we shouldn't allow a situation where a parent who is struggling as a single parent to try to raise children has to face the embarrassment of going to their day care and saying: "I can't pay because I didn't get a cheque yet. Can you hold off?" And that day care operator having to say: "I'll find a way to meet the payroll. I'll hold off." I've seen this happen in my constituency. I've seen it happen in day cares that I've been involved in. We don't need to have that. We have to say that that parent does not deserve that. Because whether we want to admit it or not, when that parent goes through that kind of embarrassment, that kind of worry, that kind of concern – "Can I meet the mortgage payment," or more likely, "Can I meet the rent payment; can I stretch for another few days before groceries because the cheque hasn't come in?" When a parent does that, there is stress on that parent. We all know, all of those in the Legislature who are parents, that as a parent when you are feeling that kind of stress, it does affect the interaction with your children. We all know that children are the best barometers of stress in households and that that isn't fair to those children who are already living, frankly, at a disadvantage. My heart goes out to all those members in the Legislature tonight who have young children at home and the stress that those young children are going to feel tomorrow morning as we continue on with this debate and the stress that that may cause in the morning in households, speaking from true experience, Mr. Speaker.

Mr. Speaker, there are some other comments I'd like to make on the Bill, but I know other members wish to speak to the Bill. My heartfelt congratulations to the Member for Calgary-East. I think he's done the right thing in this instance. I will be supporting this Bill. It's a step in the right direction. I hope that this is

the first of many measures that all individuals in this House will bring to the House, particularly maintenance enforcement but generally overall, and send a very clear message to all Albertans. The message has to be twofold: number one, that children are the most valued portion of our society, and we will value children over everything; and number two, that if you bring a child into this world, you have a responsibility to support that child. If there was a way on heaven and earth that we could force an individual not only to take economic responsibility but to take moral and parental responsibility, I would want to do that as well. Again, we have our limits as legislators, unfortunately, but we can ensure that the economic situation is looked after and the economic responsibilities are looked after.

Thank you very much, Mr. Speaker.

MR. SPEAKER: The hon. Member for Edmonton-Whitemud.

11:00

DR. PERCY: Thank you, Mr. Speaker. I rise to speak in support of the principle embodied in this Bill, but I certainly, along with my colleague from Calgary-Buffalo, would like to see amendments to the Bill.

Let me just first of all start off by discussing the context. Alberta is a remarkable province in a number of ways. One feature that we don't boast of much is that we do have the highest divorce rate in Canada. We have that perhaps because we have the highest labour force participation rate, we have the youngest population, and we have an economy that is remarkably unstable. Many families overextend themselves. The stresses from financial hardship come to play, and divorce emerges. We have a divorce rate that is significantly above the national average. So this is a problem that warrants significant focus by this Legislature.

Having said that, one has to ask then: is this Bill the remedy? A number of points should be made here. First of all, the Bill as set up, in terms of its focus on registration, motor vehicle licences, and the like, treats the symptom. The problem fundamentally is that support, child support and maintenance support, is not being paid by the spouse under court order. In most instances this may be the male. In some instances it may be the female. In the course of my discussion I'm probably going to refer to "he," but obviously it's generic. As I will fully acknowledge, there are cases where it's a woman who is not paying support.

The bottom line, Mr. Speaker, is that the problem is that child support is late, maintenance support is late, and who really bears the cost of that? There is the immediate cost that is borne by the family, by the child, by the mother. There is the insecurity that emerges. Will the money come through this month? Will it come through this week? Living your life never knowing whether or not you're going to have the next dollar to pay your rent, to buy your groceries is a horrible life-style. To live with that type of fear and that type of economic insecurity we should not foist on any individual in our society if we can avoid it.

I ask: does this Bill, then, remove that type of economic insecurity? Does it remove the power that the income-earning spouse has to still make life miserable for the family? It doesn't. That's the problem. There is still embodied a power relationship, where one person can still pull the string. The court order may be in place. The legislation is working. They're hectoring to make their court ordered payments, and they will, but always under duress at some point. Who really pays the price there? It's not the person who is in violation of the court order. For them possibly it's a game. It's the last kick at the can where they exert their power. The real people that bear the penalty, Mr. Speaker,

are the family. It's the children; it is the wife. This Bill, as well intended as it is, does not get at that problem.

