

## Legislative Assembly of Alberta

Title: **Tuesday, April 27, 1993**

8:00 p.m.

Date: 93/04/27

head: **Government Bills and Orders**

head: **Committee of the Whole**

[Mr. Schumacher in the Chair]

MR. CHAIRMAN: Will the committee come to order, please.

### Bill 57

#### Electoral Divisions Amendment Act, 1993

MR. CHAIRMAN: Does the hon. Minister of Justice wish to make any preliminary comments? The hon. Minister of Justice.

MR. FOWLER: Mr. Chairman, I've heard considerable debate that has gone on in respect to second reading and look forward to committee debate on the matter.

MR. CHAIRMAN: Are there any other comments?  
The hon. Member for Edmonton-Mill Woods.

MR. GIBEAULT: Yes, Mr. Chairman, I would like to add a few comments on Bill 57, the Electoral Divisions Amendment Act, 1993. In essence, this Bill before us, Bill 57, is a testament to the carelessness and incompetence of the government that we've got to come back now and redo legislation that we wouldn't have to be wasting our time on if the government had done it right the first time. Now, I admit that most of these are fairly minor, but it's just the kind of carelessness that we warned against when we were dealing with the electoral boundaries issue earlier. The public is going to be reading *Hansard*, and they're going to be wondering why we have to do legislation twice in this House. Let the record show that it's the carelessness of this government that wanted to ram this thing through that has brought us to this.

I guess the main thing, of course, that we do have to deal with and we do support is the correction to the constituency of Stony Plain, having left out the good people of Muir Lake. I don't know where their MLA was at the time, if he was too busy filling out an expense form or something, but it's too bad that he wasn't there to stand up for his constituents and make sure that their interests were properly represented.

#### Point of Order Imputing Motives

MR. GOGO: Point of order, Mr. Chairman.

MR. CHAIRMAN: The hon. Member for Lethbridge-West on a point of order.

MR. GOGO: Under Standing Order 23(i), Mr. Chairman, I'm somewhat disgusted by the Member for Edmonton-Mill Woods who is making those derogatory comments about a fellow member of the House. I don't think that's called for, and I think in all decency the hon. Member for Edmonton-Mill Woods on reflection should withdraw that comment.

MR. CHAIRMAN: I think the hon. Member for Lethbridge-West has made a valid point.

The hon. Member for Edmonton-Mill Woods.

MR. GIBEAULT: Well, Mr. Chairman, I don't know what the problem was. I can tell you that I was looking after my constitu-

ents in Edmonton-Mill Woods and Edmonton-Ellerslie, and there are no amendments to Bill 57 required for those constituencies. So I just leave it to hon. members and the public to determine what the problem was in Stony Plain that we have to come back here and redo that particular constituency's boundaries and approve them.

#### Debate Continued

MR. GIBEAULT: Mr. Chairman, I am in favour of the amendments here. We have to pass them, of course, because those people are entitled to vote. It would be interesting to see how they do vote in that constituency when the election is called.

Mr. Chairman, those are my comments on the amendments to Bill 57.

MR. WICKMAN: Mr. Chairman, I just wanted to make a few comments on the Bill that's back in front of us. The Member for Edmonton-Mill Woods has pointed out very, very clearly that the reason the Bill is in front of us is because of a very, very rapid approach to attempt to get it through during the previous session.

Now, it brings us to the question of the necessity to make these amendments prior to Albertans going to the polls. Of course, we realize that in conjunction with the action that has to be taken here to correct that error on the part of the government, there is also the question of the court challenge that has occurred in one of the ridings. I thought, Mr. Chairman, possibly you could advise me if it is correct that the government has applied to have that injunction lifted rather than wait until the temporary injunction was granted.

#### Chairman's Ruling Relevance

MR. CHAIRMAN: Well, hon. member, I believe that the same rule applies in committee as in the House with regard to discussion of that legal action. That matter is before the courts, and we shouldn't be discussing whether there's an injunction or not. The Chair fails to see any connection at all between any injunction and the amendments that we have before us.

MR. WICKMAN: [Inaudible] Mr. Chairman, as to whether there has been action taken to attempt to lift the injunction prior to the date the court had imposed it.

MR. CHAIRMAN: Well, the Chair is unaware of what is happening in the courts, and the Chair has not made any efforts to find out what is happening because what we're discussing here is something entirely different.

MR. WICKMAN: Thank you.

#### Debate Continued

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

MR. BRUSEKER: Thank you, Mr. Chairman. I'm just looking at page 10 of Bill 57, the amendment that deals with the Muir Lake fiasco, I guess is the best way to describe it, and certainly it would be remiss of me not to make some comment about this. Certainly we have no objection for a variety of reasons to this particular amendment, first of all, because it's constitutional. Every Canadian, every Albertan must have the right to vote in an election, and therefore I'm pleased to see this amendment in here.

In the past we in the Liberal caucus have expressed some concerns quite consistently, I believe, about this House setting its own boundaries and would simply reiterate the concerns we had

before about the process that has been followed in creating, first of all, the boundaries in the amendments that are proposed before us. There's no doubt that had this process been different, had this process been a little more carefully orchestrated or carefully engineered, we would not see the need for amendment 12 which is before us today, the amendment to include the community of Muir Lake, because I suspect that that kind of error would not have occurred. The other amendments that we see before us to the other constituencies in this particular Bill – Calgary-Foothills, Calgary-Nose Creek, Edmonton-Strathcona, et al – certainly are from my understanding of the hon. Justice minister primarily housekeeping items.

Mr. Chairman, we reiterate our concern about the process. We reiterate our concern about the concept even of MLAs setting their own boundaries and are opposed to this House setting boundaries by which really in a sense we describe our own working conditions. We are pleased to see the amendment that brings Muir Lake back into the fold, if you will. Certainly that is appropriate, but the descriptions of boundaries to outline particular constituencies by the members of this House is inappropriate.

