

Legislative Assembly of Alberta

Title: **Tuesday, May 23, 2000**

1:30 p.m.

Date: 00/05/23

[The Speaker in the chair]

head: Prayers

THE SPEAKER: Good afternoon. Hon. members, would you please remain standing at the conclusion of the prayer for the singing of our national anthem.

Let us pray. At the beginning of this week we ask You, Father, to renew and strengthen in us the awareness of our duty and privilege as members of this Legislature. We ask You also in Your divine providence to bless and protect the Assembly and the province we are elected to serve. Amen.

O Canada, our home and native land!
True patriot love in all thy sons command.
With glowing hearts we see thee rise,
The True North strong and free!
From far and wide, O Canada,
We stand on guard for thee.
God keep our land glorious and free!
O Canada, we stand on guard for thee.
O Canada, we stand on guard for thee.

Please be seated.

head: Presenting Petitions

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

MR. WICKMAN: Thank you, Mr. Speaker. I have a petition to table today containing quite a number of names from Calgary and Edmonton, including the riding of Edmonton-Beverly-Clareview. The petition urges "the government of Alberta to stop promoting private health care and undermining the public health care system."

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

DR. NICOL: Thank you, Mr. Speaker. It's a real privilege today to submit a petition on behalf of 1,242 Albertans. This petition is asking the government to look at the possibility of requiring "a minimum of two people on shifts from dark to daylight." This brings a total of about 6,000 that we've submitted in this form, and there have been about 7,000 or so compiled that were in a form that was not presentable to the Legislature.

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

MR. MacDONALD: Thank you very much, Mr. Speaker. I have a petition to present to the Assembly today on behalf of 182 Albertans. They are from Calgary, Winfield, Leduc, Fort Saskatchewan, Edmonton, Sherwood Park, Kinuso, and Driftpile. These Albertans "urge the government to stop promoting private health care and undermining public health care."

Thank you.

THE SPEAKER: The hon. leader of the third party.

DR. PANNU: Thank you, Mr. Speaker. I would like to table a petition today signed by 253 Albertans opposed to the proposed development of the Spray Valley and asking that a wildland provincial park be created which protects all of the undeveloped parts of Kananaskis and Spray valleys.

Thank you, Mr. Speaker.

head: Reading and Receiving Petitions

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

MR. WICKMAN: Thank you, Mr. Speaker. I would ask that the petition I tabled last week now be read and received.

THE CLERK:

We the undersigned citizens of Alberta petition the Legislative Assembly to urge the government to stop promoting private health care and undermining public health care.

THE SPEAKER: The hon. leader of the third party.

DR. PANNU: Thank you, Mr. Speaker. I rise and request that the petition I presented on May 17, Wednesday of last week, be now read and received.

THE CLERK:

We, the undersigned, petition the [Legislative] assembly to urge the government to use its legislative powers to help resolve the labour disputes at the Calgary Herald.

head: Notices of Motions

THE SPEAKER: The hon. Deputy Government House Leader.

MR. HAVELOCK: Yes. Thank you, Mr. Speaker. I'd like to give notice of the following motion:

Be it resolved that further consideration of any or all of the resolutions, clauses, sections, or titles of Bill 18, Alberta Personal Income Tax Act, shall, when called, be the first business of the committee and shall not be further postponed.

THE SPEAKER: The hon. Deputy Government House Leader.

MR. ZWOZDESKY: Thank you. Mr. Speaker, I rise pursuant to Standing Order 34(2)(a) to give notice that tomorrow I will move that Written Question 22, which is the last written question appearing on the Order Paper, be called.

I'm also giving notice that there are no motions for returns left appearing on the Order Paper.

Thank you.

head: Introduction of Bills

Bill 25

Miscellaneous Statutes Amendment Act, 2000

MR. MAR: Mr. Speaker, on behalf of the hon. Minister of Justice and Attorney General, I beg leave to introduce a bill being the Miscellaneous Statutes Amendment Act, 2000.

[Motion carried; Bill 25 read a first time]

head: Tabling Returns and Reports

THE SPEAKER: The hon. Acting Provincial Treasurer.

DR. WEST: Thank you, Mr. Speaker. I'd like to table today five copies of a news release dated today regarding amendments to Bill 18 which will lower the single rate of tax to 10 and a half percent and raise the basic spousal exemptions to \$12,900. Included also in this is a comparison between the interprovincial tax and health care insurance premiums across Canada. It shows a distinct Alberta advantage in all categories, and this one outlines fuel tax, payroll

tax, tobacco taxes, provincial income tax, and a sales tax. I'd like to table that today so hon. members may peruse that.

The other thing I'd like to table is a letter put out by the Canadian Federation of Independent Business supporting the single rate of tax. It says:

A reduced rate, combined with higher personal and spousal [exemption thresholds] will ensure that all taxpayers receive a reduction in their personal income tax burden.

With it is a chart showing that when they surveyed Canadian Federation of Independent Business members across Canada, 80.6 percent agreed with the single rate of tax.

THE SPEAKER: The hon. Minister of Learning.

DR. OBERG: Thank you very much, Mr. Speaker. Today I rise to table five copies of answers to Written Question 24. This is a little bit out of the ordinary as Written Question 24 was voted down because 1997-98 and '98-99 figures are not available due to the fact that students do not default for two years. However, in keeping with the open and honest government we are, I will give them the information that we have.

THE SPEAKER: The hon. Minister of Government Services.

MRS. NELSON: Thank you very much, Mr. Speaker. I am pleased also to table the requisite five copies of Motion for a Return 10. This was backup information that was reflected in the budget with the \$54 million reduction in fees and services.

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

MRS. SLOAN: Thank you, Mr. Speaker. I am pleased to table five copies of You Bet I Care, a Canadian-wide study on wages, working conditions, and practices in child care centres, the most comprehensive study undertaken on the status of employees and centres offering child care in our country's history. It notably points out that Alberta leads the country with the highest turnover rate of all provinces at 44.8 percent of their employees choosing to leave this sector.

Thank you.

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

MR. SAPERS: Mr. Speaker, thank you. I have four tablings this afternoon. The first is an Official Opposition amendment to Bill 18, the Alberta Personal Income Tax Act. The effect of this amendment would be to put into law that whenever the federal tax rate changed, Albertans would have to get the full impact and the full benefit of that federal tax reduction.

1:40

Mr. Speaker, the second amendment I have is also a Liberal opposition amendment to Bill 18, the Alberta Personal Income Tax Act. The effect of this amendment would be to ensure that the many, many, many regulations, the fine print, the detail in that tax act get referred to the Standing Committee on Law and Regulations as soon as possible.

Finally, the third amendment that I have is a Liberal opposition amendment to Bill 18, the Alberta Personal Income Tax Act. It is dated April 3, 2000, and it amends section 89(3) of the act to ensure that both the so-called deficit elimination taxes are removed in the same year, that being at the end of the 1999 taxation year.

My last tabling is the appropriate number of copies of a letter to Premier Klein from Jeanette Blond, who is very upset with the government's move towards private health care.

Thank you.

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

DR. NICOL: Thank you, Mr. Speaker. It's a real privilege today to table five copies of a letter from Deborah Dore. She's the lady that's behind the petitions dealing with workplace safety and staffing after hours. In the letter she points out the facts that if panic buttons are put in place, this just encourages robbers to be more aggressive, if security cameras are in place, all it does is encourage them to cover up, but if there are two or more people on staff, they usually walk by and try someplace else for a hold-up. So I'd like to table this letter where she reveals that information.

Thank you.

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

MS LEBOVICI: Thank you, Mr. Speaker. I have two tablings this afternoon. The first is from KIDSAFE Connection. It's a letter as well as a report asking for continued advocacy for strong childhood injury prevention and the implementation of bike helmet legislation in Alberta.

The second is an additional 74 responses to the Meadowlark Memo I sent out. The questionnaire responses that I received back indicated that 90.5 percent were against for-profit hospitals in the province of Alberta.

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

DR. PANNU: Thank you, Mr. Speaker. I have one tabling today. It's a letter from Helen Connolly, a grade 9 student in Lethbridge, asking that the government protect public health care and not allow businesses to make profit from health care.

Thank you, Mr. Speaker.

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

MS CARLSON: Thank you, Mr. Speaker. I have the appropriate number of two tablings today. The first is from George Dlak of Canmore, and the second is from Richard Collier of Calgary. Both of them are opposed to the proposed Genesis development in the Spray Lakes area.

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

MR. BONNER: Thank you very much, Mr. Speaker. With your permission I would like to table the appropriate number of copies of the Canadian Hockey Association's 83rd annual general meeting, which was hosted this past weekend here in Edmonton.

Thank you.

head: Introduction of Guests

MRS. SLOAN: I am pleased, Mr. Speaker, to rise this afternoon to introduce Mr. Raymond Gariepy, who is seated in the Speaker's gallery. Mr. Gariepy is the father of Antoine Gariepy, a legislative page in our Assembly and a Edmonton-Riverview constituent. He is the editor of the Alberta Teachers' Association newspaper and magazine, one of the most informative and interesting publications I've had occasion to read in my term of office as an MLA. I would

ask Mr. Garipey to rise and receive the warm welcome of the Assembly.

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

MRS. MacBETH: Thank you very much, Mr. Speaker. I am delighted today to introduce a group of 20 students from the Parkland Immanuel school in the constituency of Edmonton-McClung. The students are accompanied by their principal, Mr. Rainier Van Delft, and Ms Marjorie Helder, their teacher. As well, Sandra Dykstra is the bus driver for the group. I would ask them to rise and receive the customary welcome of the Alberta Legislature.

THE SPEAKER: The hon. Member for West Yellowhead.

MR. STRANG: Thank you, Mr. Speaker. It is a great pleasure today to introduce to you and to the Assembly a majority of the Grande Cache council that were here with their administrator to speak with ministers about Grande Cache. As I introduce them today I would like them to stand, and then I would like the Assembly to give them a great welcome. The first one is Deputy Mayor Rene Moulun, councillor Gerry Verstraten, Gordon Frenz, Bernard Zeller, Gerry LeBlanc, and the administrator, Duane Dukart.

THE SPEAKER: The hon. Member for Leduc.

MR. KLAPSTEIN: Thank you, Mr. Speaker. I'm delighted to introduce to you and through you to all members of the Assembly 49 students from Caledonia Park school in Leduc. They are accompanied by teachers Mrs. Paula Foley and Mrs. Brenda Schwer and by parent helpers, Mrs. Tracy Fitzner and Mrs. Dawn Lackie. I would ask them to rise and receive the traditional warm welcome of the Assembly.

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

MS KRYCZKA: Thank you, Mr. Speaker. It is with great pleasure today that I introduce to you and through you to the members of this Assembly Laurena Byciuk. Laurena is a summer student in my office of Calgary-West, and she's also a constituent of mine. Laurena has just completed her first year of Mount Royal College, and she's in the interior design program. I would ask my guest to stand and receive the traditional warm welcome of this Assembly.

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

MR. CAO: Thank you, Mr. Speaker. It is my great pleasure to introduce to you and through you to our Assembly members Ms Camille Ries. Camille has just joined my constituency office for the summer months through an excellent program, the STEP students' program of the government. Camille is a Calgarian, graduated from Mount Royal College, and is also studying at the U of C in political science. She has been very active in community-oriented work. I would like to ask Camille to rise and receive the warm welcome from the members.

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

DR. NICOL: Thank you, Mr. Speaker. It's a real pleasure today to stand and introduce Aaron Roth. Aaron is a fourth-year student at the University of Lethbridge in political science, and he's also spending the summer as my STEP student in the office. This is the second year he's worked in my office in the summer, and it's a real

reflection of the good quality students that come out of the University of Lethbridge.

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

MR. SAPERS: Thank you very much, Mr. Speaker. I have two guests in the gallery today, and it's my pleasure to introduce them to you and through you to all members of the Assembly. The first guest is Mr. Jean-Marc Tremblay, who is joining my constituency office for the second summer in a row. He came back, and I appreciate that more than he'll know. He's employed under the STEP program, and he's bringing his considerable expertise and skills to the job.

With Mr. Tremblay is Mr. Kim Cassady, a former employee of Alberta Treasury, who is currently employed with the Legislative Assembly and manages the constituency office of Edmonton-Glenora. I think Mr. Cassady is still waiting to hear from Calgary-Egmont about those remarks.

In any case I would have Mr. Cassady and Mr. Tremblay please rise and receive the very warm welcome of this Assembly.

THE SPEAKER: The hon. Member for Redwater.

MR. BRODA: Thank you, Mr. Speaker. It gives me great pleasure to introduce to you and through you to the members of this Assembly David Linden and Anita vanderLeek and their six children: Lacey, Dania, Melissa, Brenton, Jevin, and Keisha. They are seated in the members' gallery and are my constituents from Bon Accord. It was Mr. Linden's last day with CKUA on Friday, May 19, and I would like to wish Dave good luck and best wishes in his new endeavours. At this time I would like to ask them to rise and receive the warm welcome of this Assembly.

1:50

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

MS LEIBOVICI: Thank you, Mr. Speaker. I have two guests to introduce this afternoon. Mrs. Edith Rafter, who is from Surrey, B.C., is the proud grandmother of Jason Cassady, who will be graduating from Ross Shep high school this week. She's accompanied by her daughter Pat Cassady, who is my constituency manager. So if they would both please rise and receive the warm welcome of the Assembly.

THE SPEAKER: The hon. Member for Wetaskiwin-Camrose.

MR. JOHNSON: Thank you, Mr. Speaker. I'd like to introduce to you and through you to the members of the Assembly Andrew Hymes of Camrose. Andrew is working as an assistant in my constituency office in Camrose for the summer, and he is taking the day to become more familiar with the work of an MLA here at the Legislature. He is a graduate of the U of A in political science. He's in the members' gallery, and I'd like to ask him to rise and receive the warm welcome of the Assembly.

head: Oral Question Period

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

Health Workforce Labour Dispute

MRS. MacBETH: Thank you, Mr. Speaker. Here we go again. This government has inflicted needless suffering and uncertainty and upheaval on Albertans and their families through mismanagement of

public health care: unplanned slashing and cutting, underfunded regional health authorities, narrowly averted strikes in 1997 and 1999, Bill 37, Bill 11 rammed through. And now this: 10,000 health care workers who feel they have few choices left. Surgeries have been canceled, patients discharged prematurely, psychiatric patients sent home without needed support, and once again the government has thrown our health care system into chaos. My first question is to the Minister of Health and Wellness. What contingency plans has the government put in place to avoid more uncertainty and upheaval for Albertans and their families?

MR. JONSON: First of all, Mr. Speaker, I think it's important to point out, contrary to the impression that the Leader of the Official Opposition leaves, that the government of Alberta has funded the health care system of this province very well. We are ranked in the country as the highest per capita on an age-adjusted basis, and we are following up with placing funds that are available into high-priority areas.

Mr. Speaker, with respect to the bargaining process, which I believe is being referred to, that is proceeding according to the bargaining structures of this province. We of course want very, very much to avoid any job action which would disrupt the system. Alberta Health and Wellness has been working with the regional health authorities and the Provincial Mental Health Board to every degree possible to put in place measures which will put the priority of the patient first and to provide continuing care as well as is possible.

MRS. MacBETH: Mr. Speaker, given that this crisis was foreseeable and avoidable since the 1999 health workforce study clearly warned of the crisis in workforce members, what discussions and real negotiations have taken place over the past year before government decided to roll the dice with our health care system?

MR. JONSON: Well, Mr. Speaker, there are a number of initiatives of government which relate to this particular area. We made announcements a year and a half ago with respect to our focus and resources being placed in terms of adding individuals to the health workforce in this province. In credit to the health care system those targets have been met today.

Also, in conjunction with Alberta Learning we have been expanding places in terms of preparation programs for health professionals and health workers, Mr. Speaker.

Overall, as I've indicated, we have been directing considerable additional funding to the health care system, Mr. Speaker.

MRS. MacBETH: Mr. Speaker, given that this government hand-picks and underfunds the regional health authorities as it sets health policy for this province, when will the government admit that its own mismanagement exists and assume a leadership role in addressing the multitude of issues in the health workforce?

MR. JONSON: Mr. Speaker, as I've indicated, we have a strategy. We have worked on the preparation of health care workers on that particular side of the needs of the system, and along with that we have been focusing on the importance of adding health care workers and professionals to the workforce. To the end of the last budget year over 1,200 additional nurses and LPNs and other workers in the system were added. That target was met.

With respect to looking to the future, of course we are preparing further. In this year's current budget and business plan we've added, for instance, internships with respect to the medical faculty. Alberta Learning has just recently announced additional places for the years ahead with respect to the health workforce.

Mr. Speaker, I think the record would show that in the negotiations that have taken place with other unions in the health sector – for instance, the United Nurses of Alberta – we were able to work through with the leadership of the regional health authorities doing the actually bargaining of course to a successful settlement there. Before that, the agreement with the Alberta Medical Association was reached.

I think that their agreements compare very favourably with other parts of Canada, and it shows the priority we're putting on health care.

