

Legislative Assembly of Alberta

Title: **Friday, June 5, 1992** 10:00 a.m.
Date: 92/06/05

[Mr. Deputy Speaker in the Chair]

head: **Prayers**

MR. DEPUTY SPEAKER: Let us pray.

Our divine Father, as we conclude for this week our work in this Assembly, we renew our thanks and ask that we may continue our work under Your guidance.

Amen.

head: **Presenting Petitions**

MRS. GAGNON: Mr. Speaker, I'd like to present a petition from 20 Albertans who are opposed to using taxation as a means to achieve the objective of the clean air strategy.

head: **Reading and Receiving Petitions**

MR. DEPUTY SPEAKER: The hon. Member for Calgary-McKnight.

MRS. GAGNON: Thank you, Mr. Speaker. I request that the petition which I presented yesterday be read and received.

CLERK ASSISTANT:

Wherefore your petitioners pray that your Honourable Assembly may be pleased to call upon the Government of Alberta to review the present N.E.F. Contours as they relate to Calgary International Airport. These contours have been in place for over twenty years and have been used to make land use planning decisions by the City of Calgary in the area surrounding the Airport. Since their determination the usage level of the Calgary International Airport has greatly increased and the types of aircraft have changed drastically. We respectfully request that these contours be reviewed so that it is certain that they are accurate and truly reflect current noise levels.

head: **Introduction of Bills**

Bill 29 Consulting Engineers of Alberta Act

MR. KOWALSKI: Mr. Speaker, I beg leave to introduce Bill 29, the Consulting Engineers of Alberta Act.

Mr. Speaker, the Consulting Engineers of Alberta Act will acknowledge the consulting engineering industry as having a strategic role in economic development, job creation, and international competitiveness. It will formally identify a strategic industry which provides professional services toward the development and transfer of technology into owner-operated projects that improve the competitive edge of Alberta business. It will also assist in the diversification of the member company's operations in national and international markets, creating a greater public awareness of this vital Alberta industry.

[Leave granted; Bill 29 read a first time]

head: **Tabling Returns and Reports**

MR. SPARROW: Mr. Speaker, I'm pleased to file with the Legislative Assembly today the 16th annual report of Alberta Recreation and Parks for the period April 1, 1990, to March 31, 1991.

head: **Introduction of Special Guests**

MR. HORSMAN: Mr. Speaker, I'm pleased to introduce to you a guest of yours seated in the Speaker's gallery. He is the hon. Member of Parliament for Macleod, Mr. Ken Hughes, who is also the chairman of the Progressive Conservative caucus from the province of Alberta in Ottawa. He's been here for meetings today. I would ask that all hon. members welcome him as he rises in the gallery.

MR. DEPUTY SPEAKER: The hon. Minister of Consumer and Corporate Affairs.

MR. ANDERSON: Thank you, Mr. Speaker. It's my pleasure today to introduce to you and to members of the Assembly nine students and their teachers from the Lycée Louis Pasteur school in Calgary-Currie. The teachers are Alexis Aitken and Bogna Skupinska. I might say, as they rise to receive the welcome of the House, that this school has sent classes every year to this Assembly, and that kind of citizenship is well appreciated. I'm sure members would like to show appreciation for their visit while giving their warm welcome.

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

MR. ADAIR: Thank you very much, Mr. Speaker. It's a pleasure for me to introduce to you and through you to the members of this Assembly a family from Grimshaw, the Mr. and Mrs. Shannon Websdale family. They are perfect examples of volunteers that assist to make our Alberta a better place to live. Shannon is the past president of the North Peace Community Living Society. Lynne is a director, and the present president is my wife. They're accompanied by their children Terry and Rilla. I would ask them to stand and receive the warm welcome of this Assembly.

MR. KOWALSKI: Mr. Speaker, a few minutes ago I had the honour of introducing Bill 29, the Consulting Engineers of Alberta Act. The development of this Act was done in consultation with prominent leaders in the province of Alberta who provide consultation services in the area of engineering worldwide. There are a number of these prominent individuals who are with us here today. They're in the members' gallery. I'd like to introduce them: first of all, the president of the Consulting Engineers of Alberta, Mr. Bob Kavanagh, Mr. Al MacDonald, Mr. Ken Pilip, Mr. Bill Eadie, Mr. Al Oliver, Mr. Andy Jones, Mr. Ed McLellan, Mr. Dan Bader, Mr. Peter Kruselniki, and Mr. Rick Prentice. I'd ask them to rise and receive the warm welcome of all colleagues in the Assembly.

MR. DEPUTY SPEAKER: The hon. Minister of Municipal Affairs.

MR. FOWLER: Thank you, Mr. Speaker. It's my privilege this morning to introduce to you and through you 47 fine students from St. Albert high school accompanied by three of our fine educators: Mr. Len Bracko, Ms Noreen Ehalt, and Mr. Clarence Briand. I would ask them to rise in the public gallery and receive the traditional acknowledgment and welcome of this House.

head: **Ministerial Statements**

Senior Citizens' Week

MR. BRASSARD: Mr. Speaker, June 7 to 13 is Senior Citizens' Week in Alberta. It is an opportunity for Albertans to recognize

the enormous contributions made by seniors to strengthen our families, our communities, and our province as a whole. The theme of Senior Citizens' Week is Seniors: a Strength of Alberta.

Mr. Speaker, we are fortunate to have 228,500 seniors living in our province, and it is easy to see how these individuals make our province stronger. Seniors have a wealth of experience. They are active as businesspeople, entertainers, writers, teachers, and in dozens of other endeavours.

Older people are a vital part of our families. They provide emotional support and advice, sometimes financial support, and a whole host of activities that go to make up our communities. Many seniors are active volunteers working to help Albertans of all ages. The vast majority of seniors are healthy and living in their own homes. More and more seniors are independent and active. They have a wide array of interests, skills, and backgrounds. Over the past several years I've met hundreds of interesting and talented senior citizens in communities across this province.

10:10

Recently I saw a notice on a board announcing lessons for seniors who do not know how to swim. Lessons such as these represent a profound change in attitude. Ten years ago few seniors would have considered the idea of taking up a new sport. Now many seniors are looking at their senior years as an opportunity to try activities they had no time for before they retired. These seniors, by challenging the stereotypes of aging, are leading the way for future generations.

Mr. Speaker, Senior Citizens' Week is spearheaded by the Seniors Advisory Council for Alberta. This is the seventh year the council has held Senior Citizens' Week, and I want to thank the council for their many efforts.

Along with the Seniors Advisory Council I invite all Albertans to take part in the many festivities and special activities planned in communities across the province. Join us in celebrating Senior Citizens' Week to recognize the valuable contribution of seniors.

MR. MARTIN: Well, Mr. Speaker, we in the Official Opposition would certainly be glad to participate in seniors' week. As usual, I don't disagree at all with what is said in the ministerial announcement. The sentiments are good, but as usual, the actions speak louder than the words. I'd remind this government that we had a major debate about the cutbacks to seniors' programs last year. There are still nine programs that have been cut. It still makes a lot of seniors very angry, and it's hurt a lot of seniors badly.

AN HON. MEMBER: Same speech you gave last year.

MR. MARTIN: It's the same speech as last year. The seniors are still hurting as badly as last year.

The point I'd make, Mr. Speaker, is that as the minister is well aware, there's a major problem with waiting lists to get into government-subsidized housing, yet that budget has been cut back 20 percent. When you talk to seniors, one of the things they want to be more independent is what we call the ears, eyes, and teeth program, which would, I think, save the government money down the way. We have a good example in Calgary, the Kerby Centre, that needs some help, which will save money in the long run.

I would remind this government that all seniors aren't the millionaire seniors that the Premier talked about last year. So we'll look for action rather than rhetoric, Mr. Speaker.

head: **Oral Question Period**

MR. DEPUTY SPEAKER: The Leader of the Official Opposition.

NovAtel Communications Ltd.

MR. MARTIN: Thank you, Mr. Speaker. It has become evident that this government is doing everything in its power to avoid blame for the NovAtel fiasco. Obviously it's not working though. Today I would like to file an order in council passed by the government in January of 1991. Through this order in council the cabinet gave a blanket indemnity to the officials of Telus who were managing NovAtel while it incurred significant losses. A company or a person who is indemnified is really let off the legal hook for their actions or decisions. My question to the Premier is simply this: why did the government give these wide-ranging indemnities to both Telus Corporation and its personnel when the minister of technology is now blaming these very people for the problems at NovAtel?

MR. GETTY: Mr. Speaker, this would have been a request from Telus to the government followed up by the minister and the Provincial Treasurer.

MR. MARTIN: Well, Mr. Speaker, I'm going to come and ask for a million dollars. I guess I'll get it from the Premier if that's all you have to do.

Mr. Speaker, this is a very serious matter, because this let them off the legal hook. They made sure that the taxpayers would have to pay the bill. I want to ask the Premier why they did this. He signed the order in council.

MR. GETTY: Mr. Speaker, the hon. member would understand that the government owned Telus, AGT in those days.

MR. MARTIN: Well, we understood that, Mr. Speaker. What a brilliant answer.

Let me ask a third question to the Premier, simply this: isn't it true that the real intent of this indemnity was to make sure that the taxpayers were the losers because of the mismanagement rather than the good Conservatives on the Telus board?

MR. GETTY: Again, Mr. Speaker, the hon. Leader of the Opposition gets into a sort of desperate type of action, striking out, trying to bring discredit to people he doesn't even mention in a specific way. I guess the style of the Leader of the Opposition is to throw mud in every direction and hope some of it sticks on somebody, which is the saddest kind of opposition.

MR. DEPUTY SPEAKER: Second main question.

MR. MARTIN: Mr. Speaker, half a billion dollars gone and those are the answers we get from this government.

Mr. Speaker, I'd like to designate my second question to the Member for Edmonton-Highlands.

Health Care Funding

MS BARRETT: Mr. Speaker, this government has pretended lately that it's grown a new part of its anatomy, the collective ears. What they do typically, just like the minister responsible for Seniors, is cut programs first and then go out and consult afterwards. Now, the Ministry of Health apparently is no different. On May 29 the department, under the minister's signature, issued a three-page statement to hospital and health unit boards in which the minister says:

At best, I think we can expect a flat spending level for the health system over the next four to five year period.

I'm prepared to file copies of this letter with the Assembly. Now, you add that up and I'll tell you what it comes to. If you assume inflation is only going to be 3 percent – that's being pretty generous – do you realize that that comes to a cut of \$250 million? With higher health care costs, the cut could go even deeper. My question to the minister is this: why is this government making cuts, announcing cuts without consulting the stakeholders first?

MS BETKOWSKI: Mr. Speaker, we probably have in Alberta the most collaborative process of discussing with stakeholders, which in the words of ordinary Albertans means our health sector, including hospitals, health units, health manpower – physicians, nurses – to my knowledge the most extensive process that's going on anywhere in Canada. Many of the other provinces have given up on a collaborative model. We in Alberta are determined to carry one through.

MS BARRETT: Mr. Speaker, I fail to see how telling these people that they're going to lose \$250 million over the next few years is collaboration.

Mr. Speaker, I suggest to you that the source of the problem is the government's loss of \$566 million in the NovAtel fiasco and \$2 billion in regulatory failures, and now the Health minister is being told to compensate for it. Why won't the minister speak up to the Provincial Treasurer and the Premier and say that the health of Albertans is not going to be paid for by the bungles of this government in Economic Development and Trade?

MS BETKOWSKI: Mr. Speaker, I speak regularly to the Provincial Treasurer and the Premier and in fact our whole caucus with respect to spending in health care and the important things we have to do in order to ensure that we pass on to the next generation the quality of the health care system that we received from the previous one. I know that the members in the New Democratic Party are advocates for continuing to add more and more dollars to health, yet nothing will inhibit our children's choices more than undisciplined spending. The dollars that we have allocated to health in this current year expand by 4.2 percent. I think that if you look across the country, you'll find that we're among the highest. It is a year of transition. We have to ensure that we start to reshape our health system, not by adding new revenues to it but by spending better the extensive revenues Albertans have dedicated to it.

MR. MARTIN: Have to pay for the bungles.

MS BARRETT: That's right.

Mr. Speaker, I'm not talking about adding dollars; I'm talking about this government's plan to cut real dollars from the health system.

In this letter the minister also talks about regionalization, a policy which, by the way, the New Democrats have advocated for years, but what she's doing, Mr. Speaker, is telling them to regionalize so that they're going to take the fall, they're going to take the blame for this government's cuts. Will the minister admit that because of the financial losses at NovAtel and other bungles she's downloading the responsibility of these cuts onto the regional boards?

10:20

MS BETKOWSKI: Mr. Speaker, first of all, with respect to the discussions that are under way in health and will be continuing towards the end of June with work sessions all around this

province as to why we are doing what we're doing in order to get fundamental health reform, I would refer the hon. member to questions which her own leader posed on May 11.

With respect to regionalization of services in health, the hon. member will know that The Rainbow Report recommended that nine autonomous districts be set up in health over and above the existing health governance structure in Alberta. As a government we rejected the model of regionalization which was proposed in The Rainbow Report; however, what we accepted fundamentally was that regionalization must occur.

We can't continue with this process of every single facility thinking it needs everything every other facility has. We need to look at not only geographic regionalization, we also need to look at program regionalization for the purpose of ensuring that Albertans have access to health services and that we have a sustainable health care system. The goal is laudable, and I am willing and so is this government to work hard with Albertans in order to achieve it.