Thank you, Mr. Chairman.

MR. CHAIRMAN: The hon. Member for Stony Plain.

MR. WOLOSZYN: Thank you, Mr. Chairman. I find that I can no longer remain out of this debate because of the, I would say, short memories, perhaps distortions of the truth, or maybe members from the other side just weren't in the House when this Bill was up last February.

With reference to Muir Lake specifically, Mr. Chairman, any members who attended would know that, first of all, I had attended meetings with the Muir Lake people. They had written letters asking for a particular amendment, which was granted. When the amendment came to the House, it was noticed by myself. I brought it to the attention of the Minister of Justice who did the appropriate Act, and he withdrew half the amendment. He withdrew half the amendment in order to correct it so that we wouldn't have a domino effect by having to reintroduce one amendment after another because there was an error in a section dealing specifically with Stony Plain. Now, any members who had been, first of all, in the House – and I would suggest that my attendance in the House during that particular period was probably a hundred percent, as people who might be filling out expense forms and others may not have been – would have known that that amendment was withdrawn to be corrected and then to be reintroduced.

However, I might add that one of the members from the government side had adjourned debate during committee, the last day for committee meetings when all the hon. members in the House were aware that that was going to be the last session devoted to committee work, to putting forth amendments, when the Liberal opposition chose to act with total irresponsibility and filibuster, so that the government amendments that were there could not have been carried forth. Private amendments: for example, the hon. Member for Edmonton-Jasper Place, as I recall, had some very good amendments, which had they been introduced and possibly been passed may have changed the electoral face of Edmonton for the next 10 years. However, he too was deprived of his right to introduce amendments because of the totally irresponsible actions of the Liberal opposition, Mr. Chairman. Then after a short absence of one or two months they come back like a bunch of chirping chipmunks yakking away about Muir Lake; they are the heroes of Muir Lake. They can assume total responsibility for making us come back here for Muir Lake,

because they are directly responsible for the need to recall the House to do that through an irresponsible filibuster at the wrong time.

I might add too, Mr. Chairman, that during second reading debates there were some 50-odd speeches by the opposition. At that time I was a member of Her Majesty's Loyal Opposition, and I too had three appearances there putting forth and debating the principles of the Bill. Now, any responsible group would feel that some 20-odd hours of debate in second reading would have been sufficient. I would like to point out that every member of the opposition save one – the leader of the Liberal opposition did not speak once, because he wasn't here. You can check the record; it's all there. So I resent the statements being made in here with respect to myself and Muir Lake because I acted responsibly through the whole process, and now due to the irresponsible actions of the Liberal opposition we are back here to correct Muir Lake.

Never, Mr. Chairman, was Muir Lake's status ever in jeopardy. I might add, too, just for the record that Muir Lake is currently being represented very well by two constituencies: Stony Plain, which is myself, and Barrhead, doing an excellent job. Then there is the other constituency of Westlock-Sturgeon, and they don't even know who their MLA is in that portion of Muir Lake.

I would hope, Mr. Chairman, that the issue of Muir Lake and all the nonsense surrounding it is now over. Again, I will just finalize before I take my place. Number one, Muir Lake was approached by myself. They issued the proper correspondence. It was placed as part of the government amendments because it was straightforward. The amendment wasn't quite correct, so half of it was withdrawn. It would have gone through the committee process with no fuss and bother had the members of the Liberal opposition acted responsibly instead of like a bunch of children and filibustering it. Then they come back here and sit and spout off about how great they are.

Thank you, Mr. Chairman. I appreciate the time.

8:10

MR. CHAIRMAN: The hon. Member for Vegreville. [interjection]

MR. FOX: You can ask me any question you want, hon. minister of transportation.

As difficult as I find it to get up on my feet and defend anything the Liberals have done in this Assembly, I find it much more difficult listening to a member of this Assembly defending a practice used routinely by this government called closure. Let the record show, let there be no mistake, Mr. Chairman, that the reason this government rushed through their amendments and were hamstrung on the final day of the Assembly, unable to deal effectively with the people in Muir Lake, is because they introduced closure. There was less than two hours debate in total on third reading of this Bill, so 83 Members of the Legislative Assembly had less than two hours in total to debate it. You know, government members nod their heads. The conversion on the road to Damascus for the Member for Stony Plain who was for years standing in his place expressing his deep offence to the practice of closure to stand there and endorse it so righteously is a really curious act. In fact, closure is a process that has been used only rarely in most parliamentary democracies. It's become a habit with this government, and it stinks.

MR. TAYLOR: Mr. Chairman, I wanted to get in my two bits here too. The peripatetic member that flips about this House like a butterfly in a beehive here is a little hard to pin down. I guess

he's over there now. He could have been over here. Gosh knows where he'll end up tomorrow. He certainly has nerve answering about Muir Lake not knowing who their MLA was. Both in '86 and '89 I carried around 60 to 65 percent of the vote in that constituency. Maybe the hon. Member for Stony Plain should try the same technique. If his constituents didn't know who he was, they might vote for him too. The fact was that I won very handily.

I know the Member for Vegreville mentioned about Paul on his way to Damascus having a conversion. There's often been many people that fall off their donkey on the way to Damascus to be converted, but this is the first time I've ever seen the donkey converted, Mr. Chairman. This is one of the more interesting aspects of our debate.

The other thing I'd like to mention is that I was the one that mentioned to the Member for St. Albert: is Muir Lake here? As a matter of fact, the quote in the *Hansard* was: I'm an engineer and a surveyor, but from the little that I can see here, Muir Lake isn't in. The minister's answer was: don't worry; it is. So if we can't take his word for it, how are you going to get it any other way?

No, Mr. Chairman, I think we have a very selective memory on the other side of the House. They forgot they invoked closure. All I can say is, "Wait till the election comes." We'll see if the public has as short a memory as the hon. member over there hopes they have.