What we ought to move to, and certainly what I think a number of people would support, is a system as in Australia, where the maintenance is collected at source. That has a number of features. It ensures, then, that we break this power relationship, because many marriages fail simply because of power trips by one partner or another. We want to break that. We want to sever the tie that allows one person to mentally, financially, or in whatever way abuse another. So a system that is clean, that allows income to be deducted at source, that breaks the ability of somebody to screw up somebody else's life is important.

I really think, Mr. Speaker, that we have to focus on a system that gets the income at source. The Bill as set up works a bit. It makes life inconvenient for a person who is otherwise, I believe, an SOB. I have not said it in full terms, so I think that is still parliamentary. What we want to do is break the ability of those types of individuals to exert that type of influence. As I say, when I look at this Bill, I think it's an important Bill. It's something that we have to address. But it's not at all clear to me that this Bill goes as far as it ought to in getting at the root of the problem.

I said that the immediate cost of not deducting at source is that the family suffers in terms of the economic insecurity, the necessity that they must throw themselves, then, at the social safety net and hope that it can respond quickly enough. The other costs accrue to taxpayers as a whole in the province because then we have this elaborate network set up of maintenance enforcement. We have the surges and demands on the social safety net. All that could be avoided, Mr. Speaker, were we to go to a program that was clean and was simple and that focused on deducting income at source.

We still run into the problem that such a program would only be enforceable within this province. The reciprocal arrangements wouldn't allow us to ensure that income was deducted at source in any other province, and to the extent, then, that we're dealing with individuals that are footloose, that they will just move out of the jurisdiction, that'll happen with the Bill as set up by the hon. Member for Calgary-East. It would be set up with whatever amendments are accepted, friendly amendments that would be accepted in subsequent debate were this Bill to go to committee stage. That's still a problem, and I think it's an issue that has to be addressed by negotiations between the province and the federal government.

When I look at the statistics of what happens after divorce, the individual that retains custody of children: their income falls precipitously. The parent that does not have custody: their income rises. In many cases, then, it's single mothers that we're talking about here. We preclude many of those mothers from being able to enter the labour force, because they do not have the economic wherewithal. We in a sense disadvantage their children, because again, they live in an environment where they don't have access to opportunity. They live in this type of economic insecurity.

So I think there is an issue here that we ought to address directly, and that is: there is a role for the state to ensure that these types of court-ordered settlements are enforced. The best way of doing that is not a slap on the wrist of now allowing registration of a car, not allowing in-transit licences, preventing the renewal of drivers' licences. Let's really get tough here. Really in this legislation we're acting for those people who are defenceless, and it is the family that is in peril. We're talking about a system where it's gone through the court system, and it is somebody who is in violation of a court order. I think we owe

them nothing. I think we owe the family who is suffering as a consequence everything.

I support the principle of this Bill, but I would like to see it have much stronger teeth. So I will vote yes at second reading, and I will argue vigorously for subsequent amendments.

Again, I admire the Member for Calgary-East for bringing it forward, but I am disappointed somewhat when I look at the record on Motion 503. I'll just read this motion to bring home what had been brought out earlier.

Be it resolved that the Legislative Assembly urge the government to improve the system of maintenance enforcement in Alberta by examining enforcement procedures and payment schedules in other jurisdictions and implementing those procedures best suited to Alberta.

There are a variety of other experiences out there, Mr. Speaker, and I think we could have benefited from assessing them. The motion that was defeated – and I might add that when you look at the record, it was defeated 40 to 32, with virtually all the government members in the House with one exception, the Member for Calgary-Bow, voting against the motion – was a motion that said: let's look at other ways of . . .

MR. SPEAKER: Hon. member, the rules don't really provide for reflecting on previous decisions of the Assembly.

DR. PERCY: Thank you for bringing that to my attention, Mr. Speaker. I erred.