NovAtel Communications Ltd.

(continued)

MR. DECORE: Mr. Speaker, my questions are to the minister responsible for telecommunications. NovAtel cost Albertans \$566 million. You have to believe with that kind of a huge loss that somebody must have been making some money. We now know from the evidence that's coming out of the United States that there is an allegation of fraud involving NovAtel subsidiaries in the United States. We know that NovAtel borrowed money at high interest rates in Canada, took that same money and lent it in the United States at lower interest rates. We know that in the United States there were some \$285 million of sales that NovAtel effected, but it cost \$300 million to effect those sales. My first question to the minister is this. It is my information, Mr. Minister, that key civil servants advised the minister not to pour further moneys into NovAtel. In view of that information, why did the minister continue to take money from Alberta taxpayers and keep pouring it into this hole of NovAtel? Give us an explanation.

MR. STEWART: Mr. Speaker, I recognize that the hon. leader is attempting to go on a fishing expedition to try to conduct his own investigation. The NDP did the same thing yesterday when they put out a news release alleging certain cover-up matters, things that were fully disclosed to the Alberta Securities Commission, all of that.

The whole point is, Mr. Speaker, that Albertans want an independent review of this whole matter. They want answers. They don't want reviews and investigations by politicians of any stripe. They want an independent review, and that's what they're going to get with the Auditor General, an office of integrity and independence.

MR. DECORE: I would hope that the minister would try to answer some questions that are put to him. That's not the issue that I addressed. I want to know about those key personnel in your department, Mr. Minister.

Let's try another one. My second question is this. We now know about the allegation of fraud in the United States involving NovAtel subsidiaries. I want to know what action you've taken. Have you visited the RCMP? Have you said to the RCMP: "There is fraud that has taken place. I've now looked into it; I'm convinced that there's a problem. Will you conduct an investigation?" Have you done that, Mr. Minister?

MR. STEWART: Mr. Speaker, in January of 1991 we put a management committee in place in order to take hold of this company to restructure it, refocus it, get it back on balance, and sell it or wind it up. That management committee did some investigations with respect to all of the subsidiaries of NovAtel to look into their systems. They discovered that there were some irregularities down there. They brought those to my attention at the end of January, early February. We instructed them to take whatever action was necessary in order to get to the bottom of it. They did. Legal actions have commenced. They're before the courts. If there are any proceeds from those damages claimed, they will come to the benefit of the taxpayer.

MR. DECORE: Mr. Speaker, I want to get my questions answered. I don't want the minister pawning this off on the management committee; I want answers.

Did the minister talk to the RCMP? Did the minister ask the RCMP to take action and look at these allegations of fraud? That's your responsibility, Mr. Minister.

MR. STEWART: Mr. Speaker, to the extent of any allegations of fraud, they are being fully investigated in the United States, and so far as I am aware, the RCMP has no jurisdiction in the United States.

MR. DEPUTY SPEAKER: The hon. Member for Highwood.

Volunteerism Conference

MR. TANNAS: Thank you, Mr. Speaker. My questions today are for the Minister of Public Works, Supply and Services, the minister responsible for lotteries. I'm given to understand that yesterday and today people from all corners and communities of this province and beyond have converged in the city of Edmonton to participate in a conference for Alberta's volunteers. Will the minister admit that he is in any way responsible for this?

MR. KOWALSKI: Mr. Speaker, this is the fourth year that we've hosted in the province of Alberta a volunteer-sponsored organization called Vitalize. It started four years ago, and it is now known as Vitalize '92. Nearly a thousand volunteers from about 450 volunteer groups from about 125 different communities throughout the province of Alberta gathered in Edmonton last night, today, and tomorrow to discuss a wide variety of matters associated with volunteerism.

It's really significant, Mr. Speaker, because it was just in the last couple of years that amendments were made in this Assembly to the Wild Rose Foundation Act that encouraged the Wild Rose Foundation, which is a lottery-funded organization, to expand the whole role of volunteerism. That went hand in hand with the initiatives of this government that followed through the results of a very successful international conference held in Paris in 1990 and then a resolution in the United Nations in 1991 calling on nations around the world to extend their hands of friendship and understanding through the philosophy of caring and sharing to promote volunteerism.

This is an extremely successful conference, Mr. Speaker, and yes, we were very much involved, as were all of the hon. members of this Assembly, in promoting volunteerism in the province of Alberta. It's a great spirit.

MR. DEPUTY SPEAKER: A supplementary question?

MR. TANNAS: Yes, Mr. Speaker. To the same minister: would the minister confirm that the costs of Albertans and out-of-province participants will be borne by the taxpayers of Alberta?

MR. KOWALSKI: Mr. Speaker, all individuals who attend Vitalize '92 will pay a registration fee. It's a registration fee that covers essentially the basic costs associated with the convention itself. Some dollars are allocated through the Wild Rose Foundation, which is, I repeat, a lottery-funded organization, to pay for guest speakers from outside of the province, but there are no expenses allocated to guests from other lands.

Mr. Speaker, there also will be a delegation that will be arriving in Alberta today from our sister state of Hokkaido led by an individual who is the equivalent of a minister in our government, the Minister of Family and Social Services, from that particular prefecture, who will be spending approximately one week in the province of Alberta with other officials from the government of Hokkaido meeting with volunteer and social groups throughout the province of Alberta.

MR. DEPUTY SPEAKER: The Member for Edmonton-Strathcona.

Furnace Safety

MR. CHIVERS: Thank you, Mr. Speaker. The problem with Flamemaster heat exchangers is more serious than the Minister of Labour would like to believe. Mr. Bill Horiachka is present in the public gallery this morning. Six months ago he moved into a basement suite in Strathcona and since that time has been experiencing serious health difficulties. He had his Flamemaster furnace checked, found it was a defective one, and in two weeks his symptoms are clearing up. To the Minister of Labour: given that Northwestern Utilities has told our office that they would be quite prepared to co-operate with the department in terms of making sure that personal and direct notice goes to owners of Flamemaster furnaces, why is it that the minister has taken no steps to make sure that direct notice goes to the owners of Flamemaster furnaces in this inexpensive and convenient way?

MS McCOY: Mr. Speaker, we have of course taken steps to ensure that owners of gas furnaces across the province are aware of the responsibilities they have as owners to always check their furnaces, because all furnaces have the possibility of developing some flaws, and it does not matter what brand you own, every furnace has that possibility.

10:30

As I have said in this House before now, when we first heard that there were some furnaces that were not performing well, we went to lengths to get the message out as quickly as possible. We immediately contacted all natural and propane gas suppliers and inspection authorities, alerting them of the reported problems, because of course they are the ones who have the day-to-day interface with people who own these furnaces. To advise the public at large, we felt the quickest means of getting the message out was through a media release, and that was distributed throughout the province.

Again I want to stress: yes, the Flamemasters have had problems, as I have said before, but no, they are not the only furnaces that have problems. The fact of the matter is that in Alberta there are more Flamemasters than any other single brand. Therefore, in a pure numbers system there are more Flamemasters with problems, but on a percentage basis there are as many problems with other brands of furnaces of this nature as there are with Flamemaster. To continuously harp on the Flamemasters is in fact doing the owners of other furnaces a great disservice, because the danger is that they may be lulled into thinking that

they have no reason to be concerned. In fact, the message that needs to go out to every owner of a furnace is that they need to have them inspected every year regardless of what brand it is.

MR. CHIVERS: The notice I suggested would be direct and could be fairly presented to the people.

Mr. Speaker, the Minister of Labour continues to repeat her assertions that there is no significant difference between reported defects in the Flamemaster and other models, and this is nonsense. The experience of repair firms in the city of Edmonton, the industry's observations, can be verified with the city of Edmonton gas and heating branch, and I suggest to the minister: go to those records and see what the facts are. I am asking the minister: given the discrepancy between her assertions and the experience of the people in the industry, will the minister now tell the Assembly why it is that she continues to make these assertions? Is it based on false data or simply an attempt to downplay the danger?

MS McCOY: Mr. Speaker, it's interesting that the member has only surveyed Edmonton. Let me tell you who all we've been talking to. A person with Medicine Hat client services advises that three of eight Flamemaster furnaces inspected were found to have cracked combustion chambers. The chief inspector with the city of Lethbridge reported there were no more reported failures of Flamemaster heat exchangers than any other make. Mr. McKinley of McKinley Heating reported that their firm replaces hundreds of units every year of all makes and models, and there aren't any more Flamemasters changed than any other make. Alberta Heating reported that only about 20 percent of the change-outs are Flamemasters. Dick's Heating, whose sole business is replacing heat exchangers, reported that in 1990 he replaced 40 Flamemaster exchangers out of a total of 200 replacements. That's only 20 percent. The city of Fort McMurray inspector reported that there is no more of a problem with the Flamemaster furnace than any other make. [interjections]

MR. DEPUTY SPEAKER: Order. We have to move on.
The hon. Member for Edmonton-Whitemud.

Assured Income for the Severely Handicapped

MR. WICKMAN: Thank you, Mr. Speaker. This being National Access Awareness Week I believe makes my question more appropriate than ever, and my question is directed to the minister responsible for Family and Social Services. The minister is now, I would hope, fully aware of an AISH recipient being disallowed from keeping a \$565 bequest from her mother. Will the minister assure this Assembly that this unfortunate woman will be allowed to keep this small but last gift from her mother?

MR. OLDRING: Well, Mr. Speaker, first of all, let me say that it's always difficult to respond to specific files and specific cases in the Legislative Assembly, as the member knows full well that that information is confidential information.

Let me talk in a broader sense about a program that we have here in Alberta: AISH, assured income for the severely handicapped. It's a very unique program. There are only two other provinces in Canada that have anything even close, and neither is as generous as the program that we have. As it relates to the program, we are providing AISH to some 15,000 Albertans with a wide range of circumstances, a wide range of needs, and we try to address those as comprehensively as we can but recognize that when it does involve 15,000 cases with unique circumstances,

from time to time the program might not fit quite exactly the way we would like it to. So we have put in an appeals process that allows a panel to be able to sit down on an independent basis and address some of those unique circumstances.

MR. WICKMAN: Mr. Speaker, the minister is fully aware, fully knowledgeable of the details of this particular case as his office has been fully informed of it. My question was not answered in any fashion.

Let me ask the minister: is the minister himself prepared to review this instance and other instances, keeping in mind that the policy has to be revised to do away with this heartlessness that is presently there? It's the policies that are at fault, and he's responsible for those policies.

MR. OLDRING: Well, Mr. Speaker, the Member for Edmonton-Whitemud is correct when he says that the minister is aware of the details. Yes, the minister is. I only wish that that member was aware of the details before he related the misinformation that he did.

Now, I'm not going to deal in misinformation; I'm going to continue to talk about a program that we have in Alberta that is an exceptional program. It's meeting the needs of many, many Albertans. Again, if this member was doing his job, probably what he could have done in that instance was to have helped this individual with an appeal to get her case before the appeal panel, because I agree that there were some unique circumstances involved. That's why we have the appeal process there. If this person was doing his job, he perhaps would have helped this individual take those steps and have the situation remedied.

MR. DEPUTY SPEAKER: The hon. Member for Calgary-Foothills.

Energy Prices

MRS. BLACK: Thank you, Mr. Speaker. All of us know of the dependency on OPEC decisions in terms of price setting for Alberta crude. In that OPEC prices are stronger, could the Minister of Energy advise the Assembly of the current dynamics of OPEC pricing and its impact on Alberta producers?

MR. ORMAN: Well, Mr. Speaker, wouldn't you know it; just as we establish a \$19 price, west Texas intermediate, for our budget, OPEC constrains supply, and we now have a price that's about \$3.50 higher than our budget forecast. The New York Mercantile Exchange, which reflects futures prices for crude oil in the North American continent, is about \$22.50 for July contracts. This is a result of the recent May 21 OPEC meeting. At that meeting OPEC ministers were anticipated to increase the OPEC quota above the 23 million barrels a day of crude oil that are currently coming from OPEC and, in fact, only marginally increased the quotas to about an additional 500,000 barrels a day. This was substantially less than the market had anticipated, and therefore there is an expectation of a much tighter supply/demand match for the third quarter of this year.

There is another aspect, Mr. Speaker. I was at the OPEC meetings on April 23 last, and there was extreme concern expressed by OPEC ministers with regard to the European Community's intent to levy a \$3 carbon tax. The OPEC ministers, led by Hisham Nazer, who is minister of oil for Saudi Arabia, indicated that possibly the price was too low. I was at a private meeting with Mr. Nazer, and he indicated that this was not acceptable, that if there was a difference between the price and

what the market could bear, he felt OPEC should have that in their hands. He has substantial influence on OPEC, and I'm sure that his recent actions with regard to the OPEC meetings have resulted in this lower quota and anticipated higher pressure on supply/demand dynamics for the world.

10:40

MR. DEPUTY SPEAKER: Supplementary question.

MRS. BLACK: Thank you, Mr. Speaker. I've also noticed that natural gas prices have gone up. I was wondering if the minister could comment on what has driven the prices up, particularly the spot market price in the U.S., and whether this could actually mean a positive upward forecast for gas prices this year.