#### **Chairman's Ruling Relevance**

MR. CHAIRMAN: Order please. Before people proceed, the Chair would modestly suggest that the comments be relative to the sections and clauses of the Bill and not be rehashing what happened last January or February.

MR. FOX: Well, he started it.

MR. CHAIRMAN: Well, the Chair's been rather lenient. Somebody may have started it, but others may have finished it. The Chair has been rather lenient in this. At this stage both sides have been well heard from, so let's get down to the issue before the committee.

The hon. Member for Edmonton-Strathcona.

#### **Debate Continued**

MR. CHIVERS: Well, Mr. Chairman, I feel that it is appropriate that I should engage in this debate to a certain extent, because of course it was we who discovered that the road to Muir Lake had gone missing. Regardless of the geography, whether we're talking about the road to Damascus or the road to Muir Lake, the reality is that Muir Lake went missing in this process. I'm very pleased to see that in the Bill here Muir Lake has been rediscovered and is going to form part of the electoral map of Alberta. With that I think we all agree.

MR. FOX: Who discovered that?

MR. CHIVERS: Of course, we did. I have to give credit where credit is due. The Member for Westlock-Sturgeon did play a role in this discovery of the omission, because he did indeed ask in the debate where this geographic area was, and it was very difficult to figure out exactly what had happened. It was so difficult, in fact, that the Minister of Justice at first took the position that in fact no error had been made. The reality, of course, is that an error was made, a serious error that disenfranchised a large number of

Albertans. The reality, of course, is that the government is back with Bill 57 as a result of that error and that sloppy work. It's not only that, because these amendments in Bill 57 are being passed off as housekeeping amendments. I suppose in one sense they are. They're amendments to the legal descriptions of the boundaries contained in Bill 55, and in that sense it's housekeeping. But it's an awful lot of housekeeping, Mr. Chairman, that seems to be needed so quickly.

AN HON. MEMBER: Someone's a poor housekeeper.

MR. CHIVERS: As was suggested back here, it illustrates a very sloppy, sloppy house and poor housekeeping on the part of a government.

The reality, Mr. Chairman, with respect to these amendments is that they are amendments that are necessary, but they will not change the nature of the electoral map that was drafted in Bill 55; they will not change the fact that the process was flawed; they will not change the fact that the result is flawed, that the electoral map that has been drawn first by Bill 55 and now by Bill 57 is not a fair electoral map; and they will not change the verdict that will ultimately be passed on that electoral map by the courts when the government finally sees fit to give the courts an opportunity to pass on the issue as to whether or not these provisions, this electoral map, meet constitutional muster. I have no hesitation in saying that, in my opinion, the court is going to find very clearly that this electoral map does not meet constitutional muster, that it is not a fair electoral map, and, indeed, will take the steps that are necessary to make sure that the corrections are brought into being. My only regret is that Albertans may well have to suffer through another Legislature that is composed on the basis of, yet again, another unfair electoral map.

**8:20**

MR. CHAIRMAN: Are there any further questions, comments, or amendments to be offered?

AN HON. MEMBER: Question.

MR. CHAIRMAN: Is the committee ready for the question?  
The hon. Member for Edmonton-Jasper Place.

MR. McINNIS: I'm listening to this debate with growing concern. Although I'm quite convinced that the road to Damascus doesn't go anywhere near Muir Lake, there is the question of how we got into this situation. Now, I understood the Member for Stony Plain to say that there was a technical flaw in the amendment, which was to move Muir Lake from the Whitecourt riding to Stony Plain. Is that what I heard? [interjections]

Well, all I remember is that the Member for Stony Plain sat and talked at great length with the Minister of Justice during that committee session. The Minister of Justice nodded his head. The next thing I knew, he stood up and withdrew the amendment. That seems to have been the problem. Now, perhaps it was because the amendment was technically flawed and the Liberals prevented its reintroduction. I wonder if the Minister of Justice, who was the one who was part of the conversation, can explain why it was that he withdrew the amendment, apparently on the urging of the Member for Stony Plain? I suspect it was a difference of opinion between the two members over where Muir Lake was to be located. If so, we should know that, because that's part of the background of this Bill. Is it now being resolved correctly? I understand that the amendment before us places Muir Lake in the Stony Plain riding. [interjection]

This is correct. That must be where the Member for Stony Plain asked it to be, although I believe it was an amendment to that effect which was withdrawn by the Minister of Justice, creating the crisis that is before us today. Now, regardless of who was converted to what point of view along the way, I would like the Minister of Justice to clarify this matter so that we can vote on it. Was it in fact the urging of the Member for Stony Plain that Muir Lake not be included in the Stony Plain riding that caused the minister to withdraw the amendment? If so, then what happened to cause the Member for Stony Plain to make his conversion on the road to Muir Lake? Perhaps both members could explain what's going on here.

#### Chairman's Ruling Relevance

MR. CHAIRMAN: The Chair would rule that those questions are really out of order. I guess the only part of the hon. member's comments that are in order is the question as to whether or not, in the amendment before the committee contained in Bill 57, Muir Lake is in the Stony Plain constituency as a result of this.

#### Debate Continued

MR. WOLOSHYN: If you will give me latitude, Mr. Chairman, I will explain to the Member for Edmonton-Jasper Place and anybody else who should have been awake when the process was going on. Muir Lake was always going to be in Stony Plain. When the amendment was introduced, if they recall correctly, the boundary for Spruce Grove-Sturgeon-St. Albert was very clearly enunciated. The other half of that amendment meant the enunciation of the Stony Plain boundary. However, upon looking at that, it was noted that there was an error at the far west end of the Stony Plain constituency. Had that boundary been enunciated the way it was written up at that time, then that would have meant a further revision. The Minister of Justice, and rightly so, withdrew half the amendment so that he could introduce an accurate description of the constituency of Stony Plain. However, as I indicated earlier, he couldn't reintroduce it because of the filibuster.