The only reason I had gone off on that digression and transgression was that I wanted to bring home the point that we could have learnt from other jurisdictions. I, too, have been struck, like some of my colleagues, by what has been done in other jurisdictions. The reason I referred to Motion 503 was that I think that when it comes to discussion in committee stage, we may well learn from what exists in other jurisdictions to get at this root problem of somehow providing economic security to a family that has a court-ordered settlement. I think the type of economic insecurity that presently exists wouldn't really be offset to any great extent by this Bill.

I might add that, as I imagine many members in the House on both sides find, the most intractable cases that you get at a constituency level are WCB and then maintenance enforcement. They're intractable because you're dealing with individuals in conflict, in one case in conflict with the system, in another case the heartache and spleen that exists after divorce. When I ask, then, what would really remedy this and reduce the flow to the constituency office and allow us to get things done and ensure that those people get what the court has said that they're properly entitled to, I think it would be this Bill amended to ensure that the maintenance payments and the custodial payments were deducted at source. That, Mr. Speaker, would solve the problem, and it would ensure that Albertans out there would see that we were doing our jobs and doing them properly.

## 11:10

I think the Bill that has been brought forward is an ideal vehicle for allowing us to focus on these types of issues and perhaps do so in a way that allows us to get right at the source of the problem. I would hope, then, that the Member for Calgary-East would be amenable to discussions about amendments and that they could be discussed on a nonpartisan basis by members of this House. Perhaps the best way of doing it would be to circulate them in advance and just discuss and say: "Does this meet the objectives? Does this satisfy the goals that we want to achieve?" I know that on occasion, Mr. Speaker, when members on either side of the

House have three minutes to reflect upon a motion that comes forward, it probably does not give enough time to say: "Is this consistent with the principle of the Bill? Is this consistent with what the person bringing the Bill forward would like?" So I would hope that with this Bill, because it is so important, we could on a nonpartisan basis agree to see what might work in place of some of these, what amendments could be seen by all members of the House as nonpartisan, and really aim at getting at the root of the problem.

I offer that as a positive suggestion, to see if we can work cooperatively, because this is an issue that is essentially – it can't be partisan, because we're dealing with those that need our help and we're their first line of defence. So I offer that as a constructive proposal, and I would hope that when debate finishes in the House tomorrow morning at some time, we can get together and discuss the types of issues and motions that would be most appropriate in this regard.

With those comments, Mr. Speaker, I will conclude. Thank you very much.

MR. DAY: Mr. Speaker, given the hour, I move that we adjourn debate on Bill 22.

MR. SPEAKER: Having heard the motion proposed by the hon. Government House Leader, all those in favour, please say aye.

SOME HON. MEMBERS: Aye.

MR. SPEAKER: Opposed, please say no.

SOME HON. MEMBERS: No.

MR. SPEAKER: The motion carries. The Assembly accordingly stands . . . [interjections] Oh, adjourn debate. Debate is adjourned on Bill 22.

## Bill 20 Regional Health Authorities Act

[Debate adjourned April 12: Dr. Oberg]

MR. SPEAKER: The hon. Member for Edmonton-Mayfield.

MR. WHITE: Yes. Prepared as I am for the debate on this matter, sir, I do have something here. This matter is of utmost importance particularly now when we're dealing with the regionalization of health. I have to get to the right spot here. There's no question in our minds certainly on this side of the House . . . [interjections]

Mr. Speaker, it is difficult enough in this House to speak to matters that are in the public interest without the Provincial Treasurer interjecting on some nonsensical element that has nothing to do with what we're debating here, and I would call upon the good graces of your office, sir, to hold that side in check. [interjections]

MR. SPEAKER: Order. Perhaps the general level of conversation could be lowered for the duration of this intervention, if not longer.

The hon. Member for Edmonton-Mayfield.

MR. WHITE: Thank you kindly, sir. This legislation does a great number of things, not the least of which is pool all the resources of a region to manage a health care system that has

gone a little further than intended in the way of service, it seems, with the cutbacks that are presently coming about. Now, there's nothing fundamentally wrong with regionalizing health care services, the delivery of health care services. There are a number of areas that do present some difficulties.