MR. ORMAN: Well, again, Mr. Speaker, just as we forecasted lower prices for natural gas, we see that the much anticipated tightness in the U.S. market is starting to work its way through spot prices. The U.S. spot price in the last two or three months has increased about 40 percent. It's moved from about \$1.10, which I believe was February, to about \$1.65 in the U.S. spot market. There are a number of reasons for this. We all know that it was only a matter of time before the replacement of U.S. domestic supply matched the blowing down of their reserves. They just have not had the activity to do that. I do believe, Mr. Speaker, this is a reflection of Canadian producers' ability to back out U.S. domestic supply in lower prices, as we've seen. So, therefore, the reserves are not being replaced, and it is having a psychological impact on the market.

The U.S. economy is strengthening to some extent. The storage has decreased, and I think that one of the most significant psychological impacts is one that is a result of Oklahoma and Texas involved in prorating natural gas into their major markets. So these impacts are all having a very positive impact in terms of the revenues to the Crown.

Day Care System

MS MJOLSNESS: Mr. Speaker, in light of recent events in Saskatchewan regarding child abuse within a day care, concerns have once again been raised within our own province with respect to the safety of our children. Currently the number of licensing inspectors are too few, and they have no clear parameters under which to operate. I'd like to ask the Minister of Family and Social Services: given that this minister's own staff within his department developed a manual that clearly indicated the criteria for licensing inspectors but this minister refuses to endorse that particular manual, when will this minister act on behalf of children in this province and ensure that inspectors have clear criteria and support from him so that they can enforce the regulations?

MR. OLDRING: Mr. Speaker, again I will remind the Member for Edmonton-Calder of what an exceptional day care system we have in place in this province, that receives some \$80 million a year in taxpayers' supports, that has an exhaustive team of dedicated workers within our department, that even at a time of restraint, at a time of positions being phased out in government, at a time of downsizing, this particular section of this department has been increased by over 20 percent as it relates to the number of employees that we have out there working with day care operators right across this province.

Mr. Speaker, the member also knows that we are not resting on our laurels, that we are not sitting back and maintaining the status quo, that we're continuing to look for appropriate changes. We're

continuing to look for ways of improving an already good system. The member knows that we're at this very time working with a parents' advisory committee that will establish a 1992 version of appropriate regulations, and that will be out very shortly.

MR. DEPUTY SPEAKER: Supplementary question.

MS MJOLSNESS: Thank you, Mr. Speaker. Well, the minister knows full well that there are a lot of problems within the day care system, unless he does not listen to his own staff. An internal government review of day care by his own staff indicated that there were serious flaws within the day care enforcement system, such as no standards for what constitutes risks to persons in care and no limit to the number of infractions before his department takes action against a day care. I'd like to ask the minister: how can this minister abandon his responsibilities for the safety of children in day care by refusing to ensure that these flaws are corrected?

MR. OLDRING: Very assumptive again, Mr. Speaker, as is often the way. I just told the member that we're continuing to make changes within this ministry, within this department, that we're continuing to work with our day care workers, who I have a tremendous amount of appreciation and respect for. They take their responsibilities very seriously. They work hand in hand with parents in advocacy groups and day care operators. Again, I can only reiterate that we have good day care in this province. We are the envy of many, many other jurisdictions, and I don't know why this member wants to continually cast aspersions on the system that we have in place. I know she wouldn't trade it for what the NDs are doing to the system in Ontario. That's very clear.

MR. DEPUTY SPEAKER: The hon. Member for Calgary-McKnight.

Students Finance

MRS. GAGNON: Thank you, Mr. Speaker. The Minister of Advanced Education has publicly supported a move by the Canada student loan program to raise the requirements for student aid from three to four courses per semester. Individuals with young children, the physically challenged, learning disabled, mature students, and others take only three courses because this is the most they can take due to their special circumstances. My question is to the Minister of Advanced Education: how can we be assured, Mr. Minister, that Alberta will not cut off hundreds of needy students, as the Tory government in Ottawa has done?

MR. GOGO: Mr. Speaker, I assume the hon. member is dealing with the question primarily of university students as opposed to postsecondary students. It appears that it is now taking five and a half years in our universities to obtain a degree which was intended to be done in four years. The Canada student loan which is funded, as you know, by the Secretary of State to the tune of some \$600 million across Canada has indicated that they must tighten up that process, and one of the recommendations, which does not seem unacceptable, is for students to become very serious with regard to their studies. Therefore, to qualify for a Canada student loan they must take four out of five courses, i.e., 80 percent instead of 60 percent in terms of course load. My view is that that is not unreasonable, and therefore the Alberta government supports it, bearing in mind that we do have, I believe, a very serious matter to deal with, and that is the whole question of part-time students, many of whom are mature students.

MRS. GAGNON: Mr. Speaker, it seems to me that this move does not allow for flexibility and accessibility, especially to women. It is a system created for male students. Because two-thirds of the students who are part-time are women, often with children, I'm wondering if the minister will promise to establish an appropriate student aid program for these needy, part-time, women students.

MR. GOGO: Mr. Speaker, I think there is a lot of merit in the Member for Calgary-McKnight's suggestion. I really do think that the Students Finance Board in Alberta should have a look at what her suggestions are, simply recognizing that there are limits to resources, and that would be borne in mind as the Students Finance Board looks at the very representation she's made.

MR. DEPUTY SPEAKER: The hon. Member for Bow Valley.

Senior Citizens Programs

MR. MUSGROVE: Thank you, Mr. Speaker. I noticed this morning that when the minister responsible for Seniors made the ministerial statement on seniors' week, it was followed up by a barrage of abuse by the Leader of the Opposition about cutbacks in seniors' benefits. It was also followed up by the Member for Edmonton-Highlands talking about cuts in seniors' programs. I don't like to see us going into seniors' week with this kind of shadow over the seniors. I thought that I had been following this fairly closely. I would like to ask the minister at this point if there have been any changes made in this fiscal year to seniors' programs.

10:50

MR. BRASSARD: Mr. Speaker, there are approximately 30 programs that this government delivers to seniors. Quite a number of those programs are demand driven: as an Albertan requires a service, they apply for it. Based on those applications, we establish a budget. There are at least five of the programs that were changed solely based on that demand. The demand has been down this year, and that's the simple reason why there has been a change, but the programs have not changed. As a matter of fact, there hasn't been a change to one single program.

The one that the hon. Leader of the Opposition mentioned was the self-contained housing program, and I have admitted that we're not building as many units this year as we would like. We're not building as much of anything this year as we would like. Taking that change to that specific program into consideration, Mr. Speaker, we have put an additional \$10 million into seniors' programs in the last budget. There hasn't been any reduction of any significant amount to any of the programs.

MR. MUSGROVE: Mr. Speaker, it's my understanding that any cuts made in seniors' programs from now on will be done through a consultation process. Maybe the minister could elaborate on that.

MR. BRASSARD: Well, that's true, Mr. Speaker. We have embarked on a consultation process, as we promised we would a year ago last spring, and it's been very successful. We're meeting with seniors, as a matter of fact, all across this province, and the last of those regional meetings are going to be held next week in Calgary. They've been very successful, very helpful, and they will indeed contribute to any of the ongoing policies for programs for seniors in the future.

MR. DEPUTY SPEAKER: The hon. Member for Edmonton-Belmont.

Employment Programs

MR. SIGURDSON: Thank you, Mr. Speaker. Last month another 6,000 Albertans joined the ranks of the unemployed, and we now have 128,000 unemployed Albertans. [interjection] That doesn't include the Member for Athabasca-Lac La Biche, who will be unemployed after the next election, nor does it include the thousands of Albertans who have given up their search for employment because they haven't been able to find jobs. In the Speech from the Throne the government promised jobs for the unemployed, and subsequent to the Speech from the Throne the minister told the Legislative Assembly that members here on this side and all unemployed Albertans would be excited by the government's job strategy. Well, I think that it's about time that the Minister of Career Development and Employment announced that job strategy, and I would ask the minister to tell us, tell those 128,000 unemployed Albertans what concrete steps this minister and this government are taking to secure job opportunities for those unemployed Albertans.

MR. WEISS: Well, Mr. Speaker, I welcome the opportunity to respond if the hon. member in opposition will listen. I'd also like to go back a little to when he makes his statement about the unemployed in future elections. I would ask the hon. member to check with his former colleague on a small wager he made with me at the time, that he has not been able to repay at this date. I would hope that he would reciprocate by carrying on that message.

Mr. Speaker, let's be more specific. Alberta still remains the second best province in Canada, with the highest participation rate and more Albertans working than any other province comparatively speaking. We also have a 66.1 percent employment/population ratio, which is the highest in Canada. We now show through the month of May some 34,700 jobs, or more people working than last year at this time. We also have seen some 34,000 people enter the labour force, the only province once again to show more people coming in through in-migration and wanting to come to the province for the opportunity to work. In the specific area, though, that the hon. member refers to: what is the province doing? Where was he when the Provincial Treasurer and the Minister of Municipal Affairs announced the \$200 million program that's taking place? Those are just some of the small initiatives that are taking place, Mr. Speaker.

There is also an area that I want to refer to, and that's the summer temporary employment program to help the youth and the unemployed in that particular area. We have put some \$10 million into this program, the same as last year. Now, the hon. member in the opposition will say that this isn't enough, but I'd like to go back and refer to other provinces and see what they are doing in comparison. We lead all other provinces with all the programs that are in place. I also just happen to have articles from most daily and weekly newspapers, "Hire-A-Student eases summer job search pain," and I happen to look at the hon. Member for Lethbridge-West and note that within his community some "1,200 jobs opened for students." The employment officer says, "She hopes 1,500 work situations can be found this summer." The list goes on and on and on, and I believe I've gone on and on as well, Mr. Speaker.

MR. SIGURDSON: Mr. Speaker, the Minister of Career Development and Employment announces that there's a \$10 million program for summer temporary employment, but he fails to mention the fact that that program was cut by 50 percent two fiscal years ago. He and his government ought to be ashamed of that, especially in light of the fact that the unemployment rate for

young people between the ages of 16 and 24 is now at a staggering 15.7 percent, higher than in any recent year. That's grossly unfair to the unemployed, and it's going to lead to chronic unemployment for some of those young people. That is shameful. I would ask the minister what new programs this fiscal year are directed to young people between the ages of 16 and 24 so that they have an opportunity to get into that job market.

MR. WEISS: Mr. Speaker, we have many programs to assist in the development and job creation, specifically in the areas of helping people integrate into the work force. But one thing I should point out: there are more students as well. Those statistics are alarming, because there are more people going back to school, and more people then enter into the labour force. I don't want to leave the Assembly or the hon. member or any member not fully aware that we care. We care as much as anybody, particularly for those that are unemployed. We're going to continue to work with them, and that's our goal and objective. We don't want to remain the second best; our goal is to be the best.

MR. DEPUTY SPEAKER: The time for question period has expired. Might we revert briefly to Introduction of Special Guests?

HON. MEMBERS: Agreed.

MR. DEPUTY SPEAKER: Opposed? Carried.
The hon. Member for Taber-Warner.

head: **Introduction of Special Guests**
(*reversion*)

MR. BOGLE: Thanks, Mr. Speaker. I'm pleased to introduce a group of grade 8 students from Erle Rivers high school in Milk River to members of the Assembly. The students are accompanied by parents Mrs. Elaine Minor and Mrs. Sharon Hierath and by teachers Mr. John Parker and Mr. Brian Aman. They're in the public gallery. I would ask the students and teachers and parents to rise and receive the warm welcome of the Assembly.

MR. DEPUTY SPEAKER: The hon. Member for Clover Bar.

MR. GESELL: Thank you, Mr. Speaker. I'd like to introduce to you today and to members of the Assembly 24 visitors from St. Luke school in the Clover Bar constituency. St. Luke school is one of the few schools in Alberta that's been designed completely as an energy-efficient school. The students that are visiting us here today are accompanied by Mr. Rudanec, Mr. and Mrs. Mueller, and Mrs. Wood. I would ask our guests, who are seated in the members' gallery, to rise to receive the warm and traditional welcome of this Assembly.

MR. DEPUTY SPEAKER: The hon. Member for Redwater-Andrew.

MR. ZARUSKY: Thank you, Mr. Speaker. It's a pleasure for me to introduce to you and to the Assembly a fine group of students from the H.A. Kostash school at Smoky Lake. They're a group of 53 students, and they're accompanied by teachers Mrs. Boychuk, Mrs. Leskiw, and Mrs. Patenaude and a dozen parents. I hope they're having a fine day, and I know they will. They're seated in the public and members' galleries, and I'd ask that they rise and receive the warm welcome of the Assembly.

Point of Order Insisting on Answers

MR. DEPUTY SPEAKER: The hon. Member for Clover Bar gave the Chair notice that he wished to raise a point of order.

MR. GESELL: Thank you, Mr. Speaker. Today during question period, particularly during the two supplementaries, the Member for Edmonton-Glengarry insisted on answers.

11:00

MR. FOX: What's your reference?

MR. GESELL: Mr. Speaker, I would like to cite 416 of *Beauchesne*. Perhaps the hon. Member for Edmonton-Glengarry hasn't reached page 123 of *Beauchesne* in his reading of the rules of this Assembly. *Beauchesne* quite clearly states under (1):

A Minister may decline to answer a question without stating the reasoning for refusing, and insistence on an answer is out of order, with no debate being allowed.