Now, just to underline it once again, Muir Lake's location was never in question. It was always going to be in Stony Plain. The boundary was never subject to anything other than a revision to meet the wishes of the people in Muir Lake. It was a technical problem at the west end of Stony Plain that had us temporarily remove that particular descriptor. That's all it was, Mr. Chairman, not a big deal as has been laid out here.

Thank you very much.

MR. PASHAK: Mr. Chairman, I wasn't going to say anything in this debate. Now that the hon. Member for Stony Plain introduced the F word, I just wanted to assure all members of this House that we were not engaged in a filibuster. We had some genuine concerns about the process, and we wanted to make sure we got those concerns out onto the record so that the public understood full well our opposition to the boundaries legislation that was before this Assembly. I would really like the Member for Stony Plain to explain just how it is our debate could have in any way prevented those changes from coming forward even in committee. How in the world could our standing up, speaking on this issue have caused the members on the government side from bringing that simple, straightforward amendment forward? It's beyond me.

MR. CHIVERS: Mr. Chairman, I think it's necessary to set the record straight because, of course, what happened with these amendments and the reason we're here this evening is very simple.

Muir Lake was originally within the boundaries of the St. Albert constituency. There was a name change with respect to the St. Albert constituency, and there was a change that moved Muir Lake out of the St. Albert constituency. A companion amendment was to place Muir Lake within the Stony Plain constituency. That companion amendment was withdrawn, and consequently Muir Lake ended up in limbo. I think it important that this evening the Member for Stony Plain has filled in one of the missing pieces of the puzzle, and it's a missing piece to the puzzle because isn't on the *Hansard* record. This is apparently some discussions that are not on the public record that there was a problem with the description which would have moved Muir Lake into the Stony Plain constituency. I think it important that all members bear in mind exactly how the problem evolved.

MR. CHAIRMAN: Calgary-North West.

MR. BRUSEKER: Thank you, Mr. Chairman. Just a few comments in here. You know, I find it interesting that the Muir Lake discussion is taking the turn that it is. The concern, of course, that the Liberal caucus has talked about is not particularly the inclusion of Muir Lake here, there, or anywhere else. Muir Lake belongs in a constituency and should be allocated to a particular spot. This particular Bill we're dealing with tonight suggests that Muir Lake – and I say “suggests” because I'm getting a little skeptical about whether it is or isn't in Stony Plain constituency according to amendment 11 that talks about the constituency of Stony Plain. The government is claiming that Muir Lake is in this particular constituency. My hon. colleague from Westlock-Sturgeon raised the issue earlier and was assured by the hon. Minister of Justice that in fact that was the case.

Mr. Chairman, I find it curious that on one hand, the government members assume that it is fully responsible for the government to introduce a closure motion and restrict the debate of both the New Democrat and the Liberal opposition members and restrict the amount of debate that can occur, and yet when three Liberals speak in one particular afternoon, they suddenly jump up and say: “Filibuster, filibuster. Unfair, unfair.” Well, I really wish that they would bring a little cheese along with their whine because it's a rather one-sided story.

Mr. Chairman, the issue we have made and the reason Liberals speak on the boundaries issue, the reason that the Liberals have spoken on the boundaries issue, and the reason we will continue to speak on the boundaries issue is that we feel it is irresponsible for MLAs to be setting the boundaries of their own constituencies. That's what prompts us to speak out on these sorts of issues.

Thank you, Mr. Chairman.

[Title and preamble agreed to]

[The sections of Bill 57 agreed to]

MR. CHAIRMAN: The hon. Minister of Justice.

MR. FOWLER: Thank you very much, Mr. Chairman. I'm deeply impressed with the brilliant debate that's gone on for a number of days on this Bill, and I move that the Bill be reported.

[Motion carried]

8:30

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

[Motion carried]

[Mr. Main in the Chair]

MR. ACTING DEPUTY SPEAKER: The Member for Drumheller.

MR. SCHUMACHER: Thank you, Mr. Speaker. The Committee of the Whole has had under consideration certain Bills. The committee reports the following Bill: Bill 57. There were no amendments considered by the committee.

MR. ACTING DEPUTY SPEAKER: Having heard the report from the Member for Drumheller, does the House agree?

HON. MEMBERS: Agreed.

MR. ACTING DEPUTY SPEAKER: Opposed? Carried.

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

**Bill 59**  
**Pacific Western Airlines Amendment Act, 1993**

MR. ACTING DEPUTY SPEAKER: Calgary-Bow.

MRS. B. LAING: Thank you, Mr. Speaker. The Bill before us is a relatively simple one. The amendment to the PWA Act is necessitated by the limitations on foreign ownership legislated by the federal government. The federal government currently requires that Canadian air carriers have a minimum of 75 percent of their shares owned by Canadian interests. Accordingly, the federal government has directed Canadian Airlines International Ltd. to develop a means of monitoring and controlling the level of foreign ownership of its shares to a maximum of 25 percent. Since Canadian Airlines International Ltd. is presently a hundred percent owned by PWA Corporation, the federal government has indicated that compliance with the foreign ownership restriction also rests with the parent company. Compliance by Canadian Airlines International is relatively straightforward, as their shares are not publicly traded. However, PWA Corporation's shares are publicly traded, and their controls are embodied in the PWA Act.

The objective of the amendments is to provide PWA Corporation with the legislative means to comply with the federal government's directive. In addition to this, there is also the provision for a corporate name change, which is reflected in the change of the title of the Act. The PWA Act is being amended to provide Lieutenant Governor in Council with the authority to make regulations which would subsequently detail the ownership control powers outlined in this Bill. These amendments will result in controls generally equivalent to those available to Air Canada.

The specific powers outlined in the Bill are patterned after similar legislative powers utilized in the privatization of Air Canada as well as Telus Corporation. The one unique aspect of this legislation is that it must take into account that the shares are already being traded and regulations therefore must be retrofitted.