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

Health Diagnostic Services

MRS. MacBETH: Thank you very much, Mr. Speaker. On April 12 the Premier said in this Assembly:

If a doctor prescribes an MRI, that will be paid for by the publicly funded health care system whether it's in a hospital, Mr. Speaker, or whether it's in a private clinic.

He repeated a similar message in this Assembly on May 17, but, lo and behold, on May 18 the Acting Premier admitted: "If a person chooses to go outside the system to have a private MRI, it is not currently paid for." This sort of double-talk leaves Albertans wondering just how much they can do to stop the queue-jumping that this government allows in Alberta. My questions are to the Minister of Health and Wellness. Given the Premier's promise that medically necessary MRIs would be paid for whether done in private clinics or public hospitals, why are people paying privately for medically necessary diagnostic services in this province?

MR. JONSON: Mr. Speaker, I would just like to indicate once again to the hon. leader across the way that the situation is that an individual recommended for an MRI in this province has that MRI available to them either through an MRI machine and team which is owned directly and operated directly by a regional health authority or through an MRI service which is under contract to a regional health authority in the province.

I would also like to indicate that once again we've put a considerable priority on expanding our diagnostic capacity in the province. We have added or will be adding MRIs in the Calgary regional health authority, the Capital health authority, the Chinook health authority, the Palliser health authority, the Red Deer regional health authority, the Mistahia health authority, and when our overall plan is implemented, we will have the highest rate of MRI scans available per person in this country. Further, Mr. Speaker, recently we announced a considerable amount of additional money for capital equipment, and this will certainly address other areas of the diagnostic system such as the high volume of CAT scans that we have needed in this province.

So I think the policy is quite clear, and certainly the government's commitment on a financial basis to this area of service is very well demonstrated.

2:00

MRS. MacBETH: Mr. Speaker, in case anyone missed it, the minister just contradicted the Premier.

Given that the Premier has said, "If it's medically necessary and it's prescribed by a doctor, then it is covered," can the minister please explain why on this request form from the Meadowlark MRI and CT centre, a doctor's referral and a signature are needed for a CAT scan, yet Albertans are still required to pay out of their pocket for that service?

MR. JONSON: Mr. Speaker, the service is provided, as I said, directly through diagnostic treatment or services which are owned and operated directly by the regional health authorities and also in those cases in which the regional health authority has a contract with a private provider. With respect to those particular services all a person has to do is use their health care card, and the service is paid for and provided.

MRS. MacBETH: Mr. Speaker, will this minister commit today to stopping citizens from having to jump the queue by paying privately for medically necessary diagnostic services? What part of it doesn't he understand?

MR. JONSON: Well, Mr. Speaker, this is quite interesting, because the hon. leader is reverting to her policy which has been somewhat submerged recently whereby you would allow a completely parallel private health care system to exist in this province.

With respect to diagnostic services, the MRIs for instance, I have outlined the approach that is taken there. They are paid for either in the public system that operates it directly or through the public system under contract to MRI services.

Timber Permit Bidding Process

MRS. MacBETH: Mr. Speaker, a group of wood products companies has been charged, pleaded guilty, and convicted of rigging bids to buy timber lots. One of the companies was Shake Masters Manufacturing Inc., a rather familiar name for thousands of Alberta families with rotting pine shake roofs. During the course of a 1996 timber permit auction this government accepted bids of 63 cents per cubic metre for timber permits worth an average of \$20.55 per cubic metre. My first question is to the minister of environmental protection. Why did the Alberta land and forest service accept bids for public resources at 3 cents on the dollar?

MR. MAR: Mr. Speaker, I'll be happy to review that particular circumstance and take this question under advice.

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

MRS. MacBETH: Thank you, Mr. Speaker. Was it just negligence that the land and forest service gave away public resources at fire sale prices, or was it government policy to intentionally subsidize these companies by accepting low bids?

MR. MAR: Mr. Speaker, my response is the same.

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

MRS. MacBETH: Thank you, Mr. Speaker. Given that the government lost over \$316,000 in this one auction alone, can the minister advise the House exactly how much was lost or given away through these fixed auctions?

MR. MAR: Mr. Speaker, my response remains the same.

THE SPEAKER: The hon. leader of the third party.

Magnetic Resonance Imaging

DR. PANNU: Thank you, Mr. Speaker. Last week for the first time our Premier popped his head out of the sand long enough to finally recognize what the rest of us have known for years: Albertans aren't paying \$500 or more for a private MRI to get a cheap thrill;

Albertans are paying big bucks for private MRIs to get a faster diagnosis and thereby to jump the treatment queue. My questions are to the Minister of Health and Wellness. Why has the government allowed a private MRI industry to develop which mainly exists to allow patients who can afford to pay for MRIs to receive medically required surgery or treatment ahead of those who can't?

MR. JONSON: Well, Mr. Speaker, as the hon. leader of the third party well knows, the matter of diagnostic services where the actual service or scan, if I can use that term, is being provided by a team of technicians – and we're talking about a particular specific procedure. This is outside the parameters and controls of the Canada Health Act. It is possible all across this country for those types of facilities to be operated. That is the situation in the country, and that does exist in other locations besides Alberta.

THE SPEAKER: The hon. leader of the third party.

DR. PANNU: Thank you, Mr. Speaker. Queue-breaking is also a normal situation in the province. That's why I asked the question.

My second question to the minister: what monitoring does the government do to ensure that those who pay privately for MRIs don't use the diagnoses to get faster access to medically required surgery or treatment?

MR. JONSON: Mr. Speaker, the control or the management with respect to waiting lists for any particular treatment or service in this province is primarily by physicians in conjunction with the administration of regional health authorities. Doctors make those decisions in a professional manner, as I understand it, and of course, physicians overall in the province are responsible with respect to ethical practices to the College of Physicians and Surgeons and their legislation.

THE SPEAKER: The hon. leader of the third party.

DR. PANNU: Thank you, Mr. Speaker. My final question to the same minister: if the government has no criteria to determine which MRIs are medically required, how will the minister be able to determine whether the CRHA is only paying for medically required MRIs in its contracts with the two Calgary private MRI clinics?

MR. JONSON: Well, Mr. Speaker, as I indicated, government does not establish the criteria by which physicians practise medicine from a professional standpoint. Certainly government has a responsibility for the overall health care system, and I think that in keeping with what is generally the practice across this country, a great deal of the decision-making with respect to setting the priority for patients within the system is determined by the physicians in charge. As I've said before, the legislative structure that we have in the province which allows for that is the legislation which establishes and provides for various responsibilities being taken by the College of Physicians and Surgeons.

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

Health Workforce Training

MS KRYCZKA: Thank you, Mr. Speaker. Our health care system has been experiencing an increased demand for nurses and other health care professionals. Those training in Alberta to become nurses can take the one-year licensed practical nurse, LPN, program,

or the diploma or the degree registered nurse, RN, programs. However, nursing students who wish to transfer from the LPN to the RN programs find that they receive little or no credit towards the RN programs, which means that it takes longer for them to graduate and start contributing to the health care system. My first question is to the Minister of Learning. Why are there restrictions on transferability?

THE SPEAKER: The hon. Minister of Learning.

DR. OBERG: Thank you very much, Mr. Speaker. This is an issue that the LPN association has brought up with me on several occasions. As you look back on the history of LPNs and RNs, what you find is that the two training programs were significantly different. As you see the sphere of procedures that each one can do starting to become closer and closer, I think this is something that we have to look at, that we have to change. We have to get LPN and RN to have at least some degree of transferability.

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

2:10

MS KRYCZKA: Thank you, Mr. Speaker. To the same minister: what is the minister doing to address the issue of transferability?

DR. OBERG: Well, Mr. Speaker, as I alluded to in the first part of my answer, I feel that this is something that's very important. We are certainly looking at it. As a matter of fact, in Grande Prairie there was recently a bridging program between LPNs and RNs. This, unfortunately, was discontinued because of lack of numbers.

We are now sitting down in Alberta Learning with the associations as well as with Grant MacEwan College to see if we can come up with something that can improve the transferability between LPN and RN. Will the transferability be one year for one year? I don't think so, Mr. Speaker, but certainly we can get it a lot better than it is right now.

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

MS KRYCZKA: Thank you, Mr. Speaker. My final question, again to the Minister of Learning: what is the Alberta government doing to address the demand for more health care professionals?

THE SPEAKER: The hon. Minister of Learning.

DR. OBERG: Thank you very much, Mr. Speaker. This government takes the health care workers and health care professionals extremely importantly. As I've stated a couple of other times in this Assembly, health care professionals and health care workers are the number one priority for the access fund in the year 2001. We have put a lot more spaces out there. There are roughly 200 to 300 more that are coming in, and it is something that we are continually looking at.

I will comment, though, specifically on one issue, and that is the issue of physicians. Earlier on in this session the opposition tabled reports from the famous Barer/Stoddart health care economists. Well, Barer/Stoddart were the ones who recommended that there be a 10 percent decrease in the number of physicians across Canada. Mr. Speaker, we have now learned, we have now seen the craziness of that, and indeed we are suffering the consequences of that. Yet these are the health care economists that the opposition chooses to use.

Mr. Speaker, we take health care professionals extremely importantly, and we are looking at putting significantly more out, and we'll be doing that.

THE SPEAKER: The hon. Member for Edmonton-Gold Bar, followed by the hon. Member for Medicine Hat.

Timber Permit Bidding Process

(continued)

MR. MacDONALD: Thank you, Mr. Speaker. A July 4, 1994, report called A Review of the Timber Permit Program was prepared for the Northern Alberta Development Council. On page 33 the report recommends that

rates charged for Crown timber permit sales should be comparable to that charged for other dispositions in Alberta.

Severely restricting the available bidders on permits will result in cooperation (collusion) amongst the bidders and consequently in a poor return to the province on the sale of permits.

My questions are to the minister of environmental protection. Why did the province persist in a bidding system that invited collusion even when the province had been warned against such a system?

MR. MAR: Mr. Speaker, in answer to a previous question asked by the hon. leader of the opposition, I gave a response that I would take this question under notice, and I intend on doing the same.

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

MR. MacDONALD: Thank you, Mr. Speaker. Given that one of the objectives of the commercial use of the permit program was to prepare and "provide a fair return to the province on the sale of timber," is receiving 63 cents for something that is worth over \$20 what this government considers a fair return for Alberta taxpayers?

MR. MAR: Mr. Speaker, the question remains the same; the response remains the same.

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

MR. MacDONALD: Thank you, Mr. Speaker. Another question for the minister of environmental protection: did this government ignore the recommendations of its own report because a policy decision had been made by this government that they would use public money and assets to prop up, subsidize, and promote pine shake manufacturers?

MR. MAR: The response is the same, Mr. Speaker.

THE SPEAKER: The hon. Member for Medicine Hat, followed by the hon. Member for Calgary-Buffalo.

Career and Technology Studies Funding

MR. RENNER: Thank you, Mr. Speaker. I recently had the opportunity to visit McCoy high school in Medicine Hat and observe their CTS classes. For those of us who didn't go to school in the last five years, CTS is career and technology studies, and it's what we used to refer to in my day in high school as home economics and shop classes and typing and business skills, those types of classes, although they're significantly different in this day and age. One of the issues that was discussed between myself, the teacher, and the principal was the difficulty that CTS classes pose from an administration point of view because they are completed in modules and funded only after students have completed individual modules. My questions today are to the Minister of Learning. Why is this course funded significantly differently than every other course that's offered in high schools?

THE SPEAKER: The hon. Minister of Learning.

DR. OBERG: Thank you very much, Mr. Speaker. The reason CTS courses are funded on a per credit enrollment is that these courses are taken over a period of time. You have some students that have the ability to take the course very, very quickly. You have some students that will take it over perhaps one year or even two years. The school jurisdictions are given an advance based on last year's credit enrollment.

Interestingly, Mr. Speaker, I as well have heard a lot of negativity about this type of funding, but we did do a funding review back in the spring of 1999, and at that time the people from around the province said that they wanted the CEUs on the CTS to stay the same. It is something that we do need to take a look at though.

THE SPEAKER: The hon. Member for Medicine Hat.

MR. RENNER: Thank you, Mr. Speaker. Well, given the statement of the minister, would the minister, then, explain some of the alternatives that have been proposed to replace this type of funding?

DR. OBERG: Well, Mr. Speaker, in the learning system it is very hard to look at one aspect of the learning system in isolation. We are presently undertaking to look at all the funding in education. We are attempting to make it as easy as possible and as simple as possible. We do not want teachers, we do not want administrators spending a lot of time filling out paperwork when their jobs are actually to be in the classroom.

Mr. Speaker, we are currently undertaking a review of the funding formula, and we will be looking at the outcomes. CTS and the whole CEU issue will certainly be one that is looked at under this new committee.

THE SPEAKER: The hon. Member for Medicine Hat.

MR. RENNER: Thank you, Mr. Speaker. Given that I had a good conversation with the teacher and the principal that day in the school, they had some pretty good ideas for alternatives. My question is: would the minister be prepared to entertain alternatives at this point?

DR. OBERG: Yes, absolutely, Mr. Speaker. We are constantly looking at ways to improve the education system, to improve the learning environment for the student, and it would be absolutely ludicrous of me if a good idea came forward not to listen to it. So I would invite the hon. member to pass on to the teacher and principal that if they have ideas, bring them forward, and we certainly will look at them, because if we can find a better way we will institute it.

THE SPEAKER: The hon. Member for Calgary-Buffalo, followed by the hon. Member for Highwood.

Protection of Privacy

MR. DICKSON: Thank you, Mr. Speaker. Last week the Premier was critical of the federal government for building a national data bank without the consent of individual Canadians. He went so far as to call it an "insidious . . . scheme." But even as the Premier attacks Ottawa over that particular issue of privacy, we see in this province the Department of Government Services developing with seven other departments a, quote, gateway to a wide range of government services including consumer information, registration information, licensing information, and other government services,

close quote. This will involve linking other government bodies that provide registration/licensing information services, and it will keep a log on every single call made by a citizen to a department of the government of the province of Alberta. To the minister responsible in this province for the protection of our privacy, to the Minister of Municipal Affairs: what steps has this minister taken to ensure that the data collection project of the Department of Government Services will not mean a centralized data bank with all kinds of personal information about individual Albertans?

THE SPEAKER: The hon. Minister of Municipal Affairs.

MR. PASZKOWSKI: Thank you, Mr. Speaker. I think the hon. member is referring to the central data bank that the federal government has in place. We have no process whatsoever that leads to this type of process, and at this stage there is none contemplated. Ultimately, we do not have any intention of setting up a central database.

It's interesting to note that the agreements, Mr. Speaker, with the federal government are largely there to help people. They're there to expedite those people who may be in need. Ultimately, the process has to be designed so it is there and available to those people that are in need, and to deny those people the information would hardly be right and hardly be the proper thing to do.

2:20

MR. DICKSON: I thought I just heard Jane Stewart speaking, Mr. Speaker.

My follow-up question will go to the Minister of Government Services. My question is this: will the data from the single centralized call centre be linked in any way to the registration data bank?

THE SPEAKER: The hon. Minister of Government Services.

MRS. NELSON: Thank you very much, Mr. Speaker. The gateway project is one that is to provide services to Albertans so that when they inquire about information on government programs, they in fact have somebody that actually picks up the phone and answers the question for them. The way this project is envisioned and has been recommended is that general information, which is probably about 80 percent of the calls that come through to government offices – where do I get to get a health care card from; where do I get a fishing licence from; how do I access tourism information? That kind of data that comes through is answered immediately, and people in the province of Alberta have access to information from government readily available to them.

Now, the key to this project that I think is fundamental – and maybe the hon. member opposite didn't quite understand that – is that if the person requires information that pertains to them on a personal or confidential level, the linkage will be right back to the various departments. We will not be moving people from 19 departments into one central area. They will be linked, and the person is transferred immediately into that area so that their information and the confidentiality is there. The information on that . . . [interjections] Mr. Speaker, the yapping that's going on next door is unbelievable.

We're trying to explain that we do not have a comparable database as has been explained by the federal government. Personal information that goes to back to the various departments will in fact stay there. It will not be part of a call centre environment. The people using the call centre will be asking for information from the government in a general sense. They may even be relieved to know that there'll actually be a person that will pick up the phone and give

them the information when they call in. So I'd ask the hon. member not to confuse the two areas.

Other information that we do have in various departments: of course we are subject to the FOIP legislation that the hon. Member for Calgary-Buffalo is abundantly knowledgeable on.

MR. DICKSON: Well, Mr. Speaker, my follow-up question is right back to the same minister. Why should Albertans be any more comfortable with your Department of Government Services controlling large amounts of data about them – remember, we're talking about 12 million registry transactions every single year – than they are with what we discovered with the federal government and the department of HRDC?

MRS. NELSON: Because, Mr. Speaker, I believe that the information that we have has been very, very clearly identified in the various aspects. In land titles we have people's names and addresses and the legal descriptions of the property involved. You could access information as to who holds the mortgage on a piece of property. That is available through our land registries. Under our vital statistics we have, naturally, people's names and addresses, place of birth, marital status. We have under motor vehicles, again, names and addresses, date of birth, height, weight, phone numbers.