Further, under 416(2):

An answer to a question cannot be insisted upon if the answer be refused by the Minister on the ground of the public interest

or so on.

Now, Mr. Speaker, answers are provided in this House when the questions are asked by the Member for Edmonton-Glengarry. Maybe the member is not listening to the answers, or maybe he doesn't like the answers. In any event, twice today the member insisted on answers, and that's particularly out of order. In previous question periods he has done a similar thing. Because of that he is also then guilty of repetition. Our Standing Order 23(c) would apply where he is repeating that insistence and that complaint. I would ask you to rule on this matter and because of that situation also invoke section 24(1) of our Standing Orders. [interjections]

MR. DEPUTY SPEAKER: Order please. The hon. Member for Edmonton-Glengarry, followed by Vegreville.

MR. DECORE: Mr. Speaker, I realize that the hon. Member for Clover Bar is nervous and unhappy about the NovAtel situation, and I think he should be embarrassed about NovAtel. [interjections]

MR. GESELL: Would you get to the point of order? Quit waffling around the issue.

MR. DECORE: I think he should be embarrassed. When you're nervous about something, you try to deflect the tension and you try to put your head in the sand and you try to hurry things along. That's understandable, hon. member. We know you're feeling some heat on this.

Mr. Speaker, *Beauchesne* 408(1)(a) says that oral questions "be asked only in respect of matters of sufficient urgency and importance as to require an immediate answer." Now, this is certainly a matter of sufficient urgency, and it is certainly a matter of importance. Albertans because of the decisions of this hon. member and other hon. members have seen \$566 million of taxpayers' moneys lost. I think that I and other members of our caucus are entitled to put questions and get answers, and this citation from *Beauchesne* clearly says that an answer should be given.

Now, I'd draw one other observation to the Speaker's attention. I have stood in my place on a number of occasions and have suggested that the rule that says that answers need not be given

needs change. In response to that – that is, a requirement for parliamentary change in this Assembly – the hon. Member for Lethbridge-West has stood in his place and has indicated that members of this Assembly need only stand, ask questions, and they will get answers. The same response was given by the Member for Olds-Didsbury when he stood and spoke on behalf of the government on an issue of parliamentary reform. Then the leader of the Conservative Party and the Premier of this province stood and said that you need only ask questions and you will get wheelbarrows full of answers; you will get answers.

Mr. Speaker, I presume that the hon. Member for Clover Bar believes in the strength and efficacy of his leader's statements, that when his leader says that you can stand and ask a question and you'll get an answer, there's got to be some truth in that statement. Now, I know that the government likes to run away and hide under an archaic rule, but that rule has been waived by a Premier who has said: stand; ask a question; you'll get wheelbarrows full of information. I didn't get wheelbarrows full of information. I asked the minister responsible for telecommunications today whether he has consulted with the RCMP. He didn't answer it. I asked him whether or not . . .

MR. DEPUTY SPEAKER: Order please. The Chair really has to ask the member to stay with the point of order and not rehash what happened in question period.

MR. DECORE: Well, Mr. Speaker, thank you.

I conclude by saying that our Premier of Alberta has given his commitment, a commitment that I suggest waives that archaic, silly rule that ministers can run away and not answer questions by saying that we need only stand in this Assembly, ask a question, and we'll get answers. Now, does that mean something or not?

MR. DEPUTY SPEAKER: The hon. Member for Vegreville.

MR. FOX: Thank you, Mr. Speaker. If I might, with respect, briefly on the point of order raised by the hon. Member for Clover Bar, he did say in his comments that the hon. Member for Edmonton-Glenarry is guilty, and I'd like to point out that the would-be Speaker from Clover Bar has the right to raise points of order for the consideration of Mr. Speaker, but he does not have the right to pass judgment on those points of order before the fact. So he might want to take that into consideration.

As well, he did make the statement in his point of order, Mr. Speaker, and it should not go unnoticed, that answers are provided in this Assembly. Well, I can tell you from my contact with Albertans who watch this forum day after day that they know very well why that 45-minute portion of Routine Orders every day is called question period and not answer period: because questions are indeed asked but answers are never given. [interjections]

MR. DEPUTY SPEAKER: Order please. On the point of order, I think it boils down to a dispute between members, because the rules are quite clear that not only in this Assembly but in all parliamentary institutions nobody has a right to insist on any answers to any questions. Now, reference has been made to something the Premier has said, but we are governed by Standing Orders and parliamentary practice. Until some action of this Assembly is taken to change those governances, it doesn't matter whether the Premier says it or the entire cabinet; the Assembly has to make the decision to change the procedures in this Chamber.

Of course, hon. members all know that there is presently a special select committee that's been established to look at parliamentary reform. Something may come of that; we don't

know. Until something does come of that, we are governed by the provisions of our Standing Orders and the interpretations of those orders and other parliamentary experience as set out in *Beauchesne* and *Erskine May*.

The Chair rules that there is not a point of order to be dealt with here.

head: **Orders of the Day**

head: **Committee of Supply**

[Mr. Jonson in the Chair]

MR. DEPUTY CHAIRMAN: Order please.

head: **Main Estimates 1992-93**

Consumer and Corporate Affairs

MR. DEPUTY CHAIRMAN: This morning the Committee of Supply is considering the estimates commencing on page 73 of the main budget booklet and on page 25 of the elements and details. I would ask if the hon. Minister of Consumer and Corporate Affairs has any opening remarks.

11:10

MR. ANDERSON: Thank you, Mr. Chairman. I think all members would be disappointed if at this time on a Friday morning I didn't give some opening remarks . . .

MR. GESELL: Give them some answers, please.

MR. ANDERSON: . . . and give them many answers.

Mr. Chairman, I would like to start by saying that this is my third budget year for this particular department and make an admission that when I was first asked by the Premier to take this responsibility, I wondered about how much I would be able to achieve and had to learn a great deal about what the department did, how it was responsible to Albertans. After having served three years in this portfolio, my conclusion is that this department is on the cutting edge of all that concerns Albertans in the province of Alberta. This is the department which deals with people when they make purchases in our marketplace or when they deal with particular financial transactions or details that are very important to the day-to-day lives of Albertans. I would like to think, I believe, that in the last three years we have improved the marketplace and that this budget request that's before you today will in fact allow us to move further yet in that regard.

Before going into the body of my remarks, I would like to express my thanks to the staff of the Department of Consumer and Corporate Affairs, who have done an excellent job in ensuring that I have had the information required, the best advice possible, and an efficient administration who have been quick to respond to problems and details, quick to respond to my office. In the gallery today we have the Deputy Minister of Consumer and Corporate Affairs, Dave Hudson, who came into that position in recent times; an even more recent appointment to the position of executive director of finance and administration, Lothar Hellweg, who we're glad to have with the department; also my assistant, Di Genereux, who's been with me throughout all of the portfolios I've served in in this government, and she represents my office who I also thank for their dedication and their commitment. I might say to Dave Hudson in particular that his enthusiasm, his imagination, his willingness to work with the times has added a great deal to the

Department of Consumer and Corporate Affairs, and I'm pleased to have him in the position of deputy.

Mr. Chairman, the principle that the department has in place and has worked towards over the years that I have been minister is to make sure we move towards and advocate fully a fair and honest marketplace in the province of Alberta. We believe that the citizens of the province have to be well informed, there have to be sound business standards established in our marketplace, transactions have to be understandable to consumers, and effective redress to problems must be available in order for consumers to operate in this particular marketplace. I believe that is more true this year than it was when I last stood before this Assembly in budget estimates. If we were moving quickly last year in terms of a marketplace, requirements for individuals to know what they were getting into, the ability for people to deal with a multitude of decisions to be made, then it's even more true in this particular year. People now receive telemarketing or direct mail through companies located in California, in Texas, throughout North America, and I would predict that very soon we will be receiving a lot more from Europe and from the Asian countries. This marketplace is going to continue to expand and become even more a part of the global market, and it is absolutely necessary that consumers have the tools to make the decisions they have to make.

I've said before and I will repeat that the resources of the Consumer and Corporate Affairs department as indicated here in budget estimates are only one small part of what's required to give consumers what they require to deal with today's marketplace. The Assembly could double my budget and I as the minister responsible for Consumer and Corporate Affairs still would say that only through a partnership with businesses and with consumer organizations will we in this province have the ability to make sure that there is the proper education of our citizens, that there is redress available, and that, most importantly, people are armed with the knowledge that they need to make the purchases that they require.

Mr. Chairman, we have developed several programs to try and meet the principle of encouraging and promoting a fair and honest marketplace. The partnership program has been the underlying base on which we've operated over the past few years. As I have just stated, that work between consumers and business and this government has been of major importance and a major success in assisting our marketplace to respond to today's needs.

We have developed with businesses, with consumer groups education programs for the province. I would underline the program on plain language which the Consumers' Association has put out where citizens can put on a document a sticker that says, "This is not understandable; why don't you look at redoing it?" and send it back to a business, back to a government and try to make them aware of their need in that regard.

I point as an example to our program of delegated responsibilities, the regulatory responsibilities that are represented in this budget and that are part of our system today which really weren't part of our system some five years ago. Today, for example, we work with insurance councils that develop and deal with licensing and education in the marketplace. We deal with the Alberta Real Estate Association, who help to police that real estate marketplace, give us the most up-to-date information, and develop educational programs for consumers.

In the budget before you today there is also provision made for the establishment of a funeral services board and for an automotive regulatory board, both of which still have to be completed but which we hope will progress during this coming year in accord-

ance with the wishes of the people of the province and will involve businesses and citizens along with the government in policing, in educating, in licensing in our marketplace.

We have as well those particular dimensions in the securities area where we work with the Stock Exchange and the individuals involved with the Investment Dealers Association to again establish fairness and a proper mechanism using all of the resources of our community, not only the resources of the Department of Consumer and Corporate Affairs.

Mr. Chairman, one very good example of both how we have computerized in the department for efficiency and worked in partnership and at the same time provided an increased program of information for consumers is the ConsumerLink program. It's the first of its kind in the nation. It's a program where 24 hours a day, seven days a week in Edmonton or Calgary areas citizens can call just one phone number and get through to over 120 messages by the Better Business Bureau, the Consumers' Association, or the Department of Consumer and Corporate Affairs, as well as in Edmonton the Landlord and Tenant Advisory Board, which will give them the basic information they require before they make a particular purchase or enter into a transaction. These lines are now becoming available in such places as Save-on-Foods, who have put a phone in their establishment so that people shopping can pick up that phone and directly get the information they require before they make purchases. Southgate and South Centre shopping centres in Calgary and Edmonton as well have put in place those telephones, at our urging, and we appreciate that partnership and expect it to expand considerably over the next few years.

11:20

Mr. Chairman, a major other initiative to give consumers the tools they need has been the plain language program. We have led the nation in that program, and recently we've been able to announce that almost all other Canadian provinces and the federal government have endorsed the program and agreed to work with us nationally so that Albertans buying across borders or filling government forms out across borders will also have the benefit of a plain, understandable language and form. In this province we have set in place a five-year program to make sure that the government itself has its correspondence, its regulations, eventually its legislation in understandable language and form. We have worked with industry to create changes that are now taking place in a dynamic way in Alberta. The Real Estate Association, for example, with us has designed a form for consumers who want to purchase homes, the first of its kind, once again, in the country. We have companies who have developed various forms in plain, understandable language, including all of those in the financial industry who have been required to do so by the Financial Consumer Act that we put in place in 1990, and we proclaimed May 1 of this year the requirement for that plain language section in our financial transactions in this particular province.

Mr. Chairman, that plain language program to some people may sound like motherhood. In fact, we've taken a thousand years to develop complex legal language in this community and others that is not always understood by all citizens, and in the very fast moving, changing marketplace of today, it's essential that citizens know what they're getting into, know what it is they're signing, and understand the various aspects of a purchase. This is now beginning to happen rapidly in the province, and I expect, though it will take some time, that Alberta will be a beacon to others in the world in terms of changing the kind of language we use to communicate on a business basis or from government to citizens.

Mr. Chairman, the programs that I've outlined are, of course, just some of the specific programs which relate to achieving the goal. Every year we have the ongoing responsibilities of Consumer and Corporate Affairs in terms of licensing, in terms of corporate registry in the education area, of assisting in a whole range of consumer information packages. One highlight this year was that we distributed to every graduating high school student in the province a kit which would help them go out into the marketplace where they were perhaps for the first time going to rent a suite or purchase a car or obtain credit somewhere in our marketplace, a kit that would arm them for going out into the world. That's been well received by the schools which we've dealt with in that respect.

In the coming year's budget I anticipate that another major program that we will establish akin to the partnership programs, the ConsumerLink program, the plain language programs that we've put in place over the past year will be in the area of mediation and arbitration. I have reached the conclusion that in our marketplace there will always be conflicts. We hope there will be fewer as days go on, but we know they will always be there between consumers and businesses. We do feel that the current system, the court system, has served its purpose well for Albertans, but that in many cases it's expensive and it's time consuming. We therefore are encouraging all businesses and will try to establish mechanisms to put in place mediation programs and arbitration programs. I am encouraging that to happen in all of our Acts so that option is available to individuals as opposed to always needing to go through sometimes backed-up, sometimes expensive and formal court process. We believe that that, too, could improve the marketplace, and we're working with organizations around the province to try and develop that kind of direction.