Support for this Bill is necessary to ensure the continued survival of the competitive air industry which would significantly benefit consumers as well as provide valuable jobs for Albertans. Over 37 percent of Alberta's gross domestic product is derived from trade with other provinces and abroad. Air transportation supports trade and tourism and is critical to our continued competitiveness.

Alberta's interests are best served by having two companies competing and viable carriers who are members of competing global networks. Without the Canadian Airlines International

Limited/American Airlines deal, Canadian will likely fail. The resulting loss of competition would lead to higher fares and lower levels of service. We cannot afford this in today's highly competitive marketplace.

The airline industry is very important to the province of Alberta both in terms of direct employment and related activities. It's our estimate that the difference to the provincial economy between approving the transaction and allowing Canadian Airlines International Ltd. to fail could be as high as \$1.2 billion per year. This is equal to approximately 1.5 percent of provincial gross domestic product. There could be up to 4,200 person-years of employment lost to the province in this case.

Through this legislation the government of Alberta is expressing its support for the proposed deal between Canadian Airlines International Ltd. and American Airlines and ensuring the federal government that Canadian can monitor and enforce their limitations on foreign ownership. I would beg everyone to support it.

Thank you. I move second reading of the Bill.

MR. ACTING DEPUTY SPEAKER: Additional speakers?  
Calgary-Forest Lawn.

MR. PASHAK: Thank you, Mr. Speaker. I would like to rise in support of the general principles of this Bill. I think all members of this House are aware that Pacific Western Airlines is under considerable threat at the moment in terms of its continued existence. I think the airline is important, not just to a city in which I happen to represent one of the constituencies; it's important to all Albertans. Indeed, I would argue that it's important to western Canada in general, but because it's headquartered in Calgary, it has a particular significance for the city of Calgary.

I saw a figure once in terms of how many jobs in Calgary are associated with the airlines. I think the figure was in the neighbourhood of 5,000. Perhaps the hon. member who introduced the Bill could inform me more particularly about that. I think 5,000 is the figure, and I would guess that there are probably another 2,000 at least that would be employed in Edmonton who would work for the airlines here.

In addition to that, there are great changes taking place in the economy of Alberta. As I indicated yesterday in some of my remarks to another Bill, we're moving into an area where more and more of our jobs are going to be involved in the use of advanced technology and in the processing of materials. We're no longer going to be a province that can rely on just primary production and on the revenues that we get from selling oil and gas and this sort of thing. We have to begin thinking more in terms of exporting our technologies. That's particularly important for the city of Calgary, because Calgary has developed a lot of expertise, particularly in the energy sector and in the exporting of our pipeline technologies, our heavy oil development technologies and this sort of thing. Key to being able to export those technologies is to have Calgary operate as an important transportation hub. Canadian Airlines located in Calgary permits Calgary to serve that function.

I've indicated the point of view of our party, which is quite in contrast with, as I understand it, the Liberal Party's position on this perspective. We're much closer, actually, to the government on this in terms of arguing that we should provide whatever support we can to keep this industry alive. It's not quite the same thing as throwing dollars at a MagCan or at a Westcan Malting plant or whatever. There's a whole industrial organization and base to our economy that's at stake here, so anything we can do

by way of providing reasonable loan guarantees or whatever is required to keep Canadian Airlines vital, we would support.

We also recognize how important it is to have some competition in the airline industry in this sector. If Canadian Airlines should falter, that means we'd be left with a monopoly situation in this country, and I don't think that would work to anyone's advantage.

I hope that I'm correct in interpreting the Bill as presented by the Member for Calgary-Buffalo. Not Buffalo. Sorry. I beg your pardon.

SOME HON. MEMBERS: Calgary-Bow.

MR. PASHAK: Calgary-Bow. Sorry. I know it's Calgary-Bow.

I think that is the intent. It's to provide a basis whereby American Airlines could work out a relationship with Canadian Airlines International.

I'd just like to also add that our sister party, I guess, that forms the government in British Columbia has also made a commitment to Canadian Airlines International.

With those remarks then, Mr. Speaker, I'd just like to again go on record and repeat that we support this Bill as introduced by the Member for Calgary-Bow.

8:40

MR. ACTING DEPUTY SPEAKER: And now, Calgary-North West.

MR. BRUSEKER: Thank you, Mr. Speaker. In reviewing Bill 59, the Liberal caucus as well will be providing their support to this particular Bill.

The Bill as outlined by the Member for Calgary-Bow is basically a housekeeping Bill. That's the way we've interpreted it. It prevents non-Canadians from owning or controlling too many shares, that now being the 25 percent number according to federal legislation, and also deals with the transfer or redemption of voting shares, information relating to those shares, and so on. From that standpoint the Liberal caucus has no difficulty with the Bill we have before us today.

Mr. Speaker, before I take my seat, though, I do want to make some comments on behalf of the Liberal caucus with respect to Pacific Western Airlines and support that is being provided to this particular company from the government. The Liberal opposition is fully supportive of maintaining Pacific Western as a strong partner or player in our economy, however you want to describe it, and we in the Liberal caucus certainly want to see Pacific Western continue as a viable part of our economy.

Mr. Speaker, one of the philosophies, I guess, that we've adopted here is that because we are not as socialist as the other two parties in the Legislature here, we look more to the free market being able to carry on this airline rather than needing government support. We certainly support the concept of a competitive airline industry in Canada, in the nation. We certainly like the idea of private-sector solutions to these kinds of problems as opposed to a \$50 million loan guarantee that has been offered. The position that we have taken is that government can play a role, should play a role as a facilitator in the preservation of Pacific Western Airlines, Canadian Airlines International, and there are things that can be done.