This type of information is not the type of information that has been criticized for being available, like income tax information, health information. Those are not part of this system at all. There is not a central database in this government. The information that is on taxation information is in a different area. The information that is on health is in a different area. It is not part of this system.

Always keep in mind that we are governed under the most rigorous freedom of information and privacy act in this country, and you know that, Calgary-Buffalo. You know that. You were part of the team that put that together. It has been reviewed by our Ethics Commissioner and Privacy Commissioner, and he has assured us that our FOIP legislation is intact and is securing Alberta's information.

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

Food Regulations Review

MR. TANNAS: Thank you. My questions today are to the hon. Minister of Health and Wellness. The department's current food regulations review seems to have looked at the farmers' markets in Alberta and is considering regulatory changes which may require prepared foods to be done only out of approved kitchens. Mr. Speaker, through you to the hon. Minister of Health and Wellness: will these proposed changes adversely impact the traditional church tea and bake sales, pie sales, and other food-related church activities, all of these items being prepared in the kitchens of congregational members?

MR. JONSON: Mr. Speaker, I think that in the whole matter of food inspection/farmers' markets we need to just review for a moment a bit of the background to farmers' markets in this province. As I recall, they began in the 1970s. The whole concept of the farmers' market was one whereby locally grown and developed or processed food products would be sold in a farmers' market. They would come from the immediate area. They would be provided by the farms and community members. That is the way the whole farmers' market movement, if you can call it that, in the province began.

The number of farmers' markets has gone from the initial number of 16 to I think today we have well over a hundred farmers' markets

operating across the province. The whole idea was to provide a retail outlet from the farms directly to the consumer, and there were seen to be many advantages with that. When sold, the fresh produce of course provided an additional source of income to farm families across the province. This has been the situation for a number of years, Mr. Speaker.

The process that is in place is that there are certain basic requirements that farmers' markets have to meet when they're established under the auspices of Alberta Agriculture, and upon meeting those basic requirements established by Alberta Health and Wellness, approval is given to the market.

Now, the situation we have today . . .

THE SPEAKER: Thank you very much, hon. minister, but brevity is very important here too.

The hon. Member for Highwood.

MR. TANNAS: Thank you, Mr. Speaker. My first supplementary is again to the Minister of Health and Wellness. Will the proposed changes adversely impact the turkey suppers that are major fundraisers for many communities all across this province and for the churches across the province?

MR. JONSON: Mr. Speaker, there are issues with respect to farmers' markets particularly as they apply to the regional farmers' market now changing rather dramatically to being in some cases markets which have, you might say, traveling food suppliers both in terms of immediate consumption and in terms of purchase going around the province. It's become in many cases a much more provincewide commercial operation, and the current discussion about regulations deals with that particular development as far as farmers' markets and possibly the need for more regulation of farmers' markets with respect to that new expansion of the farmers' market concept.

With respect to the teas and the suppers, Mr. Speaker, I do not anticipate that there'll be any major change with respect to regulations in that area, and in fact that is not our focus whenever it is that we change regulations in this particular area.

THE SPEAKER: The hon. Member for Highwood.

MR. TANNAS: Thank you, Mr. Speaker. My final supplementary is again to the Minister of Health and Wellness. While I'm encouraged by his last comments, I wonder if the proposed changes will adversely impact school councils, lodges, fish and game associations, Girl Guides, Boy Scouts, churches, and so on that have potluck suppers which are again prepared in nonapproved kitchens.

2:30

MR. JONSON: No, Mr. Speaker, at least as far as one can predict the discussion in this area. There are some emerging issues with respect to regulation of farmers' markets. I've tried to indicate that they are focusing, in my judgment, at this particular point in time on what might be called the commercial, the larger, as I said, moving food outlets that are becoming a part of farmers' markets across the province but not the local types of events that the member is referring to.

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

Fairview Hospital X-ray Machine

MS LEBOVICI: Thank you, Mr. Speaker. On May 10, when the Official Opposition asked about the high levels of radiation that the

X-ray machine in Fairview was emitting, the Premier said:

When did this leader of the Liberal opposition learn about this situation? Has she been keeping it under her hat . . . They have no concern whatsoever [about] public safety.

Now, what I find extremely odd is that the Mistahia health region made a request to this government which was turned down in March for special funds in order to replace their X-ray machine. So this government has known for a long time about the problems with the X-ray machine in Fairview. My questions are to the Minister of Health and Wellness. Given that the X-ray machine in Fairview has been emitting harmful levels of radiation for over four years, can the minister explain to those patients why he has exposed them to this health risk for such a long period of time?

MR. JONSON: Mr. Speaker, first of all, funds have been provided at an increased rate for the purchase of capital equipment to regional health authorities across the province. The regional health authorities make decisions as to what pieces of equipment need to be replaced within their region, whether it's an X-ray machine or a fluoro machine or some other piece of needed equipment. The health authority of the Mistahia region has had funds on a fair and equitable basis compared to other regional health authorities in the province.

Now, with respect to the X-ray machine in Fairview, Mr. Speaker, it's my understanding that the machine has been tested or examined with respect to emissions. To this particular point in time the emissions from the machine have been within acceptable levels. As with these situations the regional health authorities do monitor the situation, and as I understand it, at the moment they have shut down the machine for repairs or for replacement.

MS LEIBOVICI: Well, can the minister explain why he turned down the request from the Mistahia regional health authority for special funds to replace the X-ray machine in March, and why he continues to drag his heels at the expense of the health of people in that region?

MR. JONSON: Well, Mr. Speaker, we have been committing millions of dollars to health care equipment in this province. Certainly the regional health authority and its administration are in the best position to judge the needs of the region. It is not a case where you apply, particularly when we're dealing with fairly basic equipment, above and beyond the money you're already getting for a particular machine.

Yes, we do fund directly for diagnostic tools such as an MRI because this is an extremely expensive diagnostic tool, often requiring renovations to a building, but in terms of the overall funding of equipment, the Mistahia region has been fairly dealt with according to our overall formula for providing equipment. Alberta Health and Wellness does not buy every, you know, wheelchair and every X-ray machine and every fluoro machine and every dialysis unit.

MS LEIBOVICI: Given that both patient safety as well as worker safety is at risk, will the minister make a commitment right here and now that he will provide the funding to replace that X-ray machine in Fairview immediately?

MR. JONSON: Well, Mr. Speaker, first of all, it's my understanding that the regional health authority has been carefully monitoring the emissions and the performance of that particular machine, and given that within the last few days an announcement of tens of millions of dollars in addition to our current commitment to capital equipment

across this province has been added, I think the health authority in the Mistahia region has the resources if it is deemed to be needed to replace this X-ray machine.

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

North/South Trade Corridor

MR. COUTTS: Thank you, Mr. Speaker. The Canamex highway corridor is a major commitment of this government and is essential for the future economic prosperity of our province as we manufacture and trade more and more goods internationally, particularly into the United States. To the Minister of Infrastructure: what is the status of the construction on this massive project, and is his department on schedule?

THE SPEAKER: The hon. Minister of Infrastructure.

MR. STELMACH: Well, thank you, Mr. Speaker. The Canamex highway, as the hon. member refers to, is the north/south trade corridor that will be four-laned from just north of Grande Prairie all the way down to the Coutts/Montana border. It's about a 1,200 kilometre stretch of highway, roughly \$1.4 billion, \$1.5 billion in budget, and it's currently on schedule to be completed in 2007.

THE SPEAKER: The hon. Member for Livingstone-Macleod.

MR. COUTTS: Thank you, Mr. Speaker. My first supplemental is to the same minister. Given that I think everyone in this province has noticed the substantial increase in the volumes of traffic on that road, being the north/south corridor, is the minister looking at any measures that would alleviate traffic congestion on those routes?

THE SPEAKER: The hon. Minister of Infrastructure.

MR. STELMACH: Well, thank you, Mr. Speaker. Yes, we are. We're looking at a number of different options. One, of course, is reviewing the report that's looking at productivity safety and also different vehicle combination widths and dimensions. We're awaiting the results. That may be one way of reducing the total number of vehicles on the highway.

There is, I admit, some concern about larger vehicles. Some of the public may be concerned with the size of those vehicles, so we're keeping all of those various opinions, looking at and assessing them, and we'll be bringing forward to the standing policy committee our recommendations soon.

MR. COUTTS: My final supplemental. The Pacific Northwest Economic Region has been dealing with harmonization for quite some time, particularly using the Alberta model. What is the minister doing on behalf of Alberta's trucking industry to achieve consistent size and weight limits between all states along the corridor?

MR. STELMACH: Mr. Speaker, trying to streamline the regulations with respect to vehicle weight and dimensions has been a long-standing goal of both the ministries of Infrastructure and also of Agriculture. The maximum size of load limit, of course, becomes the common denominator. If I recall correctly, California is about 80,000 pounds. We're at 125,000 licenced pounds. If we're going to be trucking any of our goods down to California, we can only load at 80,000 pounds. As a result, that greatly increases the cost of getting the goods there.

We're working with the governors of the western states, especially along the interstates, and trying to streamline those regulations as quickly as possible. As well, we're going to have visitations here this week from a mission from Idaho, and that's a very important topic of discussion.

THE SPEAKER: The hon. Member for Edmonton-Mill Woods, followed by the hon. Member for Edmonton-Centre.

Pine Shake Roofs on Schools

DR. MASSEY: Thank you very much, Mr. Speaker. The Greater St. Albert Catholic school board will be forced to spend a quarter of a million dollars replacing the roofs on l'ecole Marguerite d'Youville, and l'ecole Marie Poburan schools. These schools have pine shake roofs that are now rotting. My questions are to the Minister of Infrastructure. Given that the pine shakes were developed, approved, and promoted by the government, will the Greater St. Albert Catholic board be granted an extra \$250,000 to replace these rotting pine shake roofs?

2:40

THE SPEAKER: The hon. Minister of Infrastructure.

MR. STELMACH: Well, thank you, Mr. Speaker. I'm quite sure the hon. member across is well aware of the funding formulas for not only school modernization and rejuvenation but also the building quality restoration program.

DR. MASSEY: Mr. Speaker, my second question is to the Minister of Learning. When this government claims that as much money should go to instruction as possible, why is it forcing the St. Albert Catholic board to divert funds away from the classroom to correct a problem created by this government?

DR. OBERG: Mr. Speaker, I will defer that one to the Minister of Infrastructure.

MR. STELMACH: Mr. Speaker, as the hon. member across the way knows, there are very specific formulas in place as to how much money can be diverted from instruction over to capital needs. However, in this particular case all boards are fully aware of the funding structure in place. There's over \$40 million in building quality restoration. There's another \$70 million in modernization and building rejuvenation, plus another \$40 million to possibly as high as \$50 million in new capital construction.

DR. MASSEY: I'll try again. Mr. Speaker, this question is to the Minister of Gaming. Given that community halls are eligible for lottery dollars to replace their rotting pine shake roofs, can school fund-raising councils apply for lottery funds to do the same?

MR. SMITH: Mr. Speaker, the details of the community facility enhancement program are clear. The member himself uses those agreements. As this House well knows, the decisions of the community lottery boards, the sum of \$50 million this year and 52 and a half million dollars, are up to the individuals, those good community members, unlike those represented by the interests of the opposition, those members representing community interests to make those community-based decisions.

head: Members' Statements

THE SPEAKER: Hon. members, in a few seconds from now we'll

call upon the first of three hon. members to participate in Members' Statements today, but in the interim will you join me in wishing the hon. Member for Edmonton-Centre a happy birthday.

The hon. Member for Calgary-Fort.

Trans Canada Trail

MR. CAO: Thank you, Mr. Speaker. With distinct pleasure I rise to speak about an historic event that I attended in my home city of Calgary on Saturday, May 13. It is also an historic event for our province, when the water from the Arctic north met the water from the Pacific west. The water is now being brought east to Ottawa to join with the water from the Atlantic.

I want to congratulate the Alberta Trailnet organization, the national relay team, the Trans Canada Trail Foundation, and especially the local organizers of the Calgary 2000 society and the Sien Lok Society. I would like to ask the Assembly to recognize all volunteers, sponsors, and participants, just to name a few: Darryl Barber, Carol and Larry Ryder, Carol Dougall, Ray Lee, Debra Wong, Olympic gold medalist Ken Read, Paralympics gold medalist Renee Del Colle, Lois Budgeon, Norma Wilson, Joanne Paulenko, Betty Ann Graves, Stew Senger, and so on.

It is an honour to play a role in the world's longest relay. The Trans Canada Trail of over 16,000 kilometres symbolizes a spirit of unity for Albertans and our Canadian communities.

The government of Alberta through our Minister of Community Development has contributed about \$1.1 million to the Trans Canada Trail building effort inside Alberta and an operating grant of \$50,000 annually for the Alberta Trailnet organization. Albertans will continue to measure their quality of life and the strength of their community in terms of clean air and water, outdoor activity, diversity of land and species as well as economic prosperity. The Trans Canada Trail offers Albertans another source of outdoor activity that will allow us to see more of our beautiful country. I'm very pleased to note that the Alberta government continues to ensure the opportunity for Albertans to enjoy our unique natural environment. Budget 2000 provided \$14.4 million additional funding to help ensure that our natural environment can continue to be a source of pride and enjoyment for Albertans for generations to come.

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

Organic Egg Farming

MR. DICKSON: Thank you, Mr. Speaker. Last week while I was in the Legislative Assembly, my constituency office was literally inundated with calls from concerned constituents with respect to the possible destruction and loss of a number of organic eggs that are sold through a health food store in Calgary-Buffalo. Since that time I've had a chance to do some investigation with respect to some of the problems that are confronting one producer in Alberta in particular who produces free-range eggs.

Poplar Bluff Farm, a small organic operation, it turns out, has something like double the quota of 300 laying hens and therefore runs afoul of the existing regulations. That would be the egg producing and marketing regulation under the Marketing of Agricultural Products Act. One of the things that my office has determined in the course of our investigation is that there is a strong argument that has been made that organic egg farming, because it appeals to a very distinct and separate market from the balance of the market for eggs, should be regulated separately from conventional farming with a separate quota under the control of the Canadian Organic Advisory Board.

Now, there are some delays, apparently, in doing this, and I

wanted to challenge the minister of agricultural services in terms of what leadership he and his department can provide to ensure that those Calgaryans, those Albertans, indeed, who particularly seek out organic eggs will be able to do so without impaired access. I think this can be done, from what I'm told, without interfering with the very elaborate marketing structure that we otherwise currently have for eggs. It's been a concern, and I simply want to relay this message to the minister of agricultural services, and I look forward to his response.

Thank you very much.

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

Hull Child and Family Services

MS GRAHAM: Thank you, Mr. Speaker. It's my pleasure this afternoon to rise to recognize the very important work of Hull Child and Family Services, located in my constituency of Calgary-Lougheed. Hull Child and Family Services is an intensive, comprehensive treatment centre that provides specialized therapy, counselling, and education to many of the most needy children and their families in southern Alberta. These children need help for the most serious of disorders, including extreme emotional disturbances and behavioural disorders. For most of these children Hull home represents their last chance.

Hull home was created because William Roper Hull, a very successful Calgary businessman and philanthropist who died in 1925, left the bulk of his estate to create a home for needy children. A private act, the William Roper Hull act, was passed in 1954, and Hull home opened in 1962. For more than 40 years Hull home has served children in need not only in Calgary but right across Alberta. Through the years Hull home has changed and grown to meet the changing needs of children and families.

It evolved from two cottages in 1962, which provided residential care to 17 boys, and it now provides a broad spectrum of specialized services to over 500 troubled children and families at any given time in a number of different settings, from residential treatment to group homes to foster care homes to in-home treatment programs to schools and other community-based programs in an endeavour to bring its individualized support programs directly to children and families. This past February 1 I was pleased to attend the opening of the newly expanded and renovated secure treatment facility, which is the only one of its kind in southern Alberta and serves those children who are at extreme risk.

Mr. Speaker, I would ask all members of this Assembly to join me in paying tribute to the important work that Hull Child and Family Services provides.

2:50

head: Orders of the Day

head: Public Bills and Orders Other than
Government Bills and Orders

head: Second Reading

Bill 209 Employment Standards (Parental Leave) Amendment Act, 2000

[Debate adjourned May 16: Dr. Massey speaking]

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

DR. MASSEY: Thank you, Mr. Speaker. I just have a few comments that I'd like to make before concluding my comments about Bill 209, and those comments focus on a concern I had as I read the

bill. In particular it was reinforced when I read the communication put out by the Member for Calgary-Fort, and that is my concern about the balance of input into Bill 209.

The member, I think, has put out what was intended to be information in a question-and-answer form, and I think it's a good form for information of this type, but as I went through the publication and did a rough tally, eight of the 14 questions are used to try to allay fears from the business community. Certainly, the business community has a large stake in the provisions of Bill 209, but this seems to me to be an inordinate amount of influence for one of the stakeholder groups to have in the formation of a bill such as 209.

So eight of them are focusing on assuring businesses, and it indicates especially that small business employer groups' views were taken into account when the bill was crafted. There are words used throughout those questions that are addressed to the business community that minimize the impact of the bill, that try to assure them that it will only come into effect if the employee exercises it. The whole language of those eight questions is designed to tell business that this is really a small move, that it's not important, and I wonder if that should be the focus.