Mr. Chairman, another important area of the department which is found in vote 4 is the securities marketplace. Four years ago Alberta was often seen by eastern media as a haven for those less than reputable people to participate in the stock market. We were criticized regularly for our lack of regulatory strength. Today I believe that we're looked to in the country as a place where we have a firm but fair set of rules governing our securities marketplace. We've made very substantial Act changes on two occasions to do such things as make sure that those who were guilty of insider trading or takeover bids can receive up to a five-year jail penalty as well as very significant fines. We have increased penalties, increased the strength of the Securities Commission to move into certain areas, and have developed that commission very much over the last few years. That will continue as we finish our regulations governing futures trading and other securities regulations related to the amendments made last year.

We take a look at the franchises area. I hope to have in this Legislature during this sitting, certainly during this year, a rewrite of the entire Franchises Act, which would in fact give our individuals in the province who want to enter into those kinds of agreements a greater degree of information before they make those kinds of decisions.

Mr. Chairman, we have some major issues on the horizon as well in this coming budget year. Automobile insurance is certainly one of those. We have seen some increases in our auto insurance policy premiums over the past couple of years, and that's why I commissioned the report from the Automobile Insurance Board headed by Justice Wachowich, which told us that the industry had been losing dollars and that we could expect further increases unless we were going to consider a number of options. Those options are important to industries involved, to particular occupational groups, as well as to industry members.

Those options are important to the citizens of the province in that they will either determine limits to the kind of insurance we receive or increase benefits or, on the other hand, in staying as we are, admit that we will require higher premiums. We appointed a committee chaired by the hon. Member for Calgary-Foothills to consult with Albertans, consult with the industry, and come back to make some recommendations to us in this very important but complex and difficult area. I look forward to those recommendations and to discussing those ideas further with the hon. member.

Those are some general comments with respect to the operation of the department. Very quickly, in terms of the specific budget estimates that are before you, you'll note that the department is requesting a 6.7 percent increase to a total of \$22,152,258 in this year's budget. In fact, of that increase 6.5 percent is for the purpose of delegated regulatory organizations, and those dollars will come back in total to the government in fees to those who are being licensed as insurance agents or real estate agents or investment dealers. So the actual cost to the province of Alberta in terms of an increase in budget is only .2 percent over last year's budget. The 6.7 percent is somewhat misleading in that we have that financial requirement to flow the dollars through the government to the delegated regulatory organizations under the Financial Administration Act.

As you look at the department, you will also note that there is a reduction in positions from around 320 to 296. These positions will be reduced by attrition throughout our department. They will not reduce the particular responsibilities that we have. The savings are being achieved really through two mechanisms. One of those mechanisms is through computerization. Again, a good example is the ConsumerLink program which now electronically answers many of the routine concerns that people have and allows them to get that information 24 hours a day, seven days a week but at the same time saves us some time in terms of people operating calls, even though consumers in a normal working day can still get through to a counselor in Consumer and Corporate Affairs if that's required.

11:30

We also have been achieving some savings through the concept of delegated regulatory organizations. While we work in partnership and with, we are utilizing the resources that are there in those organizations to know best what's happening in the marketplace and to deal with education and education programs for the public and other programs in that respect. So while we have a reduction in staff in this particular budget, it's my belief that we will increase, as we have over the past few years, activity in the educational area, activity in pretty well all other areas of public programming through the partnership process that we have in place.

Mr. Chairman, just quickly with a couple of the specific votes. Vote 1 has a decrease of 4.1 percent, again achieved generally through downsizing and restructuring. Vote 2: we're requesting an additional \$590,000 in that particular vote, and the reason is largely to cover the negotiated manpower increases last year which weren't in the budget before those negotiations took place. We have also in vote 3 what look like a dramatic figure increase, the 30.5 percent in that vote, but in fact that represents almost entirely the delegated regulatory mechanism again, where the dollars flow through and therefore don't in fact represent a dollar increase to public expenditure but rather do represent an increase in the dollars being expended publicly for consumers throughout the province from sources such as licensing fees and other industry-related contributions.

Mr. Chairman, in vote 4, which is the securities marketplace, there's an overall reduction of 3.6 percent in funding. It's not a significant funding drop. What has happened in the securities area is that in the last four to five years as we have increased dramatically the activity, we've now reached a plateau with the number of people that are available and the degree of sophistication of the Securities Commission in both its aspects, the agency and the board, and consequently we have dealt with the issues there and rationalized our system. So there's really one full-time equivalent position that we have reduced in that particular area, but work through the Investment Dealers Association and the Alberta Stock Exchange has assisted us greatly in that regard.

Once again we have a 6.7 percent increase request of which .2 percent is an actual increase to the public of Alberta in paying dollars. I would very much believe that the dollars expended by this department are in keeping with what Albertans want to deal with their marketplace today. We will continue the programs of plain language, of moving further into the marketplace to assist consumers and businesses: to educate, to license, and to police. We will deal with other innovative mechanisms which will assist our citizens to work to achieve what they can best possibly achieve and purchase with the greatest wisdom in this marketplace.

Mr. Chairman, with those opening remarks, I'd be happy to try and answer any questions. As with past ministers, those we don't get answered this morning will be answered in writing at a later time. I'd be happy to have the advice and the input and any suggestions that may help in the administration of this I believe important department of the government of Alberta.

MR. DEPUTY CHAIRMAN: The Member for Edmonton-Strathcona.

MR. CHIVERS: Thank you, Mr. Chairman. I'd like to begin by thanking the minister for his comments. I welcome the opportunity to have some discussion with respect to the Department of Consumer and Corporate Affairs. I appreciate that this is the minister's third year in this department after many years in the government, and of course it's my second year as New Democrat critic for the Department of Consumer and Corporate Affairs. I want to say that on the occasions that I've had to deal with the staff and officials of the department I've experienced a good deal of co-operation from them, and for that I am extremely appreciative. Particularly I'd like to say to the minister that on a personal level it's been a pleasure to deal with him as minister of this department. I want to make it very clear that we have our differences of policy, and that's what I'm about to get into.

I certainly support the initiatives that he's described with respect to plain language, but I think it's time that we got past the rhetoric and got on with some meaningful action. As I suggested to him last year, it seems to me that plain language contracts in a few areas is not what's necessary. It's plain language legislation across the whole area of the Department of Consumer and Corporate Affairs that is required. I think the time has long passed for a thorough review of the over 30 statutes that govern the commercial relations of citizens of this province, and it seems to me that if he wants to take a bold step forward with plain language, the bold step to take is to refer the whole area of consumer and corporate commercial relations to perhaps the Alberta Institute of Law Research and Reform. Let's get on with it. Let's put together a code of consumer and commercial relations which will indeed be the envy of this country and the envy of other jurisdictions. It's a task that is long overdue. There are far too many statutes. They are far too complex. It is far too difficult for consumers and for businesses to deal with the plethora of statutory and regulatory

regulations that govern their affairs. It seems to me that the minister would be well advised to request that the Alberta Institute of Law Research and Reform undertake this as a project. I would gladly promote that concept with them, because it seems to me that it would be a very worthwhile and useful exercise and hopefully it would mean that we would then be able to advance the process of bringing about changes in this very critical area.

I agree with the minister that, as he said, "this department is on the cutting edge of all that concerns Albertans" in their commercial relations. I couldn't agree more with that sentiment. It seems to me that that is indeed true, but if we are to ensure that Albertans understand the responsibilities and the rights that they have, then it's absolutely imperative that we undertake this review and get that legislation changed.

Before I go on, I'd also like to extend my welcome to the staff and officials from the department. I appreciate the efforts that they make in terms of this department. It's not an easy task, and I'll be coming to that later in my remarks with respect to increasing workloads, decreasing revenues, decreasing staff. I recognize that they have scarcer and scarcer resources with which to work and that the job that they are attempting to do and the needs that they are attempting to respond to are growing. For this I think they deserve the recognition of Albertans because I think they are attempting to do a very difficult task with extremely scarce resources. This is also an issue that I would like to address later in my remarks.

11:40

It seems to me that if we're going to have a level playing field in Alberta, it's absolutely imperative that we respond to the growing needs for consumer protection and consumer fairness. We have a rapidly changing environment, as the minister has already acknowledged, with respect to new marketing techniques. In my view it's beyond question at this point in time that we have to overhaul the legislation. We need legislation which is reflective of and responsive to the realities of the modern marketplace. For example, we need consumer legislation which clearly defines modern standards for an honest and competitive marketplace, and I don't think that the legislation that we have - although it's piecemeal, it's across the board, it's very difficult to integrate as a logical whole, and we need to undertake that exercise. We need consumer legislation which clearly defines the rights and responsibilities of not only consumers but also of businesses. We need legislation which recognizes the impact of the new marketing techniques such as the telemarketing which the minister spoke of and the direct mailing techniques and the fact that these techniques extend beyond our jurisdictional boundaries.

[Mr. Moore in the Chair]

We need laws that integrate and harmonize with the laws of other Canadian jurisdictions and so far as possible with international jurisdictions. We need and indeed there are organizations of which Canada is a member that are attempting to harmonize laws in these areas. I think that is something that we need to be extremely aware of. I was just reviewing one of the reports the other day with respect to that. I appreciate the difficulty of bringing about harmony in an international and global marketplace let alone within and between Canadian jurisdictions, but it's a task that we have to attempt.

We need legislation which recognizes the need to protect the interests, to give special and unique attention to the interests of vulnerable consumers such as the elderly, low-income Albertans, and disabled Albertans, because there's a host of data now - it's

beyond question – that there are those consumers in society who are particularly vulnerable. The disabled, the elderly, and low-income persons are particularly vulnerable, and many jurisdictions are indeed working towards reform in the area to give specific and direct protection in cases of vulnerable consumers. It seems to me that's an area where we need attention.

Two, we need legislation which provides better warranty conditions. That's a problem that comes across my desk on a very regular basis. We need enhanced consumer remedies. Again there are modern ways of dealing with the needs of consumers. I realize that some of these initiatives are in place in some areas, but they should extend across the whole of the marketplace. Consumers should have available to them remedies such as class actions right across the marketplace. There should be improved repair provisions. There should be extended cooling-off periods, and there should be stronger cancellation rights. These are problems that are commonly experienced by Albertans, and I think the data generated by the department would verify this.

We need consumer legislation which is, as I've said, written in language that people can understand. After all, if we do this, if we address these areas, these problems, everyone wins: consumers and businesses. If we want to have a competitive and efficient economic environment, the best way to do it is to make sure that both consumers and businesses know precisely and plainly exactly what their rights, responsibilities, and remedies are, because of course rights and responsibilities without remedies are meaningless. Clear standards and a level playing field will of course enable business to flourish, and when business flourishes, that contributes to a strong and competitive economic environment and a strong and competitive marketplace.

So I think the argument in favour of a thorough and comprehensive review of our laws is overwhelming. The need is there. We have the initiatives. We have examples from a multitude of jurisdictions that we can look at. Perhaps the minister would advise as to whether he has any plans in work to undertake this kind of a comprehensive review. I'd like his response. I raised this issue last year, but I'd like him specifically to indicate to me whether he agrees that this kind of project would be a worthwhile project and whether it makes sense to try to bring the laws that regulate commercial relations between consumers and businesses under one statutory area rather than leaving us with the plethora of statutes we presently have.

Mr. Chairman, there are, of course, areas which involve relatively high consumer risks which require urgent attention. So in addition to asking the minister to engage in this general review, I think there are some specific areas that we need to address on an urgent basis. I'm thinking here, for example, of the financial collection industry. We're all aware of the abuses. I get reports of this on a weekly basis in my role as Consumer and Corporate Affairs critic. This is an area that definitely needs increasing tightening up and regulation. We need to regulate collection practices. I realize that efforts have been made in this area, but I think a specific example that the minister is aware of which has caused a number of Albertans serious problems is the failure of the Legal Works collection company in Calgary. I think again that this is simply one example of a problem that's symptomatic and requires urgent attention. While we're dealing with Legal Works, perhaps the minister could give us an overview of that matter and of his department's investigations and as to what the status of the persons who have been victimized as a result of the collapse of that company is and what sorts of prospects there are for their being able to satisfactorily deal with the situation that they've found themselves in.

Other examples: business failures in the travel industry. Although they're not as endemic now as they have been in the more recent past, it is of course an area that needs attention. The travel industry, to its credit, has taken steps on a voluntary basis to try to address this situation, but the problem does continue – on a less massive scale but nonetheless on a scale that to me is unacceptable and on a scale that to me Albertans should not have to put up with. I'm wondering if the minister doesn't agree that the time has come to address this issue with legislation and regulations that require the establishment of an industrywide compensation fund for the victims of collapsing travel companies and victims that are stranded away from their homes.

Motor vehicle transactions again are a continuing problem. It's another troublesome area. Does the minister not agree that the time has come to ensure fair treatment in such transactions and provide a requirement for the industry to establish once again a compensation fund and in this case a system of arbitration of disputes? I think that would help to remedy it. I was interested in the minister's comments earlier on with respect to his intentions in terms of introducing arbitration. I hope this is an area that he's thinking of. I believe it is. I think that would be a worthwhile initiative, but I think it has to be coupled with some meaningful remedies, and “meaningful remedies” means that we need to have it enshrined in legislation. We have to have some sort of an assurance fund or a compensation fund.