When we look at the job creation strategies of this government in the past with respect to – the Member for Calgary-Forest Lawn mentioned MagCan amongst a long list of other ones: Gainers, NovAtel, Myrias, GSR, et cetera, et cetera. A great deal of cash has been put on the line and unfortunately lost as regards these different ventures. Mr. Speaker, the argument that we must

provide financial assistance is the same argument that has been used with Gainers, for example, in Edmonton. As I said, the Liberal caucus takes the position that government should be a facilitator, not a direct player in the market.

I noted from the Premier's speech the other day on seizing opportunity that he finally picked up on something that the Liberal caucus has been talking about for a number of years; that is, part of the reason the airline industry is having difficulty is because of fuel tax, fuel tax that has been put on by this government, Mr. Speaker. If we could lower the tax burden on the airline rather than giving it a \$50 million loan guarantee, we would probably do more good than simply putting some more cash on the line.

Mr. Speaker, we do support the idea of making Pacific Western Airlines a key player in our economy in Alberta and in the country, but taking dollars out of our pocket or committing dollars out of our pocket is the wrong way to go. We will be providing our support to Bill 59, but we do not support the idea of government intervention in business. I think we should look to the comments of the Treasurer who made the statement that government shouldn't be in the business of business.

Thank you, Mr. Speaker.

MR. ACTING DEPUTY SPEAKER: The Member for Lethbridge-West.

MR. GOGO: Thank you, Mr. Speaker. I rise to support Bill 59 subject to a couple of caveats. Perhaps the hon. Member for Calgary-Bow in closing debate could either respond to them, or perhaps they could wait till committee stage. I'm intrigued in looking at the amendment to section 6 on page 1, where the word "estopped" is being used. "Estopped" is a very unusual word. I understand that only members of the legal profession would either dream them up or know the interpretation, but it's: precluding any decision by reason of a previous action. I have some difficulty with that, and I look to Edmonton-Strathcona or other hon. members perhaps to explain that, because I'm somewhat confused whereby a decision made in the affirmative is not prohibited or precluded by a previous action. I wish hon. members would have a look at that, because I'm somewhat intrigued. In my 18 years I've never seen the term used before.

The other point, Mr. Speaker, is this. Perhaps on the 20th anniversary of when the government of Alberta acquired the original Pacific Western Airlines as an opportunity to open northern Alberta through a transportation means, it just seems to me it's sort of come full circle, to hear hon. members say, "Forget principle, but we'll gladly give loan guarantees based on numbers." I thought I heard the Member for Calgary-Forest Lawn say, "Hey, there are 5,000 here and there are 5,000 there; therefore, it should be passed." That is one of the worst reasons ever for endorsing any legislation.

Mr. Speaker, I want to raise another question with the hon. sponsor of the Bill, if I could draw the member's attention . . .

MR. PASHAK: Point of order.

#### Point of Order Imputing Motives

MR. ACTING DEPUTY SPEAKER: Order. The Member for Calgary-Forest Lawn is rising on a purported point of order.

MR. PASHAK: Standing Order 23(i).

AN HON. MEMBER: What does it say?

MR. PASHAK: Well, it's in there. You've got to read the whole section. It's, "Imputes false or unavowed motives to another member."

Mr. Speaker, I just wanted to say that the Member for Lethbridge-West suggested that I was making a special pleading here in terms of 5,000 jobs here or 2,000 jobs there. That wasn't my point at all. I was saying that if a whole industry and a whole bunch of related industries are at stake, then a higher principle gets involved than just throwing money at a business to keep it alive. This is not just the 5,000 jobs in Calgary and maybe 2,000 jobs in Edmonton; it's a whole cornerstone of the economic development of this province. If the airline goes down, it's not just jobs but a major chunk of any kind of economic security for all Albertans that goes down. So this is a special case.

I have no problem with government getting involved, Mr. Speaker, in areas where a whole industry can be sustained. In fact, it would be . . .

MR. ACTING DEPUTY SPEAKER: Order please.

MR. PASHAK: If I can just make one more point that's related, please.

MR. ACTING DEPUTY SPEAKER: Order please. It strikes me that you're not really arguing your point of order. Rather, you're repeating the debate you engendered when you spoke to the Bill in the first place. If you want to speak specifically to the point of order, I'd be glad to hear your one more sentence.

MR. PASHAK: My one more sentence is that I heard the hon. Premier of the province say exactly what I've said in defence of his support that he provided for Canadian Airlines International.

MR. ACTING DEPUTY SPEAKER: Lethbridge-West, on the point of order.

MR. GOGO: Speaking to the point of order, Mr. Speaker. Never would I, never have I, accused a member of this House either by inference or directly of saying anything that would in any way bring to him or to her as a member of this House anything other than honour. If the hon. Member for Calgary-Forest Lawn took it that way, then I humbly apologize to the hon. member. It was not intended.

8:50

MR. ACTING DEPUTY SPEAKER: Well, having heard the Member for Lethbridge-West explain his remarks in that fashion, I would assume we can let the matter rest. I would have declared there to be no point of order, merely a disagreement on debating points, but the member graciously has apologized and, I expect, now will continue his remarks.

Thank you.

#### Debate Continued

MR. GOGO: Thank you, Mr. Speaker. The other question I'd ask the hon. sponsor to perhaps highlight concerns regulations. It's that part of government where the public has no representation other than through its cabinet; i.e., members of this House will not be aware, nor are they to be authorized to be aware. I refer hon. members to section 16(1). Regulations are really the teeth of any law, as hon. members know. It makes reference there that the cabinet and only the cabinet may make regulations. I draw the sponsor's attention to page 3 of the Bill to subsection (c)(vii): "the rights, powers, liabilities and obligations of the Corporation

and its directors, officers," et cetera, et cetera. I want the hon. member, perhaps in closing debate, to spell out that there'll be no change in the liability of the board of directors of Pacific Western Airlines as to its obligations when this Bill is passed. I'd like that specifically clarified, Mr. Speaker, before we end up past committee stage.