Having been a former chairman of a board of a regional hospital – it was long-term care in this region – you come face-to-face with a number of facts that make deliverance of service in a region very difficult. You have all of the political ends that have to be dealt with, the small "p" and large "P" politicians, and the needs and the deliverance, and you have the higher authority, the authority that signs the cheques for the budgets, that has their view of how the funds should be spent.

Now, that's not to say that the management is impossible. It certainly is not. It actually needs to be done, particularly where we have competing interests in those political interests I had talked about earlier in the region. Without a region those competing interests go off and form their own special interest groups, and we've seen it time and time and time again even in this region. They compete to the extent that they form their own body and have capital funding provided. It's unfortunate that for the last, oh, 15 or 20 years those groups have been able to proliferate to the extent that we now have regional hospitals in some areas that we really do not need regional hospitals in. We're so well overserved in those areas that we have the spectacle of 7 and 8 and 10 and 12 percent occupancy. Well, that's a pretty sad state. Take the city of Calgary at the moment. It is in dire need of some direction, and it is because of this same lack of a regional approach. I suspect, I truly hope that it will occur in the not too distant future that a true regional approach with some good consultation with all of the stakeholders there will in fact take place and a regional service can and will be delivered.

I know the long-term care facilities in that fair city to the south in fact have long since come to the realization that a regional board did and could work very well. It has worked to the extent that the service delivered is of a fair and reasonable quality and quantity and in fact is becoming very, very integrated with a continuum of health care, right from the provision of housing through graduated steps of wellness or unwellness in this case, working to a full long-term care facility. Once this government is heading in that direction – and it seems to be to their credit. It's good to hear that. I heard twice now the Minister of Municipal Affairs in fact say just that, that there has to be some kind of a melding and meshing of these services from the far extreme, the health care, to the other extreme, simply the housing, through all of those stages, with home care being one of those tentacles that goes from one to the other and of course, too, back up the wellness scale to deliverance of that service.

That's speaking most directly to this particular Bill and the essence of it, bringing the pressures to bear and setting aside a great number of the local political pressures to serve just me – me too, me too – and breaking these units down so very small that you have a unit that is simply inefficient for deliverance of the limited care in scope and limited care in dimension. That is what we have here in this province today. Thank goodness it has come to the point that this government has realized something that a number of people have realized for a long time and had difficulty expressing, because those very same political pressures in virtually every small town and big city in this province and quite frankly, I suspect, right across Canada have come to the conclusion that this cannot exist any longer.

#### 11:20

Now, there are a number of areas in this transition that are going to create a great deal of difficulty and currently are for

municipalities both large and small, particularly in the area of funding for different projects and for appointment of these members. As we well know, there is some need for some – on the downside that I was speaking of earlier, the political influence, there's an upside. As we all know, as rotten as the system is and as inefficient as it is, politics at a level applied properly does in fact work.

Now, in order to get from where we are now to what actually the best deliverance of service the system need be is a tall order, particularly if you're going – but I can't see any way around it – to integrate the deliverance of health care with the deliverance of overall wellness, particularly in geriatrics, the area that I know best, through all those provisions of the Minister of Community Development, all his areas, deliverance of services to all of the senior population and to those through the social services department, the AISH recipients and all of those that cannot and are unable to care for themselves. To integrate that whole system and to be able to have a single point of entry so that the assessment can be made and can be made again and again and again throughout the entire history of an individual that is in fact the recipient of those services. Those people in particular need the assessment and the deliverance of service through something that's not threatening, something that treats them to their highest state of wellness.

We have some very, very good models. I can remember – and I know it's the minister without portfolio that did a great deal of study in this area in a term immediately prior to this.

MR. HENRY: Is that the member without a purpose?

MR. WHITE: I think that's the one.