What about the many businesses that market prepaid services, such as fitness centres, such as tanning studios, and a host of others? There are undoubtedly numerous and repeated problems in this area. It's a very troublesome area. The problem of course arises when the businesses which have sold the prepaid services fail to deliver the services for one reason or another, usually because they've collapsed and on many occasions because they've spun themselves over into another entity. You find the same people running the same equipment in a different studio under a different corporate name. The time has come to address that. Albertans should not be victimized. Isn't it time for prepaid services legislation such as exists in other jurisdictions? It's a simple problem to cure, a simple problem to legislate, a simple problem to regulate, and an inexpensive way of dealing with substantial abuses to consumers.

What about new home warranty protection programs? There are jurisdictions that are dealing with this problem in a systematic and uniform way, and it's time that we dealt with it in a similar fashion in Alberta. Of course, the industry is making movements in that direction, and I applaud them for it, but that's not enough. The voluntary system is not adequate, and indeed it diminishes the ability of the industry to maintain the sort of confidence that it should have.

After all, Mr. Chairman, these are only some of the examples of victimization of consumers against which consumers and other jurisdictions are commonly protected. Why are they not protected in Alberta?

11:50

Mr. Chairman, let's examine what appears to be happening in this department for a few moments. Judging from the past few annual reports which I've had the opportunity to review, it seems clear that there is a significantly increasing demand by the public. I think that is beyond gainsay. For example, in 1990-91 there was an increase of nearly 14,000 calls for assistance over the previous year, an increase from 137,000 to 141,000 calls. Now, perhaps the minister could confirm what the increase has been over the past year, because we only have data available until March 31, 1991. I have no reason to believe that it would be less, and judging from

the calls that I get, I expect that it's increased even more. So we clearly have an increasing demand.

In addition, in 1990-91 there were nearly 9,000 calls handled by the excellent interactive telephone system, which the minister mentioned earlier and which I entirely agree is a very worthwhile venture. But it has serious limitations in terms of the ability of the consumers to deal directly with their province. It's a useful tool, but we need to have the ability to respond in the other areas where the need has to be served on a person-to-person basis.

In 1990-91 there was a 50 percent increase in family financial counseling contacts, and that is no accident. That is the reality of the recession. I suspect that increase is also reflected in this year's figures, the year 1991-92, and I wonder if the minister could obtain some information for me in that regard and confirm that as well.

It seems reasonable, therefore, to assume, based on the past several reports, that this year will once again see similar increases in the workload of the department. Now, at the same time as we have a steeply increasing departmental workload – and that certainly demonstrates an increasing public need – we have a situation where we have a decreasing number of staff to deliver the services to the public. Of course, the minister has addressed that. He has suggested that it can be explained away, but I suggest to him that if he looks at the increasing demand and he looks at how many concerns are not only being received but being resolved, he will see that there is indeed a very serious problem in this department because the need is not being met. I wonder if the minister would be prepared to provide me with some departmental statistics not only of the need, the calls that are received and the requests for assistance, but of those how many are indeed resolved and how many are the department not able to respond to, not able to resolve. I'd like also, if possible, information as to what areas the unresolved concerns fall into. Is it because there is not adequate legislation, there is no ability for the department to resolve the concerns because of a jurisdictional matter, or is it because of lack of staff and matters such as this?

At the same time that there's been an increasing demand for services from the department, there has been a dramatic reduction in investigations. I think that is a very significant indication. A drop of 800 between 1989-90 and 1990-91: that's about a 12 percent decrease in investigations. Now, that's a pretty serious decrease in itself, and I suspect that decrease is continued this year. I'm wondering if the minister could confirm that for me. In any event, why is it that the number of investigations has been steadily decreasing to the tune of about a 25 percent decrease in the number of investigations since the year 1987-88 to last year, 1990-91? Is it a change of policy? Is it a lack of staff? Is it a change of emphasis? Is it an inability to deal with the problems that consumers are experiencing? The question is: did we see that trend continue this year? Is there a continuing decrease, or have we been able at least to maintain the level of investigations that we had in the past? And of course the decrease in investigations impacts the prosecutions. I think that is also emphasized in the statistical data. I'm not going to dwell on it.

So at the same time that we see significant increases in public demand for services from this department, we also see a significant decline in revenue. I'm referring here to the decrease of about \$200,000 in 1990-91 over 1989-90, and I'm wondering if that trend continued again in the past year. I assume that it did. This overall decrease is despite significant increases in some of the areas such as trades and business licences. Of course, licences are the primary source of revenue for this department, and it may be that the reason is that when the government turned over the licensing of insurance agents' employees, adjusters, and real estate

agents to delegated industry organizations, it also turned over much of the revenue. Indeed I believe that the delegated industry organizations received back from the government 85 percent of the revenue. This may be what accounts for it, but perhaps I misunderstand the situation. I'd appreciate if the minister would clarify for me in some detail just precisely why it is that we've had this decrease in revenue to the department.

At the same time that we see the increasing public demand for services, we see cuts in employment of over 10 percent in some areas: 24 full-time positions and 11 full-time equivalent positions. Seventeen of these 35 cuts are in the consumer services area. I think this is extremely telling, because if we look at the votes you'll see the area with which consumer services is charged. They're charged with fostering equity in the marketplace, the very area where most of the concerns arise. Consumer services programs are responsible for the dissemination of consumer information, for mediation of disputes, to set licensing and lending standards, to enforce legislation, to provide family financial counseling – the area where we had a 50 percent increase in public demand – and to regulate credit, and so on. What impact will these cutbacks in this area and on this program have on the ability of the department to meet the increasing public demands for these very same services?

The consumer standards program is the program which provides a host of other very central and crucial services to consumers. They're the types of services that consumers most frequently have occasion to call on the department for for assistance. If I can just briefly point to some of the responsibilities in this area – if I can find it. Excuse me for fumbling around here. [interjection] At least I can find it, and as long as you have some answers, Steve, it would be a really interesting development.

Consumer Standards is vote 3, of course, and the services provided by this program are: licensing of businesses, support to co-operatives and volunteer agencies, administration of the Insurance Act – an area that I'd like to go into, but I won't have time – regulation of business practices in the real estate industry, provision of programs which assist financial consumers, education and counselling services, educational opportunities, consultation with industry groups, enforcement of fair trade practices, mediation, plain language. Of course, in view of the minister's commitment to plain language in these other areas, it seems to me that once again we can ask: what impact will the cutbacks in this area have? What impact is the budgeting going to have on the ability of this program to meet the increasing needs of the public? Yet at the same time there's a 30.5 percent increase in the budget for services. I'm wondering: what is this increase for? It indicates there's a 61.2 percent increase in Supplies and Services. What's the breakdown of this increase? Is it in supplies? Is it in services? To what is this increase, 61.2 percent, being allocated? I suspect it's being allocated to this much touted partnership, and if that's the case, I have some serious concerns. Although the minister seems to feel that this much touted partnership is working, he might speak with his auto industry committee and see whether they think it has worked very well, because of course they're not very happy with what's happened with their report. I think the problem is a more fundamental problem, that this project is misconceived. We're spending a lot of money on it, and it seems to me there are better ways of dealing with consultation, better ways of making sure we get complete and open consultation where the public can really feel that the process has been open and they've participated in it.

12:00

I have only a few seconds left. The Principal fiasco with the Securities Commission: is the minister going to fix up the

legislation so that in future we won't have the spectacle of a toothless commission which can't even hold a hearing into this scandal because the individuals simply undertook a voluntary trading ban? It's about time we had that fixed up.

What about the landlord and tenant legislation? We still haven't got the Act proclaimed. We still haven't got the regulations in place. What's going on? We know there has been lobbying. There have been rumours with respect to who's been lobbying, whether it's universities or students, whether it's the tenants and landlords. We know there has been lobbying by the landlords, but the process is not open. We don't have the regulations. Surely, as I said last year, we're entitled to know, and it should be a policy of government to make these things available at the same time the legislation is enacted. These regulations indeed contain substantive law. Now, why the delay? It's outrageous: a delay of more than a year, and we still have no indication. I expected at least some indication from the minister that this problem was going to be dealt with.

The Bench Insurance thing: I'll be raising some questions with the minister on that ongoing problem in the next few weeks. There are indeed ways to deal with the situation, contrary to what the minister asserted in his statements to the press. It is possible to prevent very simply and very cheaply and very inexpensively fraud of this nature in the insurance industry. We've made suggestions to the minister which the minister already has indicated are good ideas. They're simple, they're inexpensive, and they can be acted on quickly. Why is it that he's now saying he can't prevent fraud of this sort from reoccurring? Isn't it about time people in the marketplace were protected?

With respect to the GST, again I raised this previously. This is an ongoing problem. It's a source of aggravation for businesses. It's a problem for consumers. We have a situation which the government through its lack of foresight unfortunately has allowed to develop. It's a continuing problem. It's going to be a continuing problem until we have legislation which is within the provincial jurisdiction and which we can use to establish a uniform rule. Either it's going to be included or it's going to be excluded. Surely that's a very fundamental and basic situation that could have been addressed at the outset so it wouldn't have occasioned additional cost, additional changeabouts. We have businesses that have gone both ways on it. The bottom line is that the consumer and the businesses are better served by having a uniform rule, and businesses and consumers both recognize this because they're both aggravated by it. They have the same difficulty in explaining. Businesses have to explain to their consumers how it is that their prices compare with other businesses that are using a different method on the GST, and certainly it should have been addressed at the outset. It's time to address it now.

With respect to some other matters, I've spoken of the situation with respect to NSA water filters time and time again. I'm wondering if the minister could give us an update with respect to the court proceedings in Ontario. Personally, I feel the government here should have pursued the same charges, but they sat on their heels and neglected to proceed in Ontario. Well, it's about time we had this situation resolved. I still get calls from people who have stocks of that water filter sitting in their basements, and they have no remedy. It's time that we dealt with pyramid sales. It's dealt with in other jurisdictions. It's dealt with across North America. Why aren't we dealing with it in Alberta?

Mr. Chairman, I see that my time is approaching, and in view of that I'll conclude my comments.

MR. ACTING DEPUTY CHAIRMAN: Edmonton-Whitemud.

MR. WICKMAN: Thank you, Mr. Chairman. [interjections] No, we've got Frank here. He hasn't crossed. [interjection] There's another one who just took out his membership this morning.

Mr. Chairman, first of all, I want to acknowledge the co-operation within the minister's office. He conducts himself in a very, very professional manner. I think that's very important, because out there in the real world people are very, very disillusioned with the type of politics they sometimes see going on and have respect for someone who is elected and recognizes they have a role to play and, if they're part of the cabinet, a responsibility to try and fulfill that role to the best of their ability. That's the key, to the best of one's ability, and that's all one could ask. I don't want to go overboard on this, because we are running a candidate against that particular individual. I may think he represents his constituents and people well, but unfortunately he shares a philosophy of government that does not go over lightly on this side of the corner.

I could point to examples. I could point to the plain languages Bill, I could point to the solution for the Maple Ridge trailer court – I'm not sure exactly how that was resolved, but somehow it was resolved so that people were satisfied – and I could point, for example, to the partial solution for those that had insurance policies with Bench. It goes right down from there, Mr. Chairman, to constituency concerns. Some of them may seem very, very minor, but as elected representatives, whether we're from that caucus, that caucus, or this caucus, we're elected, we represent people, and we try and do good for those people. When they come to us seeking a solution to a little problem – for example, a person came to me in Whitemud that had ordered a sparkly \$240 Elvis Presley type of jacket. It's something many of us wouldn't wear, but this person wanted that particular jacket and laid down \$120 as a deposit. It never did come in the time stipulated and so on and so forth. When I asked the minister's office to become involved, he did and it was resolved. Somebody made a phone call to that store and a satisfactory resolution was sought.

That type of mentality reflects within the bureaucracy of the department as well, and that's very important. I hope other ministers are listening. Sometimes we go to other ministers' offices and ask for some assistance in resolving a constituent's problem, but because we're opposition, we're shut out. So politically what we do is try to embarrass that minister, because that's the only way we can achieve results with that type of mentality or attitude. If you have noticed me as critic and the former critic in this particular area, it isn't often that we take public potshots at this minister. That's because we know we can go to him and he will try to resolve a particular constituent's problem. Politically, it's a wise, wise approach some of his colleagues could learn from.

Now that I've finished recruiting him to the Liberal caucus, Mr. Chairman, let me get on to the actual budget. I'm new to this particular area as critic of this portfolio. It had been handled by the Member for Edmonton-Meadowlark, but after we lost our Member for Calgary-Buffalo, we had some realigning, and I was given two additional ones, this particular one and Public Works, Supply and Services. So I am fairly new to it, but I will try and raise a number of concerns.

AN HON. MEMBER: You'd be new to the other one too.

12:10

MR. WICKMAN: Fairly new to the other one too, except I always did have a portion of it in the form of lotteries.

Now, Mr. Chairman, when I go through the budget itself, I'm not too alarmed. There are some figures, however, that deserve an

explanation. Vote 2.0.1, up 17.2 percent. Why? Vote 3.0.2, up 124 percent. Why? Vote 3.0.3, up 240.7 percent. Again, why? Lastly, 4.2.1, up 20.7 percent. Again, why? I would like an explanation as to why those four are increased so excessively in terms of the overall increases in that particular department.