I looked again at those questions and answers, and two more of the 14 focus on government in terms of revisions of the code and whether Bill 209 is consistent with other actions and recommendations from other reports that the government had commissioned or been involved in.

So here we have 10 of the 14 questions and answers focusing on things other than what is central about Bill 209, and that is the formative years in a child's life. I would have felt much more comfortable that all of the stakeholders had been heard and that all of the stakeholders were really represented in the provisions of Bill 209 if the same kind of assurance that the business community got was offered to those in the community who work in the interests of young children.

I don't see that balance here. I don't see the assurances to those people who work with young children in terms of provisions of day care. I don't see the assurance in this bill in terms of what kinds of things are happening to children zero to two years of age. I think that's unfortunate, and it really does cause me some unease. While I intend to support the bill, it's not without some misgivings that there is still a large group who has not been heard from, and had they had more of an influence, this bill might be quite different.

I go back to the comments that I made in the previous debate on 209. When we compare this bill and what is happening in terms of public policy in this area elsewhere in the world, it is a very, very modest piece of legislation, and I think we want to keep that in mind, Mr. Speaker, that this is not earthshaking. It's needed, but it is very modest, and one would hope that it might be followed by a more comprehensive look and something that addresses the needs of these young children even to a greater extent than the provisions of Bill 209.

So with those comments, Mr. Speaker, I'd conclude. Thank you very much.

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

MR. AMERY: Thank you, Mr. Speaker. I am very pleased today to rise and speak in favour of private member's Bill 209. As a father I find it very critical that this government does what it has in its power to help families and improve the well-being of children in this province. Private member's Bill 209, presented by my colleague from Calgary-Fort, is a small step toward improving the lives of many of Alberta's children. By allowing a parent or both parents just a little more time with their children, we will help ensure that these children grow up to be well-adjusted adults.

Mr. Speaker, in fact, longer leaves are in line with this government's intervention programs that would see mothers spending more time with a newborn. There is currently a volume of scientific evidence that suggests that children who have more direct contact with parents in their early years turn out to be better adjusted and healthier adults.

[Mrs. Gordon in the chair]

Madam Speaker, parental advocacy groups across North America have been very active in promoting early childhood involvement by both parents, particularly since dual-income households have increased in prominence. Their position is supported by the commonly accepted belief that children whose parents take an active role in their early development are more socially adjusted. Even further arguments have been made regarding the need for fathers to be as active in early parenting as mothers. Some studies have demonstrated a direct relationship between children's behaviour and the amount of time and support provided by not just mothers but fathers as well. In fact, there are volumes of social science research that address the issue of early childhood development and the effect of a young child's environment on how that child will function in society as he or she grows up.

The findings of these studies are consistent, indicating that the quality of a child's development psychologically, emotionally, and intellectually is consistently better when that care is from a parent as opposed to a paid caregiver. Madam Speaker, research indicates that no matter what the facility, there is no equal for parental care in a child's formative years.

The president of the Canadian Society for the Prevention of Cruelty to Children, Dr. Elliott Barker, has argued that nothing is more important in the world today than the nurturing that children receive in the first three years of life, for it is in these earliest years that the capacity for trust, empathy, and affection originate, and if the emotional needs of the child are not met during these years, permanent emotional damage can occur.

It seems from the evidence that extending parental leave is a desirable option for this province. The question is: will the cost of this program be passed on to small employers in this province? Of course not, Madam Speaker. There will be no added cost to employers in the province of Alberta. The only sacrifice employers will face is that they will be required to hold an employee's position for an additional length of time. In some cases this could be up to nine weeks more than the current 18 weeks granted by the Alberta labour code. This is not paid leave. Any payment an employee receives will be from the federal government employment insurance program, a program that Albertans have already paid into, a program that every other jurisdiction in this country allows their parents to take advantage of for at least 25 weeks. In utilizing this program, Albertans will simply be reclaiming what is their own.

3:00

Madam Speaker, other jurisdictions in Canada have more generous leave time for parents. This legislation aims to bring Alberta in line with the national average. New Brunswick, the Northwest Territories, and Yukon offer 17 weeks of maternity leave, which must be scheduled prior to the expected date of delivery. In addition, 12 weeks of parental or adoptive leave are subsequently provided. This is leave which may be used by either parent so long as both parents are not away from work at the same time. Ontario offers 17 weeks of maternity leave and 18 weeks of parental or adoptive leave.

Quebec has the most generous leave of all jurisdictions. They

offer 18 weeks of maternity leave and up to 52 weeks of parental leave. Quebec was the first province to introduce maternity and parental leave provisions into their employment standards act. Moreover, Madam Speaker, the province has been successful in pressuring the federal government to extend EI coverage beyond the current 27 weeks.

It is clear that these provisions provide greater support for families in Canada than the provisions in this province. In Alberta employees who have been with the same employer for a period of at least one year receive 18 weeks of maternity leave with at least six weeks of those weeks following the date of delivery.

Madam Speaker, the other day I came across an article on a report by Save the Children. The report concluded that the rich countries may not be the best at taking care of their mothers and, in turn, their children. The report ranked Canada ninth in the world when it came to the well-being of the children. I looked into this and found that many of the countries that outranked Canada had longer leaves for new parents. Many of these countries were European countries. In Europe women generally receive a well-paid leave. In Norway, for example, mothers can take 42 weeks parental leave at full wage or 52 weeks at 80 percent of their wage.

Madam Speaker, in a recent report by the Canadian Policy Research Networks Canada was found to lag in support of families. Canadian children entering the 21st century are at risk of falling further behind their European counterparts in terms of outside support for the family. According to this new international study, an Ottawa-based think tank calls for a revolution in government and private-sector assistance in areas such as parental leave, child care allowances, tax breaks, and income support. The report recommended that Canada adopt policies similar to France, the Netherlands, Germany, Sweden, and Norway.

To sum up, private member's Bill 209 is not recommending that we extend maternity/paternity leave for parents to one year. That in my view would be excessive, but, Madam Speaker, it is asking that we extend leave for parents to bring it in line with the national average, and it is asking that we do that for the welfare of our children.

Furthermore, the amendment would amalgamate current provisions for maternity leave and adoption leave; that is, it would provide adoptive parents with the same amount of parental leave as a biological parent. This is certainly a positive initiative that would reinforce the notion that the parenting responsibility of adopted parents is equal to that of biological parents.

I urge all my colleagues to support this bill. Thank you, Madam Speaker.

THE ACTING SPEAKER: The hon. Member for Edmonton-Riverview.

MRS. SLOAN: Thank you, Madam Speaker. I'm pleased this afternoon to rise in the debate of Bill 209, Employment Standards (Parental Leave) Amendment Act. I have several questions with respect to the provisos in this bill. The proposal, as I read it, would be that under the Employment Standards Code any employee in the province who had been employed for at least 12 consecutive months could apply to their employer for parental leave without pay. Regrettably, the act does not stipulate whether this coverage would apply to those employees that are employed on a part-time contract or a casual basis. In this respect, 12 consecutive months, they may very well be in the capacity of a part-time employee or a contract employee or a casual employee but not in fact have worked consecutively in each month. So that application in this bill, in my mind, is in question.

The other matter that I would like to raise is that there are no provisos as to how this would apply to or assist those parents in the province who are single parents. In essence, if it is an unpaid leave, I would suspect that most single parents in the province would not be able to access it, nor would there be any benefit per se in accessing it, if they had to sacrifice their salary in order to do so. If they stay home with their child but are forced to go on social assistance for that period of time, how much further ahead is the child and the family unit? I would suggest, Madam Speaker, not much.

In essence, what this bill proposes to do is to create a contradictory double standard, that dual-parent families in this province would in essence be able to access this parental leave provision in supplement to the maternity leave provisions that exist today but single parents most likely would not.

Also, the proposal this afternoon flies in the face of the current policies and programs that exist in this government relative to the treatment of new mothers and new infants in the social welfare program. We continue to have it as a practice that mothers who are receiving social assistance are forced to return to work when their child is two months of age, and in essence if we're saying on one hand as a government that we should provide a 27-week leave for parenting of children, why is that same program and accessibility of leave not accessible to those individuals who are parents and receiving social assistance?

My other questions relate to the period of time, particularly to clause 47, where it says:

Either or both parents may take parental leave with respect to the birth or adoption of a child, but the aggregate amount of leave . . . from employment that may be taken by 2 parents shall not exceed 27 weeks.

In essence, we're saying that the maximum leave would be just over six months and that two parents could not plan so that perhaps the mother takes the first six and the father applies to take the second six months. In my mind, Madam Speaker, it completely flies in the face of all the documented research and findings that we should be placing emphasis on, creating stability and creating routine and continuity for at least the first three years of a child's life, yet the bill that is before us this afternoon says that simply 27 weeks is good enough and that if one parent applies under the Employment Standards Code, even if the other parent is employed by a completely different firm or public-sector institution, that parent can't apply for leave. I'm wondering if that's even verging on discriminatory, because in my mind each of those individuals is a parent. Each should have equal status and equal treatment under the law. They should be treated no differently.

So I don't find clause 47 understandable or supportable or defensible under the laws that we have, under the research and documentation that has been compiled across the globe on the first three years of a child's life, and in the context of government practice in this province elsewhere. It's just simply not supportable and does not make sense.

The other reality that we face with this bill is that while in principle it may be attempting to implement a particularly supportable concept, it doesn't address the underfunding of children and family services that exists in this province and has existed in this province for some time. Even in my term of office we have seen huge cuts to the social services sector. Those have impacted most certainly single parents, most certainly families, and most certainly children receiving services under child welfare or social assistance.

3:10

We have seen a complete elimination of the operating allowance for day cares and, in the face of several documentations being tabled

in the House this session, Madam Speaker, no actions to address the enormous inequities: the workload, the deplorable wages that people who are in the service of caring for children in this province receive. We see no government action in those particular areas, so it's very hard to take with any degree of seriousness a private bill for parental leave when such realities exist.

We are also mindful, reading from the government's own children's summit report, that what people in the field, the stakeholders, what families and parents told this government is that you need a comprehensive plan for the future of Alberta's children. It needs to be multifaceted. It needs to address a number of theme areas, which were identified in the report that was released, the Children's Forum being held in October of 1999, the forum report being released in February of this year. Albertans said that it's not a piecemeal approach that's required here, Madam Speaker. It's a comprehensive, multifaceted, long-term plan of action that's necessary.

I think it's warranted this afternoon to actually read into the record some of the key areas that were raised in the themes relative to the Children's Forum to put this bill in context. One particular theme spoke about actively leading in health and wellness promotion and the identification of four categories of health concerns: healthy families, mental health, sexual health, and nutrition. There was mentioned in that discussion the use or implementation of a particular children's screening tool. It was recommended quite broadly that that screening tool be implemented by government – and I'm just attempting to find that exact recommendation in the report – to examine all of the program and service areas providing services to children, Madam Speaker.

Let me just read from the particular section on health promotion. This is page 12 of the Children's Forum report.

A major gap in current services for children exists in the identification of children-at-risk in . . . early years, before they arrive at school. It was acknowledged that the identification of risks and funding for the treatment of their causes are much more effective, cost-efficient, and less traumatic emotionally, when performed at an early age as opposed to later in . . . life.

On the same page, Madam Speaker, it was identified that there were three funding-related issues that required addressment.

1) the need for long-term, sustained funding for community-based agencies; 2) the need for equitable funding among rural areas and urban centres; 3) the need for appropriate funding levels to ensure all the needs of children are met, i.e. prevention and early intervention.

So while there is obviously some credit warranted to the hon. member who has sponsored this as a private member's bill, it just in no way, shape, or form, Madam Speaker, goes far enough to address the multitude of issues and the multitude of problems that have arisen from government cuts to social welfare programs in this province over the last decade. That is simply the reality.

Just getting back to my points. The Children's Forum report talked specifically about the health issues facing children and talked about wanting to ensure that there was a program for comprehensive early intervention. Now, while parental leave might contribute in some form to that, again it seems that the patchwork system that is proposed with this bill really wouldn't be equitably applied. Again reading from the Children's Forum report, it was recommended on page 39

that assessment techniques and prevention programs be implemented to assess and address risk factors that are related to drug abuse. Prevention and early intervention programs will be designed for parents to teach their children about substances and decision making.

It was further recommended

that government commit to an early intervention focus in all service areas/ministries, and still maintain and build on existing early intervention programs.

It was further recommended that

- eligibility for day care subsidy and compliance be expanded;
- there be enforcement of minimum standards for day care;
- there be more Head Start Programs in more communities;
- parental leave provisions be increased.

In a small respect, Madam Speaker, the bill may give some rise to addressing that recommendation. However, as I pointed out, it is selective in its design, because single parents most certainly would not in my mind be able to access this type of leave and actually be in a position economically to care for their children.

As well, I wanted to point out to the hon. member that in reading the bill, I think there was a bit of a misprint on page 1 of the explanatory notes under section 4, which is citing sections 45 to 50. As they presently read, section 46(1) does not appear to have been fully transcribed in the bill. In fact, there's an obvious gap in the bill at 46(1), where it reads, "The maternity leave to which a pregnant employee is entitled is," and then that's not continued. On the next page it goes on to a completely new section. That, I think, could serve to misinform or mislead Albertans about what provisions actually exist. I'm not sure we're in a position to make any changes, but the hon. member may wish to in fact copy that page and send it around to hon. members so that we actually have an accurate reflection of what the original provisions say.

I think that personally, in my experience as a parent, the concept of parental leave is a good one. It is certainly something that the government should consider as one aspect of a plan or vision relative to the provision of services to children and families in this province. It has to warrant more priority, though, than a private member's bill, in my opinion. We heard in the 2000 Speech from the Throne and in the budget debates and we're currently hearing in this Assembly in question period that children are a priority of this government. We have not seen, in reality, a comprehensive action plan on the children's summit report. Since that report was released, we've had the Task Force on Children at Risk report released, and that has not been accompanied by any commitments of funding. So as I stand here this afternoon, as much as I would like to sincerely support this private member's bill, it just does not compensate, Madam Speaker, for the lack of action in a wide range of other government areas.

3:20

I have had parents, as well, of handicapped and disabled children, quite a number of them, come and talk to me about the inequities in the provision of services to their children relative to both the provision of services in schools as well as provision of service in the health care system. Long ago – I think it's going on two years ago – we had the promise of this government that there was going to be a comprehensive approach to the provision of services to children. We had the student health initiative announced. We had the ministerial task force on children's services. I'm not sure if I have the title completely accurate on that. It was intended to bring together the ministries of Education, Health, Children's Services, and Justice, providing for maintenance enforcement – I think I'm naming the majority of them – and try to provide a concrete approach to reduce the number of hoops, if you will, the maze that parents and families needing services from these ministries would have to go through to access them.

The reality, Madam Speaker, is that really the system hasn't changed. The barriers and hoops that parents of disabled children and handicapped children in this province must go through to access comprehensive, acceptable levels of support for their children are extensive. It's exhausting for them, and it's exhausting for those of us that are attempting to advocate on their behalf to see them through that maze. The reality is that children don't wait. We often talk in this province about the future. In fact, the government sold its whole deficit

elimination and debt reduction plan on not wanting to cast off our debt onto our grandchildren. Well, the reality is that we are in the process of creating a human deficit in this province that far exceeds the fiscal one this government purports to have eliminated.

That is occurring because we have also deemed that tax reduction and tax reform are the two top priorities for implementation in this session and in this government's term of office. We don't see an accompanying emphasis, despite the Premier waxing on about this in the Speech from the Throne – he said that children were the first priority. We have seen nowhere near the commitments in principle or in funding coming to children that the government has made on tax reform.

So, Madam Speaker, the bill before us this afternoon is a token one. I respect the hon. member's sponsoring it, but I cannot support it. Thank you.

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

MR. SHARIFF: Thank you, Madam Speaker. It is a pleasure to stand in the Assembly and participate in this debate. I would first of all like to congratulate the Member for Calgary-Fort for bringing this legislation forward.

Recently I had the honour of sitting on the Premier's Task Force on Children at Risk. The role of the task force was to take a look at issues facing children at risk, including but not limited to those who are at risk of developing violent behaviour. Our task was to search for ways of working together to make sure that Alberta's children are healthy, happy, safe, secure, and ready for whatever their futures might hold. The report, appropriately titled Start Young, Start Now, emphasized the importance of starting before problems become apparent. The recommendations recognize that first and foremost parents have responsibility for their children and for ensuring that they have a healthy, safe, and positive start in their lives. In other words, parents come first.

Madam Speaker, to that end I agree with this bill in principle, but I do have some concerns about the effect of this legislation. There are more stakeholders in this debate than parents and children. The vital stakeholders that seem to be missing in this debate are the small businesses of Alberta. One of the issues that needs to be addressed is what impact this legislation will have on small business, a sector that is vital to the economy in this province and a sector that is vital to the Alberta advantage. My main difficulty with this private member's bill is that we have yet to see any comments from the business community in Alberta. We need more consultation before we enact legislation that could affect the business community in this way. We must truly take into consideration all the viewpoints of businesses in this province. Should such a consultation occur and should the business sector support it, then I would be happy to vote for this bill. However, until that occurs, we must put this bill aside. I encourage the hon. Member for Calgary-Fort to initiate such a consultation and include all those who are affected and impacted by such a bill.