Some awfully good work on single points of entry. Unfortunately, it was limited in scope almost exclusively to long-term care and long-term care with the adjunct, at least in part, of some other housing needs. Now, that model could be and should be, in this member's view, expanded a great deal. There are people certainly in the social services department and certainly in the Municipal Affairs department and undoubtedly in many departments, but those people in particular are well trained to deliver this particular service, the assessment and entry. Now, granted, they're in a very, very, very powerful position. When the recipient comes before one, you're almost a demigod to that person, because you in fact are dictating how their life is to be led, where their housing is to be, and what housing is to be provided, what kind of level of health care they will be afforded, particularly when we have these areas of dwindling resources. Adding this layer of service and regionalizing makes it doubly difficult.

I'm hoping for myself and we as Albertans, when the system finally settles out, to all understand how to access this service and that it's delivered at the least cost, preferably, and delivered with the best of service and with the proper appeal mechanisms so that one can deal with the difficulties of being turned down by those that would be called powers that be, particularly the recipients of these services. It could be, and I'm hoping again that I will be able to afford to live in this province without these services when it comes time for me to retire into something. Hopefully I and all of the other recipients of the service won't have to rely on these services, but if it should not come to that – there certainly is need for the essence of Bill 20. As much as I would love to support the entire Bill, I certainly can support the regional authorities concept.

Now, that doesn't leave a lot of room for debate on the concept. I think that's well researched by finer minds than those that are assembled here, I'm sure. It leads one to believe that there are certainly some other areas of this Bill that need to be

trashed, quite frankly. Any caregiver would be able to say that there is no question that hospital boards as they stand could and should be disbanded, but in their place there certainly has to be something.

There are the anomalies of the boundary situation, the ones where side by side, X kilometres apart, you have deliverance of service and then eventually getting into regional services that are raising their own funds in the region so that you have disparity between region and region. We're going through a whole exercise in this House talking about a school Act that is supposed to even out those. Well, when you get that deliverance of service and it's unbalanced, what ends up happening is you're having one level of service side by side. You get cross use of services, and they may be at such different standards in one area versus another. One area might have pediatrics next door to it, which has a tremendous resource allocation. Another one might have geriatrics at the other end with tremendous resource allocation. You get this crossover such that statistically one can never, ever, ever figure out where the service is being taken up and where it is being utilized by the citizenry.

Now, there's no question that when one carves up regions in any area of deliverance of service or in any area – as in the boundary disputes that we forever have in any municipal boundaries and/or any political boundaries, for the seats in this House even – you're going to have difficulty with those. There's no argument there that you'll find from this quarter at all. But one should be in consultation. There cannot be this madhouse rush to get it done before the population has an understanding of what the effect is.

I don't have any illusions that eventually you'll come to some kind of solution and conclusion if you include the proper players, and virtually in every one of these regions there are very, very, very good people in the municipal area of government that would be more than happy to set aside some of their time. There are school boards, there are recreation boards, there are interested parties throughout that could and would afford the time to advise as to how best to deliver the region's service in medical care. That's not to say that it's going to be perfect in every instance. Some areas will be smaller geographically than others, and some will have less population than others. That's a given. We can all live with that. The difficulty is, of course, when you have the anomalies of this service so great and so vastly different from the urban centres to the rural centres, that the cost of the service would be so greatly different to provide the same service that you have provided an artificial environment for people with high medical needs to live in a particular area. That is skewing this market, shall we say, to the extent that it is not possible to say that one Albertan is equal to another.

### 11:30

There's ample reason to believe that sooner or later, with a new regime and a new deliverance of health care services managed in a region there are going to be disparities in municipal councils and their payments. Now, it's easier when it's a municipality such as the one we're in now where you have one municipality within a region, but most of the members here don't come from those areas that have one municipality. In fact, when you're looking to put out a call for funds, for the municipality to in fact raise money, then it is very, very difficult for these members when . . . [interjections] We're speaking of some very important health care matters here, and we have some member opposite, his mind seems to work very slowly. The most he can get is a tick, tick, tick. So juvenile it's beyond belief that a member can get to that level. One has to listen to this, and try to conduct a reasonable debate on the matter and understand it.