Now, getting down to some of the issues I see that have to be addressed by a minister responsible for consumer affairs, responsible for consumers throughout the province. There's a great deal of trust in this particular portfolio, because people are victimized. There are always those people that will go out there and attempt to prey on the weak and exploit them for their own gain. It's happened as long as time has been here: the siding salesmen that tried to victimize people in years past with their little scams. There are always scams. There are always scams by certain people that try to take advantage of others, so that consumer protection is very, very important. We don't want to overregulate, but we have to respond when the marketplace cannot responsibly police itself, and we see that happen on occasion. On those occasions the minister is responsible to respond and try to address those concerns.

I want to start off by talking about the mobile homes. I know we have the Act in front of us. It's received second reading, and it's going to committee. I won't spend a great deal of time with it other than to say that I have a bunch of documentation I will be forwarding to the minister dealing with a specific concern where somebody objecting to the way a mobile home was being operated was evicted from that particular site. I have spoken to the minister on this before. I hope somehow there can be an attempt to address that problem, but I will forward the information at the appropriate time.

The landlord and tenant advisory Bill still has not been proclaimed as far as I understand. I would hope it is. There are still some areas where I feel there is room for improvement. For example, we did deal with the advisory boards. Again, the advisory boards that have expanded and become a requirement in some of the other municipalities further down the road as their populations grow still do not have the type of clout I would like to see them have. Rather than advisory boards, I would like to see them have some type of decision-making power to prevent a lot of the cases that have to go to small debts court.

[Mr. Jonson in the Chair]

We talk in terms of home buyers, Mr. Chairman. Home buyers in a lot of instances, the vast majority, have protection because the association polices itself. But not everybody is a member of that association, and there are instances where people have laid down maybe \$15,000 \$20,000 or \$25,000 toward achieving their dream. Because a home is a dream, something many like myself, for example, have purchased only once and never will purchase again. It's a home for life; to a lot of people a home is a dream. They save and, though it may take years, eventually get the down payment. They're going to build their dream home. They sign a contract, they lay down their savings, they arrange mortgaging, and then the contractor walks off the job because of bankruptcy or whatever the case may be. That home buyer is stuck and does not have a place to turn to because that particular home builder may not be part of the association. Somehow that has to be addressed, possibly bonding for those that are not part of that association and choose not to be part of the system that is policing itself.

As well, the contractors lien Act I anticipate will be coming forward. That's being spearheaded or chaired by the Member for Banff-Cochrane. There are concerns again being expressed in that area to have something done or something not done. There are the

two sides to the picture, but it does fall under this minister's jurisdiction.

Now, one of the oldest areas of abuse, of victimization as far as the consumer is concerned is car sales. At one time or another I would venture to say that all of us – ourselves, somebody close to us or somebody we know – have been bitten by somebody in the business that uses techniques that are questionable, a lot of techniques that are now gone and are no longer acceptable. You sit in one office talking with your spouse about liking this car; meanwhile, the salesman goes into some other office. He has an intercom system so he knows exactly what you're prepared to pay. Those types of tricks are used.

But it goes away beyond that, Mr. Chairman. For example, in this province we still do not have a lemon law to protect those persons that are stuck buying a lemon whether it be a car, a truck, a motor vehicle. The concept of a lemon law is being promoted more and more in eastern Canada, particularly in Quebec, and more and more throughout the States. It is something that should be looked at. There should be recourse when a person invests \$15,000, \$20,000, \$25,000 in a new car and it's a lemon. We know that in the automotive industry the odd lemon does come off the assembly line.

The minister attempted to deal with automotive repairs and that whole industry and came forward with recommendations. Of course, that report went astray. There was objection to it, and the minister was right in scrapping it. But I hope there will a rebuilding process, because this area more than any other is where people get bitten in terms of the automotive industry. People that take their car to a service station, to a dealer, whatever, end up having unnecessary repairs done or end up being told it's going to cost them \$100 to get the transmission done. You go there and pick it up that night and it's \$500. That happened to me, Mr. Chairman, when I was an alderman a number of years ago. I was given a quote of \$100. I went there that night and it was \$500. If you want your car, you pay the \$500. He gave me a 25 percent discount. But I needed my car. I knew it would be tied up for a long period of time if I didn't pay. I was victimized. I paid it. There was no protection or no recourse in that particular case that would have provided an easy way out for me, a convenient way out. I was one of those consumers that was victimized, and it does happen to a great extent. So we have to pursue that area.

Mr. Chairman, we have to pursue the area of automotive sales. The province has dealt with the problem in the past of mileage being turned back and such, but there are still those high-pressure tactics used in some car lots when a person puts down a deposit. They're encouraged to sign a contract and then the next day, after they think about it, they're told it's binding and they can't walk away from that contract. It's sort of like door-to-door sales a number of years ago. You bought at the door and five minutes later were told it was too late to cancel. Now we have that cooling-off period. Possibly there should be a cooling-off period when some of these contracts are signed for major purchases. If there's a car on the car lot, you haven't taken the car, you haven't removed the car, and 24 hours later you phone to say you've changed your mind and you don't want that car, there should be a reasonable period of time when you can change your mind.

Credit reporting: I've raised that in this Assembly. I hope somewhere down the line the minister will address that one. There was a recent column written by Eddie Keen in the *Edmonton Sun* on a person that had to pay a certain amount of money to see his file. The file was totally incorrect. There was a bureaucracy to get to see his file; it was made very, very difficult for him. If some firm out there has the right to compile information on me, I want the right at no charge at any time to see that file to make

sure that information is correct, because that can very, very substantially affect a person's future when it comes to purchasing items.

12:20

The Member for Edmonton-Strathcona touched on marketing schemes out there such as the NSA. We've had a number of concerns in our constituency office from people involved. I've forwarded those to the minister and realize they're being addressed and realize what the problem is at the time, the court case in Ontario and such. On the other side of the coin, we're now starting to get some pressure from those – I don't sympathize with them – that are making big, big money off this scam or system and are saying that this was good, there is nothing wrong with it, and keep your nose out of our business and let the marketplace prevail. Yes, the marketplace should prevail, but only if it is capable of policing itself. In these instances where there are obvious questionable techniques being used, then government has to step in and give the consumer the protection required.

At times one wonders: why do people even rise to the bait of some of these schemes? We've seen them in the past with the Holiday Magic products, where people would go out and purchase \$5,000 worth of cosmetic products to become a distributor. They were promised or heard stories of untold riches they could acquire. Of course, a couple of weeks later, totally disillusioned and stuck with \$5,000 worth of Holiday Magic products, they found they had been scammed. I know there is legislation dealing with so-called pyramid selling. But there are still companies out there that use little techniques that seem to get around it. I had somebody the other day come into the constituency office, Mr. Chairman. There were three of us sitting there, and the person focused on me, gave me a tape and a chocolate bar, and told me a story: I could eat as much as I wanted and when I felt I overate – I ate half this chocolate bar – I would lose weight. It was working for this individual. Now, I'm not sure exactly why he keyed in on me out of the three of us that were there, but he chose to see me as his apparent pigeon. I shouldn't say "pigeon," because this person believed in what they were doing. This person actually felt this scheme was going to be for the consumers' well-being. This again is what we talk about in terms of pyramid selling or consumer protection.

Now, we see again a system, a style of marketing, where there are people out there who will exploit consumers. [interjection] To the Minister of Education, it is a consumer affair. It's a consumer affair that somehow has to be addressed.

I want to talk a bit about time-sharing. Again that's an area the minister of consumer affairs should take a look at. We see the junk mail that will enter one's home which promises a TV, promises a video, promises this, promises that. If you take a one-hour visit to some resort in the Rockies – and despite the minister over here sputtering that it has nothing to do with the budget, it has a great deal to do with the budget, because we are dealing with the minister responsible for consumer affairs. I don't know how you address that particular problem, Mr. Chairman. It's not my role to attempt to address it at this particular point. It's my role to point out to the minister that there are problems in the consumer industry that still need to be addressed.

Mr. Chairman, I also want to send over to the minister some information on insurance pricing when it comes to motorcycles and some of the costs that are attached. I've been asked to pass it on to the minister when he is addressing the whole question of insurance as it relates to motor vehicles. Some people are dependent on motorcycles as a means of transportation, so I will send it over to the minister to address. When he is looking at the

whole question of car insurance, the question of government-owned insurance always comes into play. This is one caucus that does not favour government-controlled insurance, because we don't see that as the answer. I don't think it has worked in provinces like Saskatchewan, Ontario, and British Columbia. In fact, there are many, many cases of people paying a great deal more than they should. Possibly a system of no-fault insurance is the answer. There are areas where there is outright discrimination that is based on a person's age. A person that has not had the opportunity to prove themselves a good driver is penalized rather than first going out there and determining whether you're a good driver, whether you should in fact be penalized and have to pay additional charges right off the bat. Age or whether they're male or female will sometimes determine as well whether they pay more or less, or whether they're married or single will determine whether they pay more or less. There are cases of what I call blatant discrimination when it comes to the application of car insurance.

Another area I asked the minister to look at at one particular time, and I know he is addressing, is the question of regulations that apply to the co-operatives. This refers specifically to the Edmonton co-op and the Federated Co-ops. I realize there is a report, there is some action forthcoming. Somewhere down the road I would like to get an update on that.

Mr. Chairman, I've seen my role here today as the spokesman in our caucus in this particular area, not so much attempting to scrutinize the budget or scrutinize the department, because I'm quite comfortable with the budget with the exception of the areas I've raised within this department and quite comfortable with the way the department is managed, the way the department is operated. What I've attempted to do is lay out some broad concerns the minister can kind of take under his wing and attempt to address, if not now then further down the road. I know consumer protection legislation does not happen overnight. Possibly some of the areas I've spelled out or spoken on don't need the type of protection I've advocated, but they should be looked at, they should be studied, and a determination should be made. Is there abuse in that area, is there a requirement for further protection, or will the marketplace simply take care of itself and there's no need for the department of consumer affairs to become involved or no need for further legislation to provide protection in those areas?

On that note, Mr. Chairman, I'll conclude to allow other members the opportunity to address their concerns.

MR. DEPUTY CHAIRMAN: The Member for Innisfail.

MR. SEVERTSON: Thank you, Mr. Chairman. First of all, I'd like to compliment the Minister of Consumer and Corporate Affairs for the job he's done. I think he's done an excellent job over the period of time I've been here. [some applause] I got some support along with that.

I would like to ask some specific questions, but before I get into the questions, I would like to make a few comments after hearing the opposition members raise a number of questions and issues. It seems to me they want to cover every aspect of the consumer, and the government should be involved in just about every purchase. Whether it's a car or a house or whatever, the government should be involved. I still think we have to leave responsibility to the consumer in being a little bit aware of what he's getting into and what he's purchasing. It's not up to the government to have laws and regulations.

MR. FOX: Let's be inclusive now. He or she?

MR. SEVERTSON: Both.

The questions I would like to ask the minister are in reference to the Alberta Insurance Council and, of course, Bench Insurance, which has an agency in my constituency, and what he feels could be done. A little suggestion: I'd like to see the Alberta Insurance Council through the agencies they're involved with or the brokers' association set up an insurance fund to be an agent. They could have an insurance fund or a bond that would cover lost premiums. When it appears to be maybe a fraudulent act that happens, this insurance fund could cover lost premiums for people – in my case that I raised yesterday in the House, a customer paid a premium around the \$25,000 mark and three months later he had to repurchase insurance, which is a loss that's different from premiums that have run out. If an insurance fund was administered by the insurance brokers themselves, I think it would keep government out but still protect the consumer.

12:30

The second question that I would like to ask is with reference to the Alberta Securities Amendment Act that we made previously in the Legislature. When does the minister feel that this will be proclaimed? I had business, in my community again, whereby \$1.2 million was lost in a future commodities business. There was no way that the Securities Commission could regulate the future tradings of commodities, and the amendment was supposed to give some guidance and regulation to regulate that industry, but it would be interesting to hear from the minister when he expects that to be proclaimed.

One further question is regarding the auto insurance committee that is traveling the province. First of all, is it going to travel to all parts of the province? As far as I know, they haven't had a hearing in central Alberta. Also, when do they report back to the minister and react on it?

With that, Mr. Chairman, I'll sit down, and hopefully I can hear the answers on that from the minister.

MR. DEPUTY CHAIRMAN: Does the hon. Minister of Consumer and Corporate Affairs wish to reply?

MR. ANDERSON: Thank you . . .

MR. DEPUTY CHAIRMAN: Order please, just for the Chair to perhaps make a comment. If it's mutually agreeable – it would be up to the minister because he is next recognized. If he wants to accept one more speaker before concluding, that could be worked out. It's entirely up to the parties involved.

MR. ANDERSON: Mr. Chairman, if the speaker would agree to leave me enough time to try and answer some of the questions, I'd be happy to defer to the member.

MR. McEACHERN: Thank you. Yes, I would wrap up at a quarter to or maybe even closer to 20 to, if that would help the minister.

I thought I would just try to hit a few points. Our Consumer and Corporate Affairs critic from Edmonton-Strathcona, of course, covered the ground pretty well, but he had to hurry over a number of items, and in listening to the minister and the debate in the House, I've got a few concerns I'd like to raise. I will try to move through them fairly quickly.