I also want to commend him for bringing forward a bill that would have helped parents spend more time with their children. It is certainly a noble intent. However, Madam Speaker, at this particular point in time I am not willing to lend my support to the bill. I look forward to more consultation with the Alberta business sector, and at that point in time I would be willing to lend my support to the hon. Member for Calgary-Fort. I hope he goes through with the consultation. I hope he takes this as a major initiative to include as many stakeholders as possible. When the results are in and I see the outcome, I may be convinced. I hope that at that point, with the new

information that will be presented to us, we will all be able to make a much more informed decision.

With that, Madam Speaker, I'll take my chair. Thank you.

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

MS BLAKEMAN: Thanks. I realize I only have a few minutes before we hit the cutoff for debate in this area today. I've listened to the debate thus far on this, and what strikes me is that it's the old argument: is the glass half full or half empty? Is this bill going far enough? Is a little step a good step and should be followed through, or is it so deficient, taken in the context of all the other things, that it should be dropped? We've just heard from another member saying that the businesses haven't been consulted. Well, I don't know that, but I'll take his word for it.

You know, I do see this as a small token, a small step forward, but it is to me significant that this is coming forward as a private member's bill, which is a traditional sort of finger-in-the-air testing ground for ideas the government might want to consider. The Member for Edmonton-Riverview spoke at some length and brought forward a number of other issues that have been suggested as part of a larger, sustainable program for children in this province, and I have to agree. Over and over again I see this kind of hit-and-miss, piecemeal approach to dealing with a group of people or part of a life stage where we as legislators need to be looking at whether we can offer assistance or not to uphold it. I mean, as an activist I have to say that I really like the concept of balance and fairness that's being introduced here, particularly around the inclusion of adoptive parents.

I see that the Speaker is rising and I'm about to be cut off. I look forward to continuing this debate the next time it's up.

THE ACTING SPEAKER: Thank you, hon. member. I hesitate to interrupt you, but the time limit for consideration of this item has expired.

3:30

head: Motions Other than Government Motions

Low-cost Housing

512. Mrs. Laing moved:

Be it resolved that the Legislative Assembly urge the government to encourage municipal governments to investigate ways of adding low-cost housing units through changes in zoning bylaws to allow alternate housing units such as secondary suites and room-and-board housing in residential neighbourhoods.

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

MRS. LAING: Thank you, Madam Speaker. My reason for bringing forward this motion is simple: within many rural and urban centres low-cost rental accommodation is becoming very scarce. The economic success that Alberta has enjoyed over the past few years has produced many rewards. We are fortunate to have a strong and healthy economy. Our real GDP growth in 1999 is estimated to have been 2.9 percent. This growth is expected to reach 4.5 percent in 2000, which is higher than the expected national average of 3.1 percent. Our diversified economy is more stable and less reliant on one sector, which minimizes the impact that fluctuating commodity prices have on our economic well-being. People are moving to Alberta from across Canada in search of jobs, and they are finding them. In 1999 Alberta's employment rate was one of the lowest in Canada, and we saw the creation of 35,000 new jobs. Currently 1.5

million Albertans are employed, which is the highest employment rate in Canada. But this success has brought a few challenges, one of which is the availability of suitable low-cost rental accommodation.

Across Alberta vacancy rates have dropped significantly in the past few years. In 1993 Calgary had a 5.9 percent apartment vacancy rate. In 1999 that rate had dropped to 2.8 percent. Calgary is not alone. In 1992 Grande Prairie had a 9.4 percent vacancy rate, and we've seen that rate drop to 3.6 percent during this last year. Fort McMurray has also seen a similar trend, dropping from 17.2 percent in 1990 to .7 percent in 1999. Lethbridge has experienced a vacancy rate of .9 percent, and Medicine Hat has a 1.1 percent rate. Red Deer has a .9 percent rate, and Brooks has a 1.8 percent rate. Madam Speaker, these are just a few examples, but they serve to illustrate the point that rental accommodation is becoming difficult to find in Alberta.

A lack in supply has caused rents to increase, often beyond affordability. While it enjoyed the lowest vacancy rate in Canada in 1998, Calgary's rents have also increased by 12 percent, with a one-bedroom apartment averaging \$574 per month, which may not sound like much unless you're a single person, a single parent, or a senior on a fixed income. Many low-income Albertans must look for rental rates from \$250 to \$350 per month.

In Calgary homeless shelters are housing people who have jobs but cannot find an apartment or cannot afford the going rate. Compounding this problem is the fact that municipally owned social housing units are having a difficult time accommodating the number of people in need of housing. This situation poses a whole series of difficult and complex questions. It is not the role of the homeless shelter to provide accommodation for low-income Albertans. Madam Speaker, this would not be the best use of this limited and valuable resource. At present the homeless shelters are stretched to the limit in their attempt to aid the street people who are either abused, mentally ill, drug dependent, or destitute.

I do not want to sound too negative. The increased demand for rental accommodation has brought with it many positive benefits. It has ignited an urban renewal in downtown Calgary that's seen centrally located areas redeveloped with upscale apartments and condominiums. We are seeing loft apartments. These districts are now safer than they once were. They contribute in a positive way to the municipal tax base and have injected vitality and community spirit into the inner city, but the unfortunate by-product has been that this revitalization has displaced many lower income renters and reduced the amount of available low-income rental housing. Where, then, do these displaced individuals go? Somehow provision must be made to ensure that they have reasonable access to housing that fits within their budget.

Madam Speaker, Motion 512 is an attempt to address this challenge. Our government can help by proactively working with the municipal governments to find solutions to the shortage of low-cost rental accommodation. Governments can help create the environment where the construction of housing and low-cost housing alternatives such as secondary suites is encouraged. This is the key. All levels of government must work together on this issue, and it's not the exclusive domain or responsibility of only one level of government.

Thankfully, Madam Speaker, those of us in this Chamber have never experienced homelessness. Having said this, I would also suggest that many of us have experienced times in our lives when we had to live on a low income and had to struggle to make ends meet. Imagine how each of us would have felt if we were forced to move from our accommodation solely because the landlord had decided that he was going to make it into an upscale condominium and we

could no longer afford the rent. Add to this a zero vacancy rate, and I think you would agree that it would be a very unwelcome and unpleasant experience to have to move.

We want people to move to Alberta to find jobs, to find a place to live, to pay taxes, and to become contributors to the Alberta advantage. We do not want some Albertans to have to leave because they cannot find a place to live. This type of departure would soon have a negative effect on our buoyant economy. Shelter is not only a basic human need; it's a basic human right. No able-bodied person who's a productive member of our society should be left homeless due to a lack of available rental accommodation.

Madam Speaker, I know that this is a difficult problem, one in which there are no easy answers, but I believe that secondary suites and boarding houses could help to form part of the solution, and that's why I've brought forth this motion. Some of us probably know someone with a basement suite, or a secondary suite as they're now called, in their home. In renting out their suite, homeowners are able to earn extra income towards their own mortgage, and in doing so, they also provide an affordable, low-cost alternative rental accommodation to lower income Albertans.

Many of us at one period of time in our lives have had the experience of renting a secondary suite, either as a university or college student or after leaving our parental home to enter the workforce and start a new life. Even today the basement suite is a common form of accommodation for many university students. But the reality, Madam Speaker, is that many of these basement or secondary suites are now illegal. Over the years implementation of municipal bylaws and changes to the Alberta building code have placed more and more stringent rules on secondary suites. While these changes were well intentioned and directed towards ensuring the safety and well-being of all occupants in a residential building, they have made many suites illegal.

To be considered legal in Edmonton, for example, a secondary suite must be constructed with a separate entrance, a separate forced-air heating system, additional fire wall separation, meet a specific basement ceiling height, and provide for one on-site parking stall. These restrictions make the development of a secondary suite costly for the homeowner and, as a result, difficult to justify economically. While ensuring that a suite meets the minimum height seems reasonable, Canada Mortgage and Housing Corporation estimates that it can cost upwards of \$40,000 to achieve the proper ceiling height in many of our post World War II homes. As a result, the added cost of developing a secondary suite means that the homeowner often decides that meeting the stringent requirements is too costly.

In cases where they decide to go ahead with the development, the costs associated are passed on to the tenants, which impacts on the affordability of the suite. Alternatively, a homeowner may choose to go ahead with developing the suite illegally, potentially placing the safety and health of all occupants of the house in jeopardy. Regardless of the outcome, the net result is that there is no net positive benefit for the rental market. Either the potential rental suite is not developed, or it is developed but is too costly to rent, or it is developed illegally and could be a potential health hazard.

Madam Speaker, existing suites are also subject to the same conditions. If existing suites are found to be illegal, the homeowner has the option of correcting it until it conforms or be faced with the prospect of being forced to remove the suite altogether. As a result, the illegal suites remain illegal, the potential suites are not developed, and the demand for affordable rental accommodation remains high. I believe that ensuring that health and safety are maintained is paramount for any community, but I also believe that secondary

suites can play a very positive role in addressing the critical lack of affordable rental accommodation across Alberta.

3:40

In Calgary estimates suggest that roughly 183,000 properties zoned as either R1 or R2 could be easily developed into suites. Just think: if only 1 percent of these properties were developed, that would put 1,830 low-cost rental units on the market. In my mind, this would be a good beginning and go a long way to help alleviate some of the pressures Calgary is currently experiencing.

How do we make this a reality? Where do we have to start? Well, in 1998 the city of St. Albert and the towns of Gibbons, Devon, and Morinville undertook a study of the issue of secondary suites within their communities. In their findings or recommendations they found that municipalities, if serious about introducing secondary suites into the rental mix within their communities, have a wide array of options that they could consider. In conjunction with revisiting their bylaws on secondary suite development, municipalities and the provincial government need to work together to re-examine the Alberta building code so that it makes sense. Strict adherence to the building code requirements in Alberta makes secondary suite development, especially in older, single-family homes, difficult and expensive. Municipalities and the Alberta government need to identify more pragmatic safety standards for secondary suites.

One particular option should be to try to better balance the goal of providing affordable housing through the legalization of secondary suites with ensuring that a lower but still acceptable standard of health and safety requirements is met. Another option would be to streamline the permit approval and the inspection and enforcement process, thereby making it less costly and easier for a homeowner to legalize their suite. Finally, municipalities could examine the possibility of providing an incentive to homeowners in the form of a special property tax exemption in exchange for registration and legalization of the suite. One thing is clear. Restrictions and regulations of secondary suites must be eased so that suites can be introduced into the rental market in as inexpensive, equitable, and simple a fashion as possible for the homeowner and the municipality.

Madam Speaker, in the course of preparing this motion, I researched how other jurisdictions regulate secondary suites. I found that in many jurisdictions they play a productive part in the rental market. Probably the best example is British Columbia. In conjunction with the British Columbia government amending the B.C. building code, the cities of Vancouver, New Westminster, and North Vancouver altered their municipal bylaws to permit the existence of secondary suites.

More specifically, the city of Vancouver regulates suites through conditional use. This means that they are permitted only in certain communities, and it also allows illegal suites to be phased out over a limited period of time. The city of New Westminster allows suites in all low-density residential areas through a density bonus system. This system allows a homeowner to construct an additional dwelling unit in exchange for adhering to detailed design and landscaping guidelines in conjunction with applying a restrictive covenant to the title of the property. Finally, the district of North Vancouver, while requiring certain criteria to be met – it must not be larger than 40 percent of the primary dwelling, must provide an off-street parking stall, and must meet provincial building code standards – is the least restrictive and allows suites in all low-density residential districts as a permitted use. These jurisdictions show that an inexpensive, equitable, and simple method based on certainty for both the homeowner and the municipality can be achieved, allowing secondary suites to become part of the rental marketplace.

At this point I'd like to acknowledge that some innovative work

is being done in Alberta on a pilot project basis. In McKenzie Towne in Calgary and Terwillegar Towne in Edmonton a special zoning bylaw has been implemented to allow new homeowners the opportunity to build suites above their garage. These suites can then be used by the homeowner as a granny flat for their parents, as a guest suite, or as rental accommodation. Unfortunately, the costs of developing these upscale suites, in addition to the cost of developing a new home, have deterred many homeowners from using the special bylaw exemption.

More needs to be done, and Motion 512 is an attempt at the beginning. The provincial government needs to work with all levels of government to encourage municipalities to find low-cost housing alternatives for low-income Albertans. Secondary suites offer a good inventory of potential rental accommodation. It's a quick, easy, and abundant solution. I personally know of many seniors who would love to rent their basement suite to a young couple or to a young person. The benefits to both are numerous. Perhaps in exchange for performing various duties and chores around the yard or the house, the seniors could offer their renters a lower rent. The senior homeowner benefits by being able to stay in their home and feeling secure, and they are also out of the long-term care system. The renter benefits by having access to a safe, clean, and affordable rental accommodation.

Secondary suites could also allow seniors who want to be close to their families that option. While maintaining some of their independence through their own apartment, seniors would be able to be close to their loved ones and enjoy their golden years, confident that the love, support, and care they need is nearby. Families could also benefit greatly. With their grandparents very close by, grandchildren would grow up benefiting from the wisdom and knowledge that only age can bring.

Madam Speaker, secondary suites and room-and-board housing are excellent resources to help meet the housing needs of many Albertans, and I would urge all members of this Assembly to support Motion 512.

Thank you.

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

MR. DICKSON: Thank you, Madam Speaker. This Motion 512 raises and addresses a really important issue. I've said to my colleagues numerous times that in Calgary-Buffalo, which is really the heart of that city, right downtown – those nine communities make up the inner-city part of Calgary – access to safe, affordable housing is the single biggest issue. I hear more about that from constituents than any other single issue, and that's been constant. That's been for at least the last three years. That continues to be . . . [interjection] Even more than organic eggs, hon. member.

It is a really significant problem, and I think it's clear that the Member for Calgary-Bow has decided that rather than address this huge range of challenges, issues, and problems, she's going to sever out one item and focus on that. I have great respect for the Member for Calgary-Bow. I get to as many of the conferences and sessions dealing with homelessness in Calgary as I can, and the Member for Calgary-Bow is at almost every one of these and often in a leadership position, so I acknowledge her work not just currently but over a period of time in terms of dealing with social housing. Having said that, I must say that I experience some frustration when I look at the motion. [interjections] Madam Speaker, I think I'm starting to lose. It shows you how fragile cross-party support is. In a minute and a half it starts dissipating.

Here is my concern. Madam Speaker, the concern I have is this. When I go to something like the Homelessness in Calgary search

conference 2, which was held March 24 and March 25 in the city of Calgary – and the Member for Calgary-Bow was there – or to the one that I think was two years ago, looking at solutions, and I look at the list of identified problems and those long lists of prospective solutions, you know what happens? You go to one of these conferences, and they sort of identify a range of issues. They get people identifying which are the priority areas, and they go off and work in those areas. I think of the issues that are identified. To focus on this one seems curious, because it's not anywhere near the top of the list. In fact, it's well, well down the list.

The other thing. I look at the reports from the Federation of Canadian Municipalities, the Municipal Government Perspective on Housing, which I'd tabled a couple of months ago. I look at the report, actually, under that member's name, Community Action Plan, that was produced May 25, 1998. I look at the range of strategies and solutions. Why is it that the member has picked the one we have no legislative competence to deal with? You know, if you look at the motion, what it talks about is: "encourage municipal governments to investigate ways of adding low-cost housing units through changes in zoning bylaws." Well, you know that's the one thing we are not legislatively competent to deal with. That's the municipalities. As a result of changes to the Municipal Government Act, the municipalities have even more latitude, flexibility, and scope than they had before. So why would we focus our time in this Assembly on telling municipalities how to do their handling of the zoning differently?

3:50

I can tell you that not only the Member for Calgary-Bow has been at many of these meetings. Bob Hawkesworth, an alderman, co-chairs many of these things and is also at these conferences. I sat beside Joe Ceci, another alderman, at the last conference in Calgary in March. There's plenty of representation. Judy Bader from the city of Calgary attends these things, and Kay Wong. I mean, there's huge involvement by the city. Why don't we let the people from the municipal level of government solve the municipal jurisdictional issues? Why wouldn't we focus in this Assembly on the kinds of things that only the province can deal with?

I don't disagree that there's potential in terms of converting some of those single-family dwellings into multiple-family dwellings. I will concede that it might help to ameliorate the acute housing condition in cities like Calgary if we were able to have some secondary suites and room-and-board housing, but I'm going to suggest that maybe what we do is focus on what we have exclusive legislative competence to deal with.

You know, when you go through one of these sessions, like the Member for Calgary-Bow and I have been able to do, and you go through a needs analysis and identification of issues, what you quickly find out – people come up with action plans. What do we talk about? We talk about creating legislation, regulations, and policies supportive in developing low-cost rental housing. Certainly an element of this is municipal regulations, and that's exactly what the Member for Calgary-Bow has identified.