When one gets to speak of user fees and how one has to afford to be able to put forward user fees – and this government seems to be headed headlong into that debate through the back door, although I don't think there's any admission on the other side that the federal government have even indicated that they're interested. There's no question that when you get to the disparities in the deliverance of service, as I've spoken of earlier, the disparities in the charging for those services, with various municipalities being able to afford the service and others simply not, and then you add the other layer of user fees to that, which seems to be coming, then you've put the public in an untenable position of deciding where in fact their health care has to be delivered. They're making these artificial decisions about where to live because of this.

Thank you kindly.

### Point of Order Questioning a Member

MR. STELMACH: Point of order.

MR. SPEAKER: Is the hon. Member for Vegreville-Viking rising on a point of order?

MR. STELMACH: The timing is just perfect, I'm quite sure. Would the hon. Member for Edmonton-Mayfield entertain a question, please, just for the record?

MR. SPEAKER: The timing is not perfect for that point of order, because the hon. member's time has expired.

The hon. Member for Clover Bar-Fort Saskatchewan.

### Debate Continued

MRS. ABDURAHMAN: Thank you, Mr. Speaker. I rise to speak to Bill 20. Certainly I would be the first to agree that the restructuring of the health care delivery in the province of Alberta is long overdue. The move from a sickness system to a wellness system is also long overdue. In fact, if one would like to look over the past 15 years and see the focus that community health, or public health, had in trying to drive the system, to whelm the system, I would suggest that if they'd been successful, Mr. Speaker, we wouldn't be looking at the dilemma we face today through Bill 20.

Yes, regionalization has to take place, but I'm concerned with the manner in which regionalization is being approached in Bill 20. Why would I say that? I think the first thing that we have to acknowledge in health care delivery: we have a provincial system of health care delivery, we have a regional system of health care delivery, and we have a local health care delivery system. I would suggest, Mr. Speaker, that Bill 20 only really, to my mind, addresses the regional context of health care delivery. Why would it say that? It's when you actually look at the boundaries that have been laid out at the present time. Hopefully, the input that the minister is receiving from people all across the province will have a significant impact to ensure that we don't remain with these 15 regions as they're laid out today, because I do not believe that they'll serve Albertans well.

When you look at region 8, its population base of 155,500 people, and then you look at region 13 and you look at 19,000 people, and you look at the geographic area and the marketing patterns in the public health delivery system, quite frankly it doesn't make any sense when you actually start to analyze. You look at region 11 and you look at the population base of 95,000. Then you look at region 10; you have 712,000. I'm saying, Mr. Speaker, that if we really want to do an effective job in health

care delivery, these regions' boundaries have got to be changed substantially. When you look at region 8 and you look from Jasper to Athabasca and you actually look at those boundaries, I would very much like to see where the common sense comes in here and how we're going to have an effective delivery system, whether it be home care, community health programs, acute care delivery.

Now, let's look at the provincial health care system. One of the questions that I have to ask and I'm sure we as politicians at a local level, whether we be in the city of Edmonton or the city of Calgary, are not going to be able to address in a commonsense way is how we're going to fund those hospitals that are provincial in nature. They're not Edmonton hospitals; they're not Calgary hospitals. They're provincial hospitals. They're speciality hospitals. So with the manner in which we've done the 15 regions, I will be very interested to see how that funding is going to be made. The question has to be asked: does a voucher system come into it, and does the money follow the patient?

If the money follows the patient, it's going to be very interesting to see how a patient who is discharged from the University of Alberta hospital after significant cardiac surgery or from an orthopedic department with a hip replacement, this early discharge program that we're seeing today – how does that money from home care reach that patient? How are we going to use the stats to make sure that the moneys are in the appropriate places? How then are the regional hospitals going to relate back to the provincial hospitals. I could go on and on in that area.

We've got to make sure that whatever happens in regulations and funding ensures that the safety of that patient is there. I would suggest to you today, Mr. Speaker, that that's not the case. I could give some examples where people who have had their veins stripped have been early discharged from a provincial hospital system back into their home where there isn't adequate funding for home care, resulting in that patient unduly suffering, ending up then being admitted to the local hospital. I heard just recently \$110 million in the city of Edmonton. When the patients are being discharged from Edmonton to Leduc-Strathcona health unit, the money isn't following the patient.