MR. ACTING DEPUTY SPEAKER: Additional speakers?  
Edmonton-Belmont.

MR. SIGURDSON: Thank you, Mr. Speaker. Speaking to Bill 59. It was not my intent to get involved in the debate this evening. However, after listening to the remarks of the Member for Calgary-North West, I feel compelled to jump in at some point and try not necessarily to defend the government's position with respect to Bill 59 as a stand-alone piece of legislation but just with respect to the jobs that we're trying to protect in our Alberta economy.

Mr. Speaker, for the information of the Member for Calgary-North West, he may want to refer to Standing Order 23(i) just in the event he feels that I'm attributing to him some motives that are incorrect. I for one stand in my place as a member from northeast Edmonton representing a constituency that happens to have as residents a number of people that are involved in a government enterprise. The Member for Calgary-North West stands there and says that he wouldn't support government involvement in that activity at Gainers because he feels that there ought not to be any kind of contribution to those jobs. He's not involved. He feels that there ought not to be any kind of contribution of government finance for any participation in Pacific Western Airlines.

Well, Mr. Speaker, let me tell you that those jobs are very important. I would challenge the Member for Calgary-North West and the Liberal caucus: if they can find anywhere else in the province of Alberta the kind of investment for \$1 million, in terms of operating capital for a fiscal year in the area of Gainers, that will create 6,000 jobs, let me tell you, I'll go out and actively campaign on their behalf in order to try and raise that kind of money so that that investment can be made, so that we can find 6,000 jobs for unemployed Albertans.

Now, Mr. Speaker, I'm told that I'm not allowed to say hypocrisy, so I won't, but I'm sick and tired of hearing the double standard that I hear from the Liberal caucus when they say, "Oh, well, we can't invest in this," while at the same time the unemployment rate in our province is going up. If the unemployment rate were going the other way, perhaps I might be a little more sympathetic to their position, but until that time happens, let me tell you that I'll be supportive of this kind of legislation, the kind of investment that stabilizes the economy, the kind of investment that provides jobs for hardworking Albertans. Until that time changes, you can rest assured that I'm going to support this kind of legislation that the government proposes.

MR. ACTING DEPUTY SPEAKER: The hon. Member for Edmonton-Kingsway.

MR. McEACHERN: Thank you, Mr. Speaker. A few comments about this. The PWA situation is a difficult one; there is no doubt. In terms of this Bill I want to raise a couple of questions, and then I'll make a couple of more general comments afterwards. Section 16 of the Bill gives a lot of powers to the government to regulate. It occurred to me as I read it that it's a new section, compared to the old Bill. The answer I got back from Parliamentary Counsel was no. I'm just raising it because I'm curious about the relationship to PWA and the American Airlines potential deal.

If American Airlines wants 25 percent of the shares in PWA, then how does that relate and how is that allowed under section 4 and section 7 of the old Act? It occurred to me that maybe section 16 was a way to allow the cabinet, by order in council, to change that by regulation. However, Parliamentary Counsel pointed out to me that regulation does not override legislation unless it sort of specifically says so, and even then that would be a little unusual. Certainly there is nothing there that specifically says so, yet it is true that section 16 gives the cabinet pretty sweeping powers. I can't help wondering if there isn't more to this Bill than just a name change of the corporation.

What is the attitude of the cabinet to this situation, where American Airlines is willing to buy 25 percent of the shares if that's allowed. I'm not sure it can be allowed under section 4 or 7 of the present Act. If they are allowed to buy the shares, then will they be allowed to vote the 25 percent shares, or will they have to only vote 10 percent of the shares? That, to me, is a very important question, and I hope that the person that introduced the Bill, the Member for Calgary-Bow, will have some comments to make on that in winding up debate on this reading. Maybe we'll have some chance to debate it further in committee, as there's more chance to go back and forth on clarifying points of that sort.

I think at this stage also, I need to ask a couple of questions about the whole direction of the PWA/Air Canada dispute and the Alberta government's role. I know we put up the \$50 million loan guarantee. I did expect that that might be covered in this legislation. I guess the government feels they have the right to do that by cabinet order and don't need to. We in our party back that because we saw the importance of the jobs in Calgary but not just the jobs. The airlines industry is part of the transportation infrastructure of this country, and you can't just let that deteriorate or go down the tubes without being greatly concerned about it. It is a proper role for government.

I, too, after watching this government lose money in Myrias and GSR and MagCan and NovAtel and the whole long list of failures, did come to the conclusion that ministers out of their offices should not hand out money to specific companies. You know, the Minister of Energy shouldn't give specific assistance to a specific company. The minister of economic development and trade shouldn't put a hundred-odd million into MagCan. Certainly the minister of technology, research and telecommunications shouldn't have okayed the billion dollars to be siphoned off to the States in NovAtel. To a certain extent I agree with the fact that the Alberta government is now very gun-shy about doing that and to some extent understand the Liberals' position that we shouldn't do that, but I do not go so far as the Liberals and say never again; no, we will not give any.

For two reasons. One, there are emergency situations like this one, and a situation where you're talking about the transportation infrastructure of this country then becomes more important than just an individual company. We have to look at that. We in our party passed a resolution at a convention a year or two ago saying that ad hoc funding from a minister's office into specific companies – and I guess this would go for cabinet as well – would be reduced to an emergency status. I think we're in an emergency status in our airline industry in this country. We do need to have a federal government that is prepared to get involved and help to sort out the mess of the overcapacity in this country and either do some reregulating or do something to help those two companies sort out their difficulties so that we don't have the great losses that are being stacked up in PWA and Air Canada. I think the Alberta government, having put \$50 million in, now has some obligation to play an important role in helping to sort that out.