But if we go on a little further, why don't we talk about the things that only the provincial Legislature can deal with? The Alberta building code is something that we have authority to deal with. Although it was mentioned by the member, it's not what she has identified in her motion. She's still talking about zoning bylaws. I fully support looking at the Alberta building code to see how we can accommodate that.

These are the items identified in the Community Action Plan developed by the Homeless Initiative Ad Hoc Steering Committee in Calgary, May 25, 1998. I think the Member for Calgary-Bow

would agree that when we attended that one in March, many of the same themes continued. It's not like we're developing new perspectives on the problems so much; it's a question of trying to focus on some of the ones that have been often mentioned.

Some of the other things we need are to "establish funding mechanisms/resources for development of low cost rental housing." This has to do with property tax reductions for multi-residential complexes; GST credits; interest subsidies to reduce mortgage costs; Alberta Municipal Financing Corporation, AMFC, financing; capital sharing programs.

One of the great ironies is that this province, in their cost-cutting mode, savagely laid off every piece of publicly owned property they could find in the city of Calgary to sell, divest, dispose of. You know, when I went to a housing conference in Edmonton – I think it was two years ago . . .

MRS. SLOAN: Symposium.

MR. DICKSON: Symposium. Thank you, Edmonton-Riverview.

The interesting thing is that that was the time there was an outright crisis in Calgary. Edmonton was a long way from that, but this is where the provincial government, the then Minister of Municipal Affairs, decided to hold the housing conference, here. What I remember at the time was a lot of talk about joint ventures, and the minister will remember that. But, you know, the question is: what does the province put in as a partner? Well, one of the things they could put in is raw land, one of the things the province had owned. If we hadn't been so darn preoccupied with divesting this land and putting some dollars in the general revenue fund, we might have thought a little further and said, "Why don't we retain some of this land?" and then been able to enter into creative kinds of joint venture agreements with developers, that would help boost the supply of affordable land. I've never understood that.

We've got other kinds of things that have been identified. You know, the federal government came along. Claudette Bradshaw, after her two trips to Alberta and her report, did exactly what Art Smith and John Currie and the Calgary Housing Authority wanted: to come up with a funding envelope with \$750 million and, most importantly, to allow local creativity to determine how that funding was going to be applied. We're still waiting, Madam Speaker, to know exactly what the provincial contribution to that is going to be. Somebody suggested to me the last time we talked about this that we still haven't heard about federal government money in terms of federal government cheques being cut. I acknowledge that that may be a problem as well, but I think there's a lack of leadership we continue to see from the province, and most of the energy that I see around addressing homelessness is coming from the municipalities.

There's no municipality in Canada that's more proactive than the city of Calgary is. You know, it's not elected government that's providing the leadership. It's the Salvation Army. It's the Mustard Seed. It's Derm Baldwin, the drop-in centre. It's those agencies and that enormous synergy that's coming together that's frankly, I think, challenging governments to try and keep up, and I want to tell you, Madam Speaker, that I don't think we're doing that.

If you go through and look at the priority things we ought to be dealing with and have legislative competence to deal with, why wouldn't we consider one of the things that always comes up when I go to one of these sessions? People want to talk about what are generally identified as inadequate support systems. Supports for independence doesn't adequately meet the cost for that young single mother with two children trying to find an affordable place to live in Calgary. People on AISH in downtown Calgary have an enormous problem trying to live on the AISH pension, the assured income for

the severely handicapped. Mental health issues: we don't have enough mental health beds, never mind mental health community placements. Who has responsibility for that? The province of Alberta does, one hundred percent.

You know, I say to the Member for Calgary-Bow, through the chair: this member is, I think, universally respected in this Chamber, and I regret that she has not brought forward a motion that would allow us to trade on her goodwill and start addressing some of those issues about mental health dollars, mental health beds, mental health services. Why aren't we debating instead about increases to supports for independence for that young mother who comes toting a couple of children to my constituency office on a Friday afternoon, desperate for a place to live because she's been evicted in a mix-up with her landlord in the last place, so that this sort of crisis doesn't have to happen as frequently as it does in Calgary?

I think as you go through the list of things that are identified in terms of addictions programs, AADAC is a provincially funded agency. We have responsibility for that. We're talking about what AADAC would do differently.

Why aren't we addressing the fact that the 8th & 8th clinic in downtown Calgary went almost two years before we started to see the mental health services that had been promised as part of the initial package when the people in the inner city were presented with a proposal to shut down the excellent psychiatric facilities at both the Holy Cross and then the forensic mental health centre at the General hospital and the mental health beds there? We lost those, and there was inadequate access downtown.

What people talk about at these conferences, and this represents not just – you've got a couple of MLAs, a couple of aldermen. You've got people from serving agencies. You also have people who are part of the homeless community or the housing-in-crisis community, and they talk about meaningful education and training opportunities. Those of us who have the opportunity to work in inner-city areas – I suspect my colleague from Edmonton-Centre has similar experience – have lots of problems with people who are told that there are retraining and employment opportunities. They go down and they go through the government-sanctioned programs and spend the better part of a week learning how to write a resume when really what they're looking for is some marketable job skills. So we're not adequately addressing that need. That's provincially financed. That's one hundred percent the responsibility of provincial legislators.

4:00

The whole notion of supports for independence. Here's page 46 of the Strategic Direction from the Community Action Plan. This was the one that the Member for Calgary-Bow was co-chair of. We need to

- establish higher rates for Supports for Independence (SFI) and Assured Income for the Severely Handicapped (AISH).

- Link benefit rates to cost of living changes.

- Develop a set of regional allowances that reflect market rates for decent, safe, suitable housing on the open market.

- Designate additional facilities for hard-to-house individuals who would then receive additional support benefits . . .

- Increase earnings exemptions for benefit recipients from \$115 to \$225 per month per household.

- Implement a more flexible policy for allocation of employment related expenses.

- Promote incentives which create employment opportunities.

Transportation is a huge issue in terms of those people who are in a housing crisis. Now what we have – if you happen to know aldermen in the city of Calgary, they get a batch of free transit passes and they'll share those, but the transit passes go to only a

fraction of the people that need transportation to be able to get to job interviews and try to find employment.

I know the Member for Calgary-Bow – this isn't for her benefit because she knows all this stuff. She authored the report. My question is why we have arguably the weakest residential tenancy legislation in the country. You know, I've had so many workshops in my constituency. I've gone to more apartment buildings than I can think of to meet with residents when they're upset about a rent increase. Many of these people come from other jurisdictions, and I'm trying to explain to them that in Alberta, as long as you don't raise the rent more than twice in a calendar year, you can raise it 40 percent each time.

We've seen in Calgary, with a huge number of units being condominiumized and a lot of units just being taken out of circulation, lots of people being displaced. We don't have, at least in my view, adequate tenancy protection. Now, that's a provincial responsibility. We're the only ones that can change that. The city council can't do anything about that. The federal government can't do anything about it. Why aren't we talking about that? Why aren't we addressing that? You know, I look through the government's legislative program. We're getting to the end of the spring session, maybe not as early as some would like and maybe too early for some of us, but we're getting to the end. I'm looking through the program, and I'm not seeing a lot of legislative initiative. I don't see any legislative initiative that's going to address the housing problem for people living in my constituency.

Part of the problem now is seniors, because our income threshold levels are too low for the Alberta seniors' benefit program. That's been apparent since the program first came in, and the government's answer is: you put a little more dough in the special assistance fund. You know, Madam Speaker, that's not working. It's not working. What happens is that the cutoff point where we start to see the peel back on the Alberta seniors' benefit is just unrealistically low, and that becomes a really significant problem.

Now, Madam Speaker, I could go on. The reports I've got in front of me are voluminous, but I'd refer members – if you look, there's a particularly good one, the municipal government perspective on housing put out by the Federation of Calgary – of Canadian Municipalities. Calgary has not yet taken over the country; it's only a notion some of us have.

The Community Action Plan put out by an ad hoc steering committee in Calgary is excellent. I encourage people to read the government of Canada news release that came out December 17, 1999, that talks about a number of the things that Claudette Bradshaw has identified as things that have to be done. There are some excellent Community Action Plan bulletins put out by the city of Calgary and the Calgary Homeless Foundation. Most of all, I encourage members to go down and talk to John Currie, the chair of the Calgary Homeless Foundation, and look at *A Vision for Calgary: Social Housing*, the plan prepared by the Calgary Regional Planning Committee, January 2000, because we have in this material a host of things that we can do that would provide more information.

Then we have the most curious document of all, and that's the government of Alberta report of Community Development on family and special purpose housing. This is a report called *Policy Framework: Homelessness*. In contrast to the other ones that are meaty, that are detailed, that are substantial, this thing is light in weight and it's empty in content. This is not my idea of leadership.

So can we not redirect the energy, the excellent efforts of the Member for Calgary-Bow in the areas where we're actually going to be able to make a meaningful difference, within the legislative competence of the province?

Thank you.

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

MRS. O'NEILL: Thank you very much, Madam Speaker. I have to respond most specifically to the previous speaker from Calgary-Buffalo. Contrary to what he thinks, there's more to Alberta than Calgary, and many of us have some interest in how programs are delivered. As he was berating the initiative proposed here by the hon. Member for Calgary-Bow with respect to this motion, I was reminded of a situation that happened when I was teaching years ago.

A student came into my class and said that she was interested in collecting some toiletries for a women's shelter downtown in the city where I was teaching. She took the suggestion to her homeroom teacher, and her homeroom teacher berated her for not looking after the needs that were within the jurisdiction of the school, so by the time she was finished, she was most discouraged about any initiative that she had proposed. I daresay that the Member for Calgary-Buffalo has done just exactly that with his derision of this motion, because I think it is an initiative that has great value. I had to say that, simply because while his concerns are legitimate about other issues, I feel that this particular motion does address a particular issue that I find in my own community as well. So I'm pleased to rise this afternoon, Madam Speaker, and to speak in support of Motion 512, brought forward by the hon. Member for Calgary-Bow.

The intention of Motion 512 is "to encourage municipal governments to investigate ways of adding low-cost housing units . . . such as secondary suites and room-and-board housing in residential neighbourhoods." I emphasize the words "to encourage municipalities," because I believe our role from the provincial perspective is to work in partnership with municipalities in the work they are engaged in. We have the same constituents whom we are here to serve.

Madam Speaker, this is an excellent idea, one that I wholeheartedly support. It is also a timely motion that raises several important issues for our government, for municipal governments, and I say for the people of Alberta. Shelter is a fundamental human need. For lower income Albertans, finding adequate low-cost housing that fits within their limited budget has become increasingly more of a challenge in recent years. While our economy is strong and unemployment is the lowest it has been in many, many years, more and more people are moving to Alberta every year. Some have their jobs transferred from other parts of Canada, and others come in search of work or a better life for their families. These positive benefits are what our strong economy has produced.

As more and more people have moved to Alberta and entered the workforce, rental vacancies across the province have dropped significantly in the past few years. Cities like Fort McMurray, Sylvan Lake, Lethbridge, High River, Brooks, Red Deer, and Canmore have next to zero vacancy rates. Calgary and Edmonton are experiencing some of the lowest vacancy rates in the past 10 years. Once affordable housing has become unaffordable for some. Rents have increased in areas that were traditionally considered to be low-cost housing in Calgary, with much of it being converted to higher income, upscale housing. In the process lower income renters have been displaced and because of the low vacancy rates have had a difficult time finding housing.

4:10

This past January I had the opportunity to review some of the information put together by the city of St. Albert on poverty within our community. The data, among many other things, provides insight into the challenges that many lower income Albertans face. For example, in 1996 the average Alberta income was \$58,000, and the average income for low-income or poor families was \$14,500.

In St. Albert the average family income was \$70,000, while the average income among poor families was \$16,697. The average shelter cost for poor people in Alberta was found to be about \$555, while it was found to be \$675, or \$8,100 per year, in St. Albert. So after paying rent in St. Albert, a lone-parent family earning minimum wage has \$534 left over to spend on food, clothing, and other necessities. The study also found that 66 percent of renters spent 30 percent or more of household income on shelter costs.

Madam Speaker, clearly, access to alternative low-cost housing would make a difference to these low-income families. I see Motion 512 as a positive first step, an initial attempt to address the present lack of affordable housing in Alberta. I hope the discussion that we have in this House can help contribute towards that situation.

Having said this, I know a solution to this problem will not be easy. All levels of government – federal, provincial, and municipal – need to work together if progress is to be made. We will need to work with municipalities to find ways to remove impediments to development and unnecessary regulation that restricts the ability of a homeowner to convert home spaces into suites. Above all else, municipalities must ensure that their zoning bylaws permit a full range of housing alternatives that make economic sense from one end of the spectrum to the other.

I, too, receive phone calls in my constituency office from individuals who want to address this issue of housing and in particular low-income housing. I don't know about others, but certainly the information, the data, and the anecdotal situations that are relayed to me in my constituency office I share with my local municipality.

Currently within Alberta, municipal bylaws make it next to impossible for homeowners to develop a secondary suite within their dwellings. Minimum and maximum size and height restrictions often exceed most typical post World War II homes. Estimates by the Canada Mortgage and Housing Corporation suggest that bringing the ceiling height in a post World War II home into compliance can cost upwards of \$40,000. As a result, the cost of compliance to municipal bylaws either causes a homeowner not to develop a secondary suite, or if they proceed with the development, all associated costs are then passed on to the renter, thereby reducing the affordability of the accommodation.

Madam Speaker, municipalities need to examine their zoning bylaws to ensure that they make sense and reflect the realities of the rental market. With the knowledge that it costs upward of \$40,000 to bring a ceiling height into compliance, perhaps we should rethink that height restriction and enact a height restriction that is more in line with average ceiling height in most postwar homes. To do so would not only make it easier to develop new suites, but it would make it easier for existing illegal suites to be legalized.

In the face of rental pressures such as those we're experiencing in our province today, people should not have to worry about whether they are breaking the law when they could be making a positive contribution by making their suite available to someone in need of adequate shelter. There are many examples of how secondary suites can play a positive role in the rental market. They offer young Albertans an affordable low-cost alternative. Young families could utilize them as nanny suites, allowing their childcare provider to live with them full-time. First-time homeowners could use rental income to meet their mortgage payments, perhaps in the process paying their mortgage down quicker.

I also remember a time when secondary suites, or granny flats as we used to call them, were a common feature in most houses in my neighbourhood. Granny flats provided seniors the chance to live close to family and loved ones in a safe and secure environment while maintaining a degree of their personal independence. With their families close by in case of emergency, seniors were also

afforded the chance to see their grandchildren on a daily basis and to play a more active role in their lives. Over the years this kind of housing situation has faded, but with Motion 512, which I believe is an excellent initiative, we have a chance to revisit the usefulness of a granny-flat type situation. As we look at the demographics of our population, it becomes evident that it may be a housing alternative that may gain popular appeal, prompted by desire or necessity.

MRS. SLOAN: Granny?

MRS. O'NEILL: We did call them granny flats, and in fact in the real estate industry we still refer to them as that, although the demographics and the sandwich-family situation we encounter is something that we are speaking about, certainly for those who are legitimately concerned about how to find low-cost affordable housing.

As is widely known, over the next 20 or 30 years the total population and the age composition of Albertans will change dramatically. By 2028 our population will be almost 4 million people, and the baby-boom generation will range between 62 to 82 years of age. To accommodate this population, estimates suggest that an additional 600,000 dwellings will need to be added to Alberta's housing inventory. Apartments will need to increase by 59 percent, or roughly 110,000 units, of which 49 percent will be rentals.

Since low-income Albertans are more likely to rent and with the baby-boom generation making the transition to a fixed income while moving out of their homes into retirement accommodation, secondary suites would make a positive contribution to ensuring that adequate and I'd say cost-efficient housing is available. Instead of building new housing, existing structures could be converted to accommodate these needs and the needs of individuals who are looking for independent living within the context of a larger household. Instead of vacating their homes, baby boomers could convert their basement into a secondary suite either for themselves, for their children, for individual students, or for individual adults who wish to maintain their own accommodation. Lower income Albertans would also have access to safe, affordable housing that is centrally located and accessible.

Motion 512 offers us this opportunity to meet some of the many challenges – granted, the very legitimate challenges – that we're facing today in the rental housing market. It does not address all of them, but it does respond to what I hear in my constituency from a number of people who want to live in suites and to live in legitimate suites within current households. It's also, I believe, a very forward-thinking proposal that provides us with the added flexibility to meet probable future needs. As the demographics of our population change, we will be able to meet these changes.

Madam Speaker, I support Motion 512. It is one initiative meant to address ways in which we can look to accommodating, literally in our current housing, that kind of accommodation that individuals are looking for. I would suggest that the negative attitude I am hearing from across the floor be tempered, because quite frankly this is a very positive initiative that is being taken by the Member for Calgary-Bow.

Thank you.