#### 11:40

Now, let's look at the whole governance issue. This should be a concern to every level of government in the province of Alberta, whether it be the school boards that are not going to be in existence in the way we know them today through Bill 19 or whether it indeed be the municipal governments or the hospital boards. Within Bill 20, we see people who are not elected, who would appear there could be a possibility of a mixture, having the power to borrow money. How undemocratic can you get? That's quite frightening. The other reality is that within Bill 20 expropriation is also an area where they will have legislative ability. [interjection] I'm hearing that we have it today. There is a substantial difference between what's being purported in Bill 20 and what happens within hospital boards today. Municipal governments have a right to elect the officials through elections every three years for . . . [interjections] Mr. Speaker, I would really like it if I didn't have a sidekick here to my right who continually . . .

MR. LUND: I'm just trying to help you; I'm answering your questions.

MRS. ABDURAHMAN: Mr. Speaker, the day that Muriel Abdurahman, or the Member for Clover Bar-Fort Saskatchewan,

needs this kind of help, I won't be in this Assembly, I can assure you.

Mr. Speaker, the difference today is that municipally elected people have the democratic right to make a decision whether their community wishes to go to elected hospital board members or through their elected positions appoint people through municipal council to the hospital board. That is not what's going to be happening in Bill 20. The minister is going to reserve the right to decide whether we appoint or whether we have a few elected people. I think that at the end of the day we'll probably see that they're all going to be appointed.

The threat to the democratic process in the province of Alberta is significant. It's not something to be laughed about. We're seeing it in Bill 19. We're seeing it in Bill 20. I would suggest that when Albertans realize once again what a Conservative government is doing to the people of the province of Alberta . . .

MR. LUND: They'll re-elect them.

MRS. ABDURAHMAN: It's great to have such thick skins as you've got across there.

We're right now, Mr. Speaker, looking at potential closures of hospitals. Now, I believe it's either two and a half years ago or three years ago we put in place health planning councils in the city of Edmonton and the city of Calgary to start looking at the restructuring of the health care system and the reorganization of the health care system. That was supposed to allow people within the system the ability to bring forward recommendations. What we're seeing now is that we've gone out and spent more of our health care dollars in hiring . . . [interjections]

MR. SPEAKER: Members, please try to control yourselves. [interjections] I don't know what's causing this giddiness.

MRS. ABDURAHMAN: You know, it's interesting, Mr. Speaker, that when I'm chairman of Public Accounts, if I make the slightest error, these hon. gentlemen across the way are so quick to jump all over the chairman of Public Accounts. When I see this display of childish behaviour in the Assembly, to me it does nothing other than insult all Albertans and insult this House. [interjections] It's not my intention to continue until we have some order in this Assembly.

MR. SPEAKER: Order. Hon. members, order.

MRS. ABDURAHMAN: I don't think that restructuring health care in Bill 20 is a laughing matter, and if the hon. members think it is, I think they should tell Albertans that.

Now, let's look at the possibility of closing four facilities in the city of Calgary. That's threatening an institution that is treasured by Albertans.

Now I'd like to address the possibility of the Grey Nuns hospital being turned into a psychiatric facility. I would say anyone who'd even think of that in 1994 doesn't understand psychiatry. You don't close one psychiatric hospital to open another psychiatric facility. What you do, Mr. Speaker, is ensure that the appropriate community programs are in place. Those to this point in time are not in place. I would say that if you don't understand the delivery of community mental health or the need for the chronic care beds for the mentally ill, read *Madness in the Streets*, read *Nowhere to Go*. In the U.K. they've learnt the hard way. In the U.S.A. they've learnt the hard way. Go to Italy; they've learnt the hard way. Why can't we learn from history and

make sure that the acute care beds for the chronically and mentally ill indeed remain within the province of Alberta?