The minister started out by talking about the co-operative approach that is needed between the government, the businesses, and the consumers in this province, and I certainly agree with him on that. But really, the minister tends to talk a good story, and he is nice to work with, as everybody has said. It reminds me of a

lot of the Bills he has brought forward, like the consumer protection Bill and the plain language Bill and that sort of thing. He puts them forward to the Assembly and listens very carefully to all our input and thanks us very, very much, but he doesn't change one little word in the whole process. I'm afraid that's what he does with most of the input he gets that he appreciates so much; he throws it in the wastebasket and doesn't use it. I think the Member for Edmonton-Strathcona pointed out that there's a lot that has to be done yet. The plain language, for example, is all very nice, but it doesn't take you very far, and there's still a lot of language out there that certainly needs to be worked on yet. We need to speed those things up and get some comprehensive review of much of our legislation, as the Member for Edmonton-Strathcona said.

Certainly this government in terms of regulating financial institutions and businesses has an incredible record of failure to overcome. All one has to do is think back to First Commonwealth and some of the blind trust problems we had in starting up some of our junior stock exchange ideas, things like Principal, things like North West Trust. Now, those things were handed over from the Department of Consumer and Corporate Affairs because they weren't coping with them and the problems got so big that they had to hand them over to the Treasurer to clean up the mess. Of course, it's what the government has done also with businesses. As the Minister of Economic Development and Trade said the other day: we look after the companies until they go bankrupt, and then we turn them over to the Treasurer to pick up the pieces. It's the way, I guess, that this government operates. When things get bad enough, they hand everything over to the Treasurer to supposedly be Mr. Fixit, as he called himself the other day, and of course he does it at the taxpayers' expense.

I wanted to raise a few specific things fairly quickly though. The minister mentioned that insurance premiums are getting a bit out of hand these days, and of course that's true. He talked about alternatives, wondering what else could be done. He knows that on this side of the House we've had some alternatives. For instance, in the automotive industry, just as an example, you tell a car buyer that they have to have insurance, and then you send them off to the scalpers in the insurance industry that charge them incredible rates and pick on young adult males and charge them exorbitant rates with no alternative package offered. Now, our party in other parts of the country has shown that automotive insurance can work on a provincewide basis. If the minister doesn't want to go that far, fine. I can understand that. Philosophically he doesn't like that idea. But at least if you're telling somebody they have to go and buy car insurance, then it seems to me the government has an obligation to at least offer them a minimum package they can buy that is not a scalping package. I think that's the only way to look at the idea. The government says you've got to have insurance; therefore, the government should be obliged to offer a minimum package anybody can buy and know that they're not getting taken for a ride, that it's actually just costing to run the scheme what the cost of repairing the vehicles is and no more and that there's not somebody else making a profit based in Chicago or New York or somewhere else out of the country.

I'd be interested if the minister would comment a little bit more on the auto dealers' association report to do with the automotive industry and regulation of car sales and repairs. I would hope that he would update us a little bit on what's going on with that. I think he probably will.

In terms of car sales, a point that you need to consider, I think: when a dealer offers a car for sale to a customer, he has no standard rate that he starts at, and there should be one. In other words, he takes a look at the customer and says: if I can take this

sucker for a couple of extra thousand, that's fine. He starts at a different price than he does for somebody else that he thinks he can't get away with it with. Now, it seems to me that a particular car with standard features should have a standard price, and that should be the starting point. If the customer then wants some optional things added, fine. That's another negotiation process. But it shouldn't be that each dealer starts with each customer wherever they feel like it, depending on what they think they can convince the customer to give them. I think you should have a look at that.

The minister certainly has some work to do in a couple of areas in talking of insurance. The travel agency and fitness centre scandals in this province have been legion and ridiculous, and the minister has still failed to do anything with that, although he's been the minister for three years.

Another thing that bothers me is the power of credit collection agencies. If you get a call from a collection agency, whether it's a right or a wrong call doesn't matter. Boy, do they come on with a heavy-handed attitude.

AN HON. MEMBER: Pay your bills, and they won't be bothering you.

MR. McEACHERN: I pay all my bills. I pay all my bills always and on time. Never, never have my wife and I defaulted on a payment.

That does not mean that we have not been bullied. There are two instances. I could tell you a long tale about how a credit card company cost us a grievous problem for over six months through no fault of our own at all. Another time was a mistaken identity problem for myself in a retail men's clothing store in downtown Edmonton, and you can't believe the attitude of the person on the other end of the phone. It was as if I was some kind of criminal condemned before I ever started. I went down, and of course it turned out to be mistaken identity, but that's something the minister should be looking at.

12:40

The credit rating process in this province, the way people can be put on blacklists even with misinformation that is later corrected, but other people don't get the corrections: those kinds of problems are still out there. I can't understand why the minister hasn't proclaimed the Landlord and Tenant Amendment Act. At least it's better than what we had, yet here we are a year later and we still don't have it proclaimed. The Franchises Act is something I'll be very, very interested in. We've been very slow responding to that, and I would like some comments from the minister.

I'll just leave on this note, back to where I started. Although the minister talks a good story and has done some good work and is a nice person to work with, nonetheless mostly he just listens and doesn't do anything. Most of the good ideas coming from this side of the House have ended up in the garbage, even though he's claimed they are good ideas. I think it's time he started to do something to earn his reputation as a reasonable minister that listens and tries to get consensus and tries to build a direction to improve the consumer and corporate relations in this province. But in the final analysis he has to do something, and mostly he procrastinates.

I say to the minister that he's still pretty much leaving it to consumer beware. Buyer beware is still the basic attitude of this government and this minister, and I think he could improve that considerably by doing something.

MR. DEPUTY CHAIRMAN: The hon. Minister of Consumer and Corporate Affairs.

MR. ANDERSON: Thank you, Mr. Chairman. My thanks to members who spoke, all of whom spoke, for their personal kind words and, on behalf of the department, for the kind words that were said about the department. I should also say that I have been fortunate in those that I've dealt with as critics, both the previous critics – the former Member for Edmonton-Strathcona and the Member for Calgary-Buffalo – as well as current critics. I think, generally speaking, we work well together, and there's a responsible approach to the duties we have on behalf of Alberta citizens.

Just to try and answer a few of the concerns that have been raised; others, as I said earlier, we'll be glad to respond to in writing. The Member for Edmonton-Strathcona, along with others, talked about the plain language legislation and said, "Well, it's a good idea; why aren't we doing something about it?" In this area I cannot understand that statement. Yes, we're never moving as fast as we would like to, but there is nobody, nobody in this country, no government in this country, perhaps none in the British Commonwealth, that has moved as quickly as we've moved with changes that are there in the real estate industry, new forms in rent-a-car areas, home renovation contracts with the Consumers' Association, government action in terms of our overall plan to deal with it. It's true, we can't rewrite all our legislation tomorrow or redo all that's there. But plain language has been an initiative that this government has moved quickly and, I think, effectively with and has led the nation with regards to it.

I agree with some of the Member for Edmonton-Strathcona's points. For example, bringing together some of our consumer-related statutes into one Act and updating them I agree is a desirable goal and one that we're working towards achieving, perhaps something called marketplace standards Act. We are looking at trying to combine and put out for discussion, and in that regard I would agree with him, as I would on harmonization. He talked about some urgent areas, including Legal Works. Legal Works is now being dealt with through the courts and through an individual appointed to wrap up those affairs, so further details on that will have to await the court process and the court outcomes.

The travel industry was mentioned by a couple of members. I don't agree that it's time for government to force the establishment of a compensation plan, and the primary reason is that the industry in the province of Alberta isn't of the size that the industry is in Ontario or Quebec or British Columbia. To pay for a compensation fund in that industry could potentially harm quite a number of the smaller operators. If we were two or three times the size, it would be a practical solution. What we have done is encourage the industry itself to make sure that insurance is available to everybody who purchases a travel package and that they sign a waiver if they don't want that insurance so that it's clearly the decision of the individual traveling whether they're willing to pay for that. My suggestion to citizens is that they consider doing that carefully, given potential losses that are always there in the travel industry, although it's been very stable in the last while.

The motor vehicle area was dealt with by many members, and in that regard I can only say that we tried very hard in terms of the report to put together a program for Albertans of regulation in the industry plus a compensation fund and other processes. Albertans in hearings said we needed to go back to the drawing board and above all that we listen to Albertans as they give us that information. We're doing that, but I'm still confident that there are basic elements of the plan – and the Member for Edmonton-Strathcona mentioned a couple of them: compensation fund, arbitration approach – that we could get agreement on from all the parties involved, and I hope that will be the case. We'll be exploring that again through the summer and early fall period.

In terms of some other areas mentioned, the Member for Edmonton-Strathcona asked about grants given to delegated

regulatory organizations. It may be hard to make clear because of the requirement, but any money that a delegated regulatory organization gets comes from their fees to their members. It has to flow through this department, through the Treasurer, in order to meet the requirements of the Financial Administration Act. But when the member said that we give them 85 percent – yeah, we give them back 85 percent of what they give us. The other 15 percent is utilized for the overall running of that industry area, so it is a self-sufficient approach.

A number of the votes alluded to by the Member for Edmonton-Whitemud as well as by the Member for Edmonton-Strathcona that have high figures in them – you know, a 240 percent increase, a 60 percent increase in a number of those areas – are the anticipated requirements for the delegated regulatory organizations, including a plan to have those in the funeral and automotive areas. The budget projects us reaching a conclusion in those areas and allows for that flow-through of dollars. The public is spending no additional dollars; however, the budget shows the increase as a result of that money coming through.

The Landlord and Tenant Act has been dealt with a few times, and I have also answered that in the House. I'll say once again that it is crucial that the regulations be fair to landlords and tenants. We have wanted full public involvement, we've got that, and I still am hopeful that these regulations will be in place over the next few months period.

In terms of the insurance area, I would have to say to the Member for Edmonton-Kingsway that a push for public insurance is one that he should talk about to his colleague in the province of Ontario. The NDP campaigned feverishly for that throughout the campaign and then, when they got into power, saw that the costs were far too great for the citizens and that they'd be better served by the private-sector operation that took place there. I will be happy to pull out the news release I got from Bob Rae on that, which indicated that it was not possible for them to proceed in that area. An evaluation of insurance costs here versus those in other provinces generally shows Alberta to be favourable in terms of the kinds of insurance payments there are. It's hard to compare the apples and oranges, the different components of an insurance policy, but public insurance has not proven itself to be in the best interests, financially or effectively, of citizens in anything that I have seen to date, and I think that was the conclusion reached in Ontario.

12:50

Mr. Chairman, there is a series of other specific issues. Pyramid schemes, for example, were talked about by the Member for Edmonton-Whitemud. They'll be dealt with further in changes that we're going to bring forward to try and keep the national definition and ours in place so we can as much as is possible deal with those kinds of schemes. We have a number of areas that need to be looked at, some of which I think will be addressed eventually in a consolidated market standards Act. It's not easy to bring together all of the details of the department, but we are working on that area.

Mr. Chairman, the overall approach that we have taken in the department has been one to involve business and consumers. A couple of members spoke to this partnership as a reduction in the activity of this department in terms of its service to the Alberta public. I can tell this House in all honesty that the department activity has increased for consumers far beyond what our budget would normally allow for, and the reason is the partnership, the co-operation between industry and business and our consumers.

Mr. Chairman, with those remarks I'll sit down. As I say, we'll get back to hon. members on any others I've missed, and I

appreciate the comments made and hope we can take a vote on this department at this point.

MR. DEPUTY CHAIRMAN: Is the committee ready for the question?

HON. MEMBERS: Question.

Agreed to:

1.0.1 – Minister's Office	\$294,997
1.0.2 – Deputy Minister's Office	\$597,068
1.0.3 – Financial Services	\$353,338
1.0.4 – Personnel Services	\$349,934
1.0.5 – Administrative Services	\$1,542,472
1.0.6 – Data Processing	\$1,488,176
Total Vote 1 – Departmental Support Services	\$4,625,985
Total Vote 2 – Consumer Services	\$7,400,736
Total Vote 3 – Consumer Standards	\$5,569,738
4.1 – Securities Commission Board	\$1,151,601
4.2 – Securities Commission Agency	\$3,404,198
Total Vote 4 – Regulation of Securities Markets	\$4,555,799
Department Total	\$22,152,258

MR. ANDERSON: Mr. Chairman, I move that the votes be reported.

MR. DEPUTY CHAIRMAN: Having heard the motion that the committee rise and report, all those in favour, please say aye.

HON. MEMBERS: Aye.

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

[Mr. Deputy Speaker in the Chair]

MR. JONSON: Mr. Speaker, the Committee of Supply has had under consideration the estimates of the Department of Consumer and Corporate Affairs, and reports the following.

Departmental Support Services, \$4,625,985; \$7,400,736, Consumer Services; \$5,569,738, Consumer Standards; \$4,555,799, Regulation of Securities Markets.

MR. DEPUTY SPEAKER: Does the Assembly agree with the report by the hon. Member for Ponoka-Rimbey?

HON. MEMBERS: Agreed.

MR. DEPUTY SPEAKER: Opposed? Carried.

MR. ANDERSON: Mr. Speaker, before moving that we adjourn for the weekend, I should indicate to hon. members that Monday evening it's intended that we would deal with Government Bills and Orders on the Order Paper for second reading, starting with Bill 18, and that time permitting, we would go to Committee of the Whole to deal with Bill 23. The afternoon would be the estimates of the Department of Transportation and Utilities.

[The Assembly adjourned at 12:57 p.m.]