4:20

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

MS BLAKEMAN: Thanks, Madam Speaker. Once again I'm just under the time line here, and I'm aware that Edmonton-Riverview very much wanted to say a few words, so I will try and condense my

20 minutes down to 10. I'm speaking to Motion 512, which, paraphrasing it, is essentially recommending that municipal governments allow for additional low-cost housing units by changing municipal zoning bylaws to allow things like nanny suites and basement suites and other kinds of alternate low-cost housing.

Certainly housing is a real issue in Edmonton-Centre. We have mostly apartments there, and a lot of them have been converted to condominiums, which has taken a large number of units out of the rental market. With the rental market in Alberta heating up overall, there has now been a move by owners of apartment buildings to upgrade and put some money into them and then re-rent their apartments at a higher rate. They've spent a lot of years bidding their time with the lower rates. Now they're able to charge higher rents and of course would like to do so, but that has caused a lot of hardship. We have fewer units available both through the converting to condominiums and also with the rising rental market.

Also, the issues of individuals. I mean, we have some people working at minimum wage here, and as we know, unless you're working two or three minimum-wage jobs, you're not making enough money to keep body and soul together. There are a number of people in Edmonton-Centre on social assistance or AISH, assured income for the severely handicapped, or on disability pensions from workers' compensation. By far the largest group of individuals is seniors who are on fixed incomes, many of them at the minimum level, with old age security and the guaranteed income supplement and in some cases the Alberta seniors' benefit, because many of them in fact didn't have an opportunity to contribute to the Canada pension plan and therefore can't pull from it or don't get very much coming back from it. So homelessness is a real issue in Edmonton-Centre.

How can that be addressed? There's one project I want to highlight very briefly, and that's the Arts Habitat project in downtown Edmonton. Now, the city of Edmonton really took strong initiatives here in trying to create more housing units in downtown Edmonton some time ago and offered a variety of initiatives, including a cash incentive to developers that were creating new units. Now, I'll admit up front that those are mostly units that were sold, condominiums in essence, but there also was at the same time a project called ArtsHab, which is a partnership between the provincial government, the business sector, and the municipality, with a lot of other support agencies lending support around this.

What they did was use a building that was owned by the private sector that they were having trouble renting. It had been empty for a long time, and nothing much was happening with it. Working with some grants they received from the provincial government and assistance through zoning bylaws and I think a bit of money from the municipal government plus a lot of donated goods and services from the retail sector, they were able to take the entire top floor of a warehouse-type building and create 12 live/work spaces for artists right in downtown Edmonton. That was 12 new spaces, and that's definitely low-cost housing. Artists, as many in here should know, do not make a large income.

This was a really innovative partnership and one I'd like to see continue and develop more spaces. I think that kind of three-way or more than three-way partnership between levels of government, the private sector, and the voluntary sector can address a lot of problems and bring a lot of expertise into the arena that is dealing with issues of low vacancy rates, homelessness, how much money people have to pay, a thriving economy. All of those issues have to be dealt with. You can't just hive off one little section of it.

So I recommend strongly that this government take seriously the issue of housing, the availability of low-cost and social housing, particularly as it applies to seniors who wish to be independent. I

understand exactly what the Member for Calgary-Bow has done in recommending that the municipalities look – it's a very specific thing that she's recommending. I know it would be of assistance if it's carried through.

THE ACTING SPEAKER: I hesitate to interrupt the hon. Member for Edmonton-Centre, but under Standing Order 8(4) I must put all questions to conclude debate on the motion under consideration.

[The voice vote indicated that the motion carried]

[Several members rose calling for a division. The division bell was rung at 4:26 p.m.]

[Ten minutes having elapsed, the Assembly divided]

[Mrs. Gordon in the chair]

For the motion:

Amery	Haley	Severtson
Blakeman	Herard	Shariff
Broda	Hlady	Stelmach
Calahasen	Jacques	Stevens
Cao	Klapstein	Strang
Cardinal	Kryczka	Tannas
Coutts	Laing	Taylor
Dickson	Lougheed	Thurber
Ducharme	Magnus	Trynchy
Fischer	Massey	West
Forsyth	McFarland	Woloshyn
Friedel	Melchin	Yankowsky
Fritz	O'Neill	Zwozdesky
Graham	Renner	

Against the motion:

Sapers	Sloan	White
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Totals	For – 41	Against – 3
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[Motion Other than Government Motion 512 carried]

4:40

head: Government Bills and Orders

head: Second Reading

THE ACTING SPEAKER: The hon. Deputy Government House Leader.

MR. ZWOZDESKY: Thank you, Madam Speaker. I seek the unanimous consent of the Assembly to waive Standing Order 73(1) regarding bills receiving three separate readings on different days to accommodate second reading consideration for Bill 25 on the same day as its introduction.

[Unanimous consent granted]

Bill 25

Miscellaneous Statutes Amendment Act, 2000

THE ACTING SPEAKER: The hon. Deputy Government House Leader.

MR. ZWOZDESKY: Thank you, Madam Speaker. On behalf of the hon. Minister of Justice it's my pleasure to move Bill 25, Miscellaneous Statutes Amendment Act, 2000, for second reading.

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

MR. DICKSON: Thanks, Madam Speaker. A couple of observations. Bill 25 by convention is a bill that's dealt with in a unique fashion in the sense that the bill is put to the opposition in draft form with the invitation to review it, and if there are any matters in it that we take issue with, those items are excised, or removed, from the bill. We followed that protocol again this year.

The criteria used by the opposition have been whether it's contentious, whether it's opposed by anybody who would be affected by the legislation. This year we've actually done better than past years in the sense that government ministers have provided – I'm not sure I can say in each and every case but in most of the major cases the opposition appreciates that we've had more opportunity to review the elements of the miscellaneous statutes bill than has typically been the case before. I want to specifically thank the Minister of Justice, the Government House Leader, and those cabinet ministers who in fact shared with us in a very timely way what they're proposing to do by way of miscellaneous statutes.

Now, there are some items that are not going forward in the bill, and I'd simply say to those people interested in those amendments that are not included in here that it doesn't always mean that the opposition would oppose them coming forward in a stand-alone bill but that some things are more appropriately dealt with in a separate bill and not lumped in. One of the problems with miscellaneous statutes is that a lot of Albertans don't pay any attention to this. The problem is that when you have a dozen different elements to it, it doesn't attract the attention that it does when it comes in with a separate bill title and so on. So I wanted to make that observation.

I want to specifically thank Peter Pagano, the Chief Legislative Counsel for the Department of Justice, who once again in his usual courteous and competent fashion has worked with the opposition in terms of identifying issues and concerns and taking steps to find answers where we have had questions and to address the concerns that Albertans have raised and reflected through the opposition. I say, as I do every year when I look at miscellaneous statutes, that this comes closer to being a model of constructive lawmaking. You know, it wouldn't hurt to extend some of this sense of co-operation, the early viewing in draft form, with the opposition. It can work. Every year miscellaneous statutes is an example of that.

The only other thing I'd just like to do on behalf of my colleagues is thank the stakeholders, the people directly affected – for example, the Law Society; the different health organizations, health disciplines, and health professions that have provided some great briefings to members of my caucus; the Alberta College of Art & Design – groups that have gone to some lengths to ensure that all legislators in both the government caucus and the opposition caucus were informed in terms of what was proposed and why. It made it easy, I think, for my colleagues to support those changes.

So with that I look forward to the vote on Bill 25, Miscellaneous Statutes Amendment Act, 2000. Thank you.

THE ACTING SPEAKER: The hon. Member for Edmonton-Riverview.

MRS. SLOAN: Thank you, Madam Speaker. I also would like to make just a few comments with respect to the miscellaneous statutes this year, particularly in relation to two sections, the sections relating to the Child and Family Services Authorities Act and the Health Professions Act.

The proposed amendments to the Child and Family Services Authorities Act relate to the provision of financial assistance for the

care of children who are not living with their parents or guardians and who are not in need of protective services under the Child Welfare Act. In the discussions which I had with the Ministry of Children's Services relative to this change, the commitment was given that the provision of this program in a comprehensive and accessible form would be maintained by the child and family services authorities, as this amendment in essence delegates that responsibility to the services authorities to provide.

Utilization of this program or authorization of access to this program has been declining in recent years under this government's tenure. We have not been able to identify completely the reasons for that, whether they are policy reasons. From indications in other levels it would seem that the number of children that may be in a position to require this assistance is on the increase. In this respect I am taking the authorities at their word that these programs will continue to be offered to children in need and am therefore supporting the incorporation of this amendment in the act.

My comments relative to the Health Professions Act. As all members will recall, we just debated this legislation not even a year ago in this Assembly. I find it frustrating and to a degree insulting that legislation that is of such a substantive nature would be brought forward, crammed through a session of debate, and then subsequent to that, Madam Speaker, we find ourselves with quite extensive changes being brought forward in miscellaneous statutes. Now, at the same time, we're having regulations being written for that particular piece of legislation. It's quite a large process, requiring the commitment and efforts and resources from a number of organizations to do that.

Really, I think the public in a large part is kept in the dark when the construction of regulations and legislation is approached in such a fragmented way. So I would encourage and support the government to attempt to be more comprehensive to reduce their utilization of miscellaneous statutes and try, when legislation is in its initial stages of construction, to incorporate as many of the provisions required as possible.

With those thoughts, Madam Speaker, I'm prepared to conclude my comments. Thank you.

THE ACTING SPEAKER: Hon. Deputy Government House Leader, do you wish to conclude debate?

SOME HON. MEMBERS: Question.

MR. ZWOZDESKY: Yeah, I would agree with calling the question at this stage. I have no concluding comments.

[Motion carried; Bill 25 read a second time]

4:50

head: Government Bills and Orders

head: Committee of the Whole

[Mrs. Gordon in the chair]

THE DEPUTY CHAIRMAN: I'd like to call the committee to order.

Bill 18

Alberta Personal Income Tax Act

THE DEPUTY CHAIRMAN: Are there any comments, questions, or amendments to be offered with respect to the bill?

The hon. Acting Provincial Treasurer.

DR. WEST: Yes, Madam Chairman. I'd like to make a few comments to the committee on Bill 18, a bill that will certainly be

well received by the people of Alberta over the next couple of years.

It's time, Madam Chairman, to stop posturing. It's time to stop punishing Albertans for having a good education, for getting a better job, for taking the initiative to get ahead. It's time to stop taxing thousands and thousands of Albertans on lower incomes that shouldn't be taxed. It's time to stop cheating working single parents with a family or double-parent incomes, time to stop punishing them for making choices on how they raise their children. It's time to delink from the federal government. It's time to stop bracket creep. It's time to stop the brain drain and get on with building Alberta. It's time to make Bill 18 law.

There's no downside to this bill. There are no trade-offs. There's no bad with this good. It's all upside, all good news for everyone. Albertans at every income level will pay less personal income tax under Bill 18. Just as the Liberals suspected, there are a few exceptions, 190,000 of them to be exact; 190,000 Albertans will not pay provincial income tax. That will grow. That's the estimate on the '99 census, but as the province grows, those numbers will go up. Because of Bill 18 approximately 190,000 lower income Albertans will not have their personal provincial income tax reduced; their taxes will be eliminated altogether.

In Alberta we believe that there is enough of a burden on people with modest incomes who are working so hard to provide for themselves and their families. They don't need the burden of income tax on top of everything else. Unfortunately, this concept is still relatively foreign at the federal level. Albertans, like all Canadians, must pay about two-thirds, 62 percent, of their taxes to the federal government.

On the bright side Bill 18 will mean a lot to all kinds of Alberta families. All families will be taxed equitably, regardless of whether one or both parents work. Under the current system the spousal exemption is far lower than the basic personal exemption, and the effect is that one-worker families pay more tax. That's not fair. Bill 18 raises the spousal exemption to the same level as the basic personal exemption, so two families with the same income will be taxed approximately the same amount, even though family A has only one income earner and family B has two. The playing field will be leveled.

MRS. SLOAN: For single parents too?

DR. WEST: Single parents, as somebody said over here, will be able to use their first child as their spousal deduction.

Switching from brackets to a single rate and indexing the system adds full inflation-proofing. Cost-of-living raises, which are used to offset inflation, will no longer push people into higher brackets, where the extra cash is taxed at a higher rate. So the cost-of-living raise can finally be used to its fullest extent in fighting inflation. Indexing the basic and spousal exemptions will be particularly beneficial to low- and middle-income earners such as seniors on fixed incomes. The savings from inflation-proofing account for a greater proportion of their income than those with higher incomes, but higher income earners will also benefit.

As you know, Bill 18 means a single rate, no brackets, and without brackets there can be no bracket creep. All taxpayers, including higher income earners, will be taxed by Alberta at the same rate. They will no longer have to worry about the shrinking value of their next dollar. The Alberta tax man won't be taking more and more of every dollar they earn.

In Ontario they've made tax changes, too, but instead of eliminating brackets, they've just played around with them. They still have five brackets. Once Bill 18 becomes law, the same senior manager making \$90,300 will pay about \$540 less in taxes if he works in

Alberta than he would if he worked in Ontario. So it's safe to say that they won't be leaving Alberta to go to Ontario. Far from losing people here, you must understand, Alberta's population has grown a great deal. Last year enough people moved to Alberta from other provinces to fill a city the size of Spruce Grove. This is how the Alberta advantage works in Canada, and now Bill 18 will also help us plug the brain drain, those people that are going to the United States to escape the heavy taxation in Canada.

The single rate means that those who work harder will be allowed to get ahead, and they won't have to go to the States to do that, as I said. When workers and businesspeople get the rewards they deserve, they work harder. When they work harder, they stimulate the economy, and when the economy is stimulated, it creates more opportunities for hard workers. It's the upward spiral to prosperity. The benefits seem to grow exponentially at a certain point. That is good news for Alberta's economy, and what is good news for the economy is good news for everybody else. Remember that the studies showed that by bringing in this single rate and removing \$1.3 billion from the tax levels, we will see probably in the next five years 30,000 new jobs with this economic growth and probably 1 and a half percent in GDP growth just because of this tax cut.

Madam Chairman, I'd like to introduce at this time some amendments to Bill 18. I would like those distributed at the present time. These amendments I would like considered as a package. There are two parts. I would like them considered as a package, A and B put together. As these are being distributed, I'll continue. These are simple amendments. They will remove the 11 percent single rate and replace it with 10 and a half percent and will also take the allowances, the spousal allowance and the individual allowance, from \$11,620 to \$12,900.

At a single rate of 10.5 with increased basic and spousal exemptions, a two-income, two-children family earning \$40,000 will pay about \$261 in provincial tax, or .7 percent of their income. These examples I'm going to use show the progressivity of this tax rather than, as some have said in this House, that it's regressive. The same family that I just talked about, a two-income, two-children family earning \$100,000, will pay almost 23 times as much in income taxes, or 6 percent of their income, 23 times that of the lower income person. The family at \$250,000 will pay about 83 times as much, or \$21,615, in provincial income taxes, which is 8 and a half percent of their income. Those that say that this is not a progressive tax are out to lunch.

Now, we've made two adjustments in these amendments. We lowered the single rate to 10 and a half from 11 percent, and we increased the exemptions further, from \$11,620 to \$12,900. What does this mean? This represents a 78 percent increase from the current basic exemption of \$7,231 – can you imagine: a 78 percent increase – and a whopping 110 percent increase over the current spousal exemption of \$6,140. As in the original plan, with these amendments the exemptions are indexed so that taxable income doesn't grow faster than inflation.

Everyone will save on this. It will no longer be a tax on tax. It's a tax on income. Senior citizens, single-parent families, two-parent families, single Albertans, businesspeople, and workers in every section of the economy will benefit from this. These savings will also cut across all levels of income. Low-income earners will save, high-income earners will save, and the middle class will also see significant savings. Remember, of course, that 72 percent of the people in the province of Alberta live in a family environment, raising children and working to the end of seeing a better life; single people in the province paying taxes, about 22 percent. Altogether we will cut \$1.3 billion in savings for Albertans. That's a lot of money, no matter what you say.

5:00

There are two ways that this will come into place. The first will be in the '99-2000 budget. Right now a part of this is the 8 percent surtax being dealt with, the deficit elimination tax, which accounts for about \$852 million. The additional \$431 million is money not spent yet or even earmarked for other purposes. We're confident that we don't need this fund for ongoing programming, but it will kick in January 1, 2000. At that same time the .5 percent surtax that was in before will be incorporated in the \$1.3 billion. This year, right now, about \$144 million, or the 8 percent surtax that was put in place for deficit elimination, is being removed as we speak.

Now, I think there will be a lot of debate on this over the period of time, but what I would like to do now, if the House will indulge, is to give you some living examples of how people are going to save under this program. I would like, as I go through them, for people to reflect on their own families and people that they know throughout the province, whether they be seniors or whether they be low-income families. Just perhaps close your eyes and start dreaming of what this actually means to somebody that's not making the salaries that are being made by people in this Assembly but people that are on low-income supporting two children.

Ron has been working as a staff reporter for the *Edmonton Journal* for the past eight years. He earns \$50,816 in salary and taxable benefits and contributes \$1,560 to the company's pension plan. His wife, Elaine, is a part-time cashier at Safeway making \$12,000 a year. Together they have a three-year-old daughter, Erin, and claim \$5,400 in child care expenses. This family will see their taxes reduced by over \$1,100 between '99 and the year 2001.