We know that we could be looking at \$40 million capital structure payments if we try to use the Grey Nuns for a psychiatric hospital. That matches the replacement of buildings 5 and 9 in Alberta Hospital Edmonton. It doesn't make sense. The campus area of Alberta Hospital Edmonton is pastoral in nature; it lends itself to psychiatric care. Mill Woods campus doesn't; it's in the middle of a residential development. It doesn't make any sense. Here we are paying for somebody from eastern Canada to come in and tell us how to restructure our health care industry. Let's talk to the people here who understand Edmonton, who understand Calgary, who understand what needs to be done within our health care system.

11:50

We're also looking at creating a monopoly in laundry service, all in the name of restructuring our health care industry. We have seen loss leaders being given to the private sector where hospital laundries have been losing their business. When we close all the Edmonton regional laundry facilities, we're going to end up with a monopoly. Sure we'll have a contract that lasts maybe three or four years, and at the end of the day when you've got this monopoly, how is that . . .

#### Point of Order Relevance

MR. SPEAKER: Is the hon. Member for Calgary-Shaw rising on a point of order?

MR. HAVELOCK: Yes, thank you, Mr. Speaker. *Beauchesne* 459, relevance. I don't understand why we're talking about laundries when we're trying to discuss the regionalization plan for Alberta.

MRS. ABDURAHMAN: Mr. Speaker, I'm glad the member asked that question. One of the studies that Alberta taxpayers have had to pay for is from the Edmonton Region Health Facilities Planning Council. The laundry consolidation study is all part of the reorganization and the restructuring which Bill 20 deals with. It's no different than the studies that have been done by the former Minister of Health, Minister of Education Lou Hyndman, in the Calgary facilities. That's one other study. I don't have that with me this evening, but I could have brought it. We also have the other study looking at analyzing what hospitals should be closed in Edmonton. That's the relevance of why we shouldn't be creating a monopoly in laundry services within the city of Edmonton. It's key to how we spend our dollars. It's key to how we restructure our health care system. So that's the relevance.

#### Debate Continued

MRS. ABDURAHMAN: Now, within the way Bill 20 has been written and also what we believed was going to be a wellness system and health care delivery system, I would suggest that we

are in danger of going back to the days when it was truly a sickness-driven system. The way the boundaries are drawn, I would suggest to you, Mr. Speaker, that it lends itself to that sickness system.

For example, let's take a look at authority 5 and authority 2. You look at Oyen hospital and then you look at Cereal hospital: there's a line drawn right up the middle. Now, if you're going to go to a wellness system, hospitals shouldn't be the focus. They shouldn't be the centre of an authority. When I look at these regions, the hospitals are the centre of the authority. That isn't how you go about developing a wellness system. Your focus has to be on public health, on prevention. That's your focus. Now, to get that you've got to ensure that your regional boundaries reflect the market areas, the educational areas, and the public health areas, because the reality is that prevention and public health go hand in hand with education, so you've got to have boundaries that are in common.

The other reality is that when you're looking at public health, particularly for the young families, the marketing patterns should fit into the public health delivery system. That's where the young mothers bring their children to do their business. That's where they would want the public health clinics to be. So I'm saying once again that we're going to have a sickness-driven system.

The other area that I'm deeply concerned about is that we must protect the principles of the Canada Health Act, and that's accessibility, comprehensiveness, public administration, portability, and universality. I see universality being threatened if indeed we go into a two-tiered system. I would also go as far as to say that if a surgeon, whether it be orthopedic or cardiac or general surgery, has a choice between delivering a system in a private clinic, they will do the largest percentage of the health care within that facility. Within the United Kingdom health care delivery system we have a two-tiered system. Physicians, who can certainly reward themselves financially much more lucratively, choose to do the most of their business within that system.

Mr. Speaker, thank you.

MR. DAY: Mr. Speaker, I move that we adjourn debate on Bill 20.

MR. SPEAKER: The hon. Government House Leader has moved that debate be now adjourned on Bill 20. All those in favour, please say aye.

SOME HON. MEMBERS: Aye.

MR. SPEAKER: Opposed, please say no.

SOME HON. MEMBERS: No.

MR. SPEAKER: The motion carries.

[At 11:57 p.m. the Assembly adjourned to Wednesday at 1:30 p.m.]