Doug and Shannon are married with two children. Shannon stays at home with the kids. Doug works as a manual labourer in Grande Prairie. He is struggling to support his family on \$26,700 per year. In 1999 Doug paid \$1,065 in provincial income tax. This government did not think this was fair, so I'm proud to say that Doug and Shannon will not pay any provincial income tax in 2001. In fact, as a result of the Alberta family employment tax credit, that was brought in in 1997, they will receive a cheque of \$932 from this government. That's a net position change of \$1,932.

Jordan just graduated from college, and he is now a risk management software developer with a major Calgary company. Jordan's starting salary was \$46,000 per year, but he also earned a \$5,000 bonus for his work on an important project. The company where Jordan works gives all of their employees a full-benefits package. In 2001 Jordan will pay \$3,851 in provincial income tax, a total savings of \$563.

Alex is a 75-year-old who earns \$3,000 per year from his art hobby, \$16,000 in a private pension income, and receives old age security. Alex also has a medical expense of \$3,500 per year. As a result of moving to a single-rate tax, Alex will pay \$460 less in 2001 than he paid in 1999.

Reuben is an accountant at a Medicine Hat accounting firm earning \$54,000 per year. He has a 17-year-old daughter. He earned \$2,600 from his investments and contributed \$10,000 to his RRSPs and had half his Alberta health insurance premiums paid by the company where he works. In 1999 Reuben paid \$3,342 in provincial income tax. In 2001 Reuben will pay only \$1,972 in provincial income tax. He saves \$1,370.

Hal is a manager at a data service company. He earns \$74,000 a year and contributes \$870 per month towards an RRSP. His wife, Linda, stays at home with their two children: Matt, who is 17, and Jodie, who is 19 and attends the University of Calgary. Jodie transfers his tuition and his education amounts to his father. In 1999 Hal paid \$5,178 in provincial income tax, but in 2001 Hal will pay only \$3,290, a savings of \$1,888. If you don't think that's signifi-

cant when you're trying to send two children to university, then you don't know much about economy.

Ely is assistant manager at a farm equipment distribution company earning \$36,000 per year. He contributes \$170 per month to the pension plan where he works. In 1999 Ely paid \$2,221 in provincial income tax. In 2001 this will be reduced by \$247.

Tasha is a single parent. Here you are. You asked about a single parent. Listen up. She has \$400 per year in child care expenses for her nine-year-old son, Tim. Tasha is a librarian in Red Deer earning \$41,000 per year and contributes \$1,917 to the pension fund of the library where she works. In addition, the library pays half of her Alberta health care premium. In 1999 Tasha paid \$2,397 in provincial income tax. In 2001 she will pay only \$1,256, a savings – and here's a single mother raising her nine-year-old son – of \$1,141.

Caroline works as an agricultural loans officer in Lethbridge. Her husband, George, is an assistant warden at the local correctional facility. Their combined income is \$111,305, including \$1,305 in taxable benefits. He contributes \$4,200 to a government pension plan and supplements with an \$800 annual RRSP contribution. She contributes a total of \$5,900 in pensions and RRSPs. They have three children, aged 10, 12, and 13, and claim \$2,800 in child care expenses. In 1999 this family paid \$8,016 in provincial income tax. In 2001 they will pay \$7,031, a savings of \$985. That is significantly less savings than the single parent with her nine-year-old son. You don't think this is a progressive-type tax? Then you're not reading the facts.

Now, I have a couple more minutes. I would like to go to some senior examples, some new ones that we have. Gordon is an 86 year old living in a house in Onoway. He makes \$18,500 per year in a private pension income and receives old age security. In 1999 Gordon paid \$1,033 in provincial income tax. In 2001 he'll pay \$644, a savings of \$380. Many seniors used to write me and complain if there was a cheque difference of \$3 between our supplement and when we deducted off the feds, so \$380 is a lot to Gordon.

Andreas is an 84-year-old senior living in a seniors' home in Banff. It is very expensive in Banff. He has a private pension income of \$28,000 per year and receives old age security. Andreas has medical expenses of \$2,440. In 1999 Andreas paid \$1,897 in provincial income tax. He will only pay \$1,590 in 2001.

Doreen is a 78-year-old senior living in her own house in Fairview. Doreen has \$24,000 in private pension income and receives old age security. She makes \$500 in donations and has a \$1,500 medical expense. In 2001 Doreen will pay \$1,134 in provincial tax, a total of \$272 less than she paid in 1999. These are significant savings for people who are on these types of fixed incomes.

Now, Madam Chairman, I could go on. There are hundreds of examples, but I want to say that in a little while we'll be putting up on the web site of Treasury a calculator that can be used by Albertans if they come in on our web site. They'll be able to punch in all their own figures, their contributions, and their deductions, and then they'll be able to figure out for themselves their own tax. I'm looking forward to what Albertans think once they see that.

5:10

THE DEPUTY CHAIRMAN: Before I welcome debate from the hon. Member for Edmonton-Glenora, we will deem this amendment A1.

Go ahead, Edmonton-Glenora.

MR. SAPERS: Thank you very much, Madam Chairman. It certainly is time indeed that there was some really meaningful tax reform in this province, that we stopped posturing, that we stopped

pretending, that we stopped simply talking about tax reform and got on with it.

Madam Chairman, during second reading debate on Bill 18 many members of the Official Opposition put on record in some detail the difficulties with the flat tax, with the single-rate tax. It is just self-evident that if you have a single-rate tax, you will provide some relief to people at the bottom end of the taxpaying scale. You will provide considerable relief to the people at the top end of the taxpaying scale, and as a result of providing that benefit to those individuals at the end points, you must, by definition, be shifting the burden into the middle. We made many, many examples and put that on the record many times.

Madam Chairman, what I find remarkable about what we just heard is that this government is no longer talking about the miracle that a single-rate tax is in their own minds. Instead of them defending their flat tax, which we believe of course is not defensible, they have now been saying that this is absolutely a progressive tax. Talk about through-the-looking-glass tax policy. They've turned around, changed their tune, because they know that their arguments about the flat tax are built on a house of cards. They are trying to borrow the language and the arguments of progressivity to sell what is essentially a bad deal for middle-income Albertans.

Now, with all of the other examples that the Provincial Treasurer just provided, he didn't, for example, talk about a cabinet minister named Steve, who's earning \$101,943 a year, who will get by the year 2004 a 20.1 percent tax cut. However, a clerk working in that cabinet minister's department, who may be earning \$45,000 a year, will receive a tax cut of only 10.6 percent. So Steve saves over \$2,300 on his \$101,000 income, but those employees who slaved for Steve will save barely \$400, Madam Chairman. So that is what we have as a difference, as a stark contrast in this government.

This government's definition of fair is that those who make the most should also save the most, and they're doing it, not only through their flat tax but through their selective tax reduction on the deficit elimination taxes. They're doing it on the fuel rebate calculation based on property value taxes. So, Madam Chairman, they've certainly made their choices that this government wants to make friends with the wealthiest Albertans. Those of us who live in the day-to-day world will have to go elsewhere looking for tax relief.

Even the news release, Madam Chairman, that the government handed out earlier today, where they bragged that there is some considerable benefit to the amendments that were just tabled, if you read the small print – and it's always about small print with this government – you read that the calculations are based on information available as of May 16, they claim. So I wonder whether or not these calculations presented are as accurate as some of the defences made in Bill 11. Do the calculations presented in today's news release, for example, fully factor in the changes in Saskatchewan? I don't think they do on my initial calculation.

Many other provinces have gone through the exercise of getting rid of bracket creep and of delinking. You don't have to impose a single rate which hurts the middle-income taxpayer in order to do that. Ontario was able to delink and index. Saskatchewan has as well.

For example, in Saskatchewan the 2000 budget calls for tax brackets of \$35,000, between \$35,000 and \$100,000, and over \$100,000 with rates of 11, 13, and 15 percent respectively. The personal exemptions and spousal exemptions are increased, and they are also introducing a new child exemption credit at 11 percent of up to \$2,500 per child. All of that is being done, Madam Chairman, to accomplish the same purposes that this government claims they can only accomplish with a single rate, and I ask again whether or not the information in this press release tells the whole story or whether it shaves the truth, as we so often see from this particular government.

There are other alternatives, Madam Chairman. For example, the Alberta Liberals put out an alternative model showing that you can have multiple progressive rates with a high personal exemption and give a much flatter tax saving distribution, and you could change those rates. For example, if you take a look at an alternative that was proposed by Professor McMillan from the University of Alberta, he suggests, for example, that with increased personal exemptions and income tax bracket rates set at \$37,146 and \$74,305, by the year 2001 you could have tax rates in Alberta set out at 7.07 percent, 9.98 percent, and 12.05 percent and provide, once again, a much fairer distribution of those tax savings. So it is very clear that there are a number of alternatives, and we don't have to buy into this flat tax or this single-rate rhetoric that we hear coming from the government.

I'm happy to see that the government has taken some action to take full advantage of the federal tax reforms. It's clearly not enough, but Albertans will at least get some benefit from the federal tax cuts as a result of what this government is proposing, but there is a better way to provide these same benefits, Madam Chairman.

Before I move on in my debate, I have to ask the Acting Provincial Treasurer another question. In his rather grand style while he was introducing his amendments, he mentioned studies. He said that studies will indicate that there will be some 30,000 jobs created as a result of these tax cuts and, I believe he said, a 1.5 percent growth in the GDP attributed solely to this tax policy package. Well, I would like to challenge that Provincial Treasurer to table those studies in the Assembly. We'd like to see all of the evidence. [interjections] Now, he is saying that he did, but of course when you read those studies, that's not what they say. That's not what they say at all.

So, Madam Chairman, I would like to see this Acting Treasurer table the studies, bring them into the House, or stop referring to them. What we do know is that after answering written question after written question after written question after written question, the government answered all of these tax inquiry questions with the same phrase: Alberta Treasury did not do the studies. They haven't done the homework, and we've already made that point in debate on both Bill 18 and Bill 19. So I wish the Acting Treasurer would stop making these references to studies without producing the evidence, because it certainly provides a weak argument on his behalf.

Fundamental tax reform involves three separate questions: what should the tax base be; how should tax rates be structured; and to what extent should social policy be managed through the tax system? Now, the answer to each of these questions, Madam Chairman, runs along a continuum or a spectrum with progressive income taxes at one end of that spectrum and a flat tax at the other end, and it's clear that this government has put ideology ahead of any kind of thoughtful analysis of how to structure taxes for the maximum benefit of the taxpayers.

Madam Chairman, what I am concerned about in Bill 18 and with the amendment that is before us is that it provides a disproportionate benefit to higher income Albertans. Now, before any member of the government caucus jumps to their feet and says, "Well, that's because the Official Opposition somehow aren't in favour of Albertans creating wealth or amassing personal wealth" or before any of them stand on their feet and say, "Oh, well, the Alberta Liberals are against tax cuts," let me take care of those two concerns right now. The Alberta Liberal Party is the only party that consistently has stood for individual achievement and for fairness in how our society receives a benefit from that achievement. This is not just my analysis, but it's the analysis of those who have studied politics in this province for at least the last three decades.

5:20

There is not a single member of this opposition caucus who is against individual enterprise and all of the benefits of the free

enterprise system. There is not a single member of this caucus who is against meaningful tax reform. We just want it to be fundamentally fair as its very root value.

The difficulty with the government's analysis is that it has totally forgotten that there are the poor amongst us. In the midst of all of this plenty, in the midst of all of the wealth, in the midst of all of the economic achievement in this province there are still the poor, and there are the working poor. There are families living in conditions that are abhorrent, and, Madam Chairman, this tax policy does very little.

Those Albertans who are at the very bottom end of the scale can be given a benefit without imposing this single rate. First of all, you can do selective tax reduction on their behalf. Second of all, they already pay very little income tax. Thirdly, they can receive a benefit from having income thresholds at the bottom of the lowest tax bracket set accordingly. So there are many ways to deal with the plight of the working poor in terms of where this government says it would like to take them, which is to remove them from the tax rolls entirely.

I'm afraid that that's not really their goal. I'm afraid that they're using that as a smoke screen to achieve what they really want to achieve, and that is providing this huge windfall for the wealthiest Albertans, not really the benefit that they're claiming it's providing to those who are at the bottom end of the income curve.

That bottom end does exist. If you take a look at the percentage of poor Canadians, it's higher today than it was 20 years ago. It was at 16 percent in the year 1980. It's at 17 and a half percent this year. Madam Chairman, the number of low-income persons in Canada has grown to more than 5.2 million Canadians who now live below the low-income line. That's a figure that's more than ever before. Even in the depths of recessions in this country, we have never seen numbers of those living in poverty as we do today.

The six-year average percentage of the population below the United Nations income poverty line has grown in Canada to the point where it's 11.7 percent. Madam Chairman, that is more living below the poverty line in Canada than in Poland or Spain or Hungary or Italy, a rather staggering comparison. Yet we have a government that wants to craft tax policy to cater to the rich and not address this inequality.

Before anybody starts pointing their finger and yelling, "Oh, that's just socialism," let me say this: any tax policy is about the redistribution of wealth, whether it be a single-rate tax or any other kind of tax. This government like every other government is into this redistribution of wealth, and it really, then, becomes a matter of deciding how fair you want to make that redistribution and who it is that you are going to favour.

Tax policy does by definition cater to some more than it does to others. I submit that the fairest decision to make given that calculation is to make sure you provide the majority of benefit to the majority of people. That to me makes a lot more sense than imposing a flat tax that picks winners at the highest end.

The incidence of low family income has grown to 13.8 percent amongst Canadian households as of 1997. Family poverty rates actually fell between the years '84 and '89, but they've climbed back to levels higher than even 20 years ago. In the city of Calgary let's take a look at the number of poor families living in very poor neighbourhoods. In Calgary in 1980 6.4 percent of families were living in neighbourhoods considered very poor. That number by '95 had grown to 8.7 percent.

In Edmonton it's a much more dramatic difference. In 1980 4.1 percent of families were living in neighbourhoods considered very poor. By 1995 unbelievably that figure has grown to 18.8 percent, yet this government wants to continue picking favourites at the high end instead of addressing some of these very fundamental issues of

people living in poverty right in our midst, just blocks from this legislative Chamber.

The National Council of Welfare has listed the number of poor families living in Canada. Looking at their annual figures, in 1980 it was less than 850,000, about 830,000 Canadian families coast to coast; by 1997 that figure had grown to over a million, 1,175,160 families living in poverty.

The policy analyst Richard Shillington of Ottawa has taken a look at some of the rhetoric which has been supporting ideologies of flat tax and trickle-down economics. One of the things that he said, as quoted by Mel Hurtig in his book called *Pay the Rent or Feed the Kids*, is as follows:

A close look at how the Fraser Institute assesses "basic needs" is chilling. A chapter devoted to costing the body's minimum caloric requirements estimates the weekly cost of food for an elderly woman at about \$22, including 14 servings of fruit assumed to cost about \$2.60.

Nothing is allocated for children's toys, books, writing materials or anything not considered to be a physical necessity . . . No money is provided for school supplies.

Then Shillington goes on to make a judgment as to why the Fraser Institute and those others who embrace this rigid, right-wing ideology come to these kinds of conclusions. They say, as referred to in Hurtig's book:

The debate over the measurement of poverty is part of the attack of the right on the social programs that have defined us as Canadians and distinguished us from the Darwinian country to the south. The measure of poverty is a measure of society and of ourselves.

Poverty in a wealthy society calls for a response; a call that the siren voices of the Fraser Institute for lower taxes and less government don't want to hear.

Madam Chairman, I think this government would like to make sure that this debate gets as little airtime as possible. We have been under closure at every stage of this bill, and I expect it to be under closure in the remaining stage as well. We have seen the government manipulate the time clock so that it's brought in at committee for the first time with government amendments on the floor, no other time to debate clause by clause until this amendment is dealt with, until after 5 o'clock, when we are forced by the clock to adjourn by 5:30 p.m., just a couple of minutes from now.

There is no doubt this government will continue to use time allocation and other manipulation to limit debate so that Albertans will not learn the true impact and the true problems with this policy until it is too late. This government would like to pretend that just because there aren't hundreds, if not thousands of Albertans clamouring on the steps of the Legislature to get in, somehow this issue hasn't captured the public's attention. But I can tell you, Madam Chairman, that this issue has captured the public's attention. Their interest is continuing to grow, and they're becoming increasingly disturbed by what they find out about this government's tax plans for them.

Let's take a look at child poverty rates since the federal government decided that it wanted to eliminate child poverty, when they made that decision back in 1989. Child poverty rates, by the way, since 1989 have grown in this country from 15.3 percent to 19.8 percent. Those children living in poverty of course live in families that are living in poverty with mostly people marginally employed or only seasonally employed. Between 1989 and 1997 the number of poor children in Canada has increased by over 37 percent while the total number of children in Canada increased by only 6 percent. This is an indictment of government tax policy, Madam Chairman.

In 1996 there were 730,000 poor children in two-parent families compared with 673,000 poor children in single-parent families headed by women.

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