9:00

By the way, if the Liberal Party becomes the government in Ottawa, I have no faith that they will do anything more with that, given the attitude of the provincial Liberal Party about somehow taking in hand the problem of an air transportation industry in this country that makes some sense. If their attitude is totally hands-off, we're going to watch two companies destroy each other, and we will probably end up with two subsidiaries of American corporations totally dominating the transportation industry in this country with no particular interest in whether they're doing a good job of it or not. Any decisions made about air traffic in Canada will just be secondary to their worldwide network of airlines. So we do have some important problems and obligations that go along with that \$50 million commitment to PWA.

I wanted to go back to another aspect of the Liberals saying that no minister should be handing out tax dollars to individual corporations. Now, put that way, I know that the Tory party is very gun-shy and we on this side don't think that ministers should be trying to pick winners out of their offices either, but that does not mean that you would necessarily do in Alberta Opportunity Company or Vencap, which I've been a critic of. You'd have to look at Vencap and analyze it in its own right. It's a program; it's not a minister trying to pick winners out of his office. So Alberta Opportunity Company, Vencap, the export loan guarantee program have to be analyzed on a totally different basis. If the program is needed and you can look at setting up an independent board of experts and give them some independence, sort of make them semi-independent and give them a set of criteria, then they don't necessarily do so badly. Certainly they've not done as badly in the three cases I've mentioned as ministers trying to pick winners out of their offices. I don't understand why the Liberals and the government themselves seem to have forgotten that point. They've got so gun-shy that they're scared to give anybody anything.

It could be that the financial institutions of this province are not supporting small businesses as well as they might and that Alberta Opportunity Company should be even expanded. Unless the government is willing to give us a set of facts and figures about what's going on with Alberta Opportunity Company and the same with Vencap – actually the people that run those, by the way, are very forthcoming themselves, but it's the government that doesn't want to put those programs on the line. The export loan guarantee program is a different kettle of fish: no facts about that at all except the gross losses or the gross amount of money given out. We should have, in the Toward 2000 Together process in this province, had information about all government programs including those three I just mentioned plus some that have gone by like the Alberta stock savings plan and the SBEC program. Maybe we should get into some of the others like farm credit stability program and so on and look at how they're doing. What are the criteria? Do those criteria need to be revised or changed? Are the programs needed? Should they be canceled? Should they be added to? Should they be changed? We have not had a discussion of that, and that's a very different question from saying that ministers should not hand money out of their offices to individual corporations in some vain attempt to pick winners or to give money to friends, whichever it might turn out to be. I mean, those are totally different things, yet the Liberal Party seems totally unable to distinguish between those kind of things, so they say that because ministers can't pick winners out of their offices, we should shut down Alberta Opportunity Company.

Well, let's analyze Alberta Opportunity Company on its own merits and see whether there's a need for it or not and what the



rules are and whether they should be changed or expanded. Or maybe it should be shut down, but at least let's have an intelligent discussion about it separate from the discussion about ministers trying to pick winners out of their offices. They're totally different questions.

#### **Speaker's Ruling Relevance**

MR. ACTING DEPUTY SPEAKER: Order please, hon. member. I would draw to the attention of the Member for Edmonton-Kingsway that the Bill focuses on PWA Corporation, the airlines, the government involvement there, and I don't see AOC mentioned or others mentioned. If you would confine your remarks to the principle of the Bill, I'm sure the Assembly would be grateful.

MR. McEACHERN: I accept that. Thank you, Mr. Speaker. I was about to wrap up anyway, and I'll bring it back to the point.

#### **Debate Continued**

MR. McEACHERN: As well as then looking at program funding, one should look at the importance of the industry. In the PWA case it is the main airline infrastructural industry for Alberta, so that company is much more than just another company A or a company B trying to produce something that several other companies produce. That's why it's important that we on this side of the House and the government back some way to sort out the airline industry. Of course, we can't do it just for this province. It is part of the Canada-wide transportation infrastructure, and we need to look at the direction that's going. That's why it's okay to put tax dollars into it. We also have to look to the rules under which they're put in and what happens to the airline industry from here. It doesn't stop at the Alberta borders, unfortunately, so we're not an island unto ourselves. We're part of not only all of Canada but then a sea of the North American airline industry as well. So that's an important industry that needs to be looked at very carefully and treated quite differently than just an individual corporation, as we were talking about earlier.

MR. ACTING DEPUTY SPEAKER: The hon. Member for Westlock-Sturgeon.

MR. TAYLOR: Thank you, Mr. Speaker. I was a little bit disappointed that you stepped in and brought the Official Opposition into line to tell them what to speak on, because they'd attacked us with vim and vigour for quite a while. So maybe I'll have a little trouble, because they covered such a wide front.

One thing I will say, Mr. Speaker, rising to support this Bill, is that if with nine seats in the House we get mentioned in every speech by every member that gets up, I don't know what will happen if we get 27 seats. Of course, if we get 54 seats, the Liberals will be mentioned every 30 seconds. You'd think we were the government and the opposition and everything all rolled into one.

Now, the gentleman brought up one point, and I think he has a good one, that maybe we should panic about getting money into different corporations. I think he has a point that these corporations need money, but the socialist point of view is that if somebody needs money, don't let him get it from the foreigners, don't let him get it from the investors, don't let him get it from the people with excess capital; get it from the government because that's the source of all wisdom, especially if they are socialists.

Now, one of the things we've learned about socialism and money: they're no better at spending other people's money than anybody else is. When it comes to throwing away money – and

I can see why the hon. members on my right, if you can pardon them, would jump all over us for not wanting to give grants out: because they are simpatico with the Tories over there, who now, according to our Member for Edmonton-Kingsway, are questioning about putting money in. I would like to tell the Member for Edmonton-Kingsway that it's not that they had a change of heart; there's just no darn money left in the bank. I mean, if they had the money, they would probably be spending it just as wildly as ever.

The hon. member, when we talked about Canadian Airlines, made that huge leap into the Gainers plant. I guess you'd call it flying pork or something like that. The Member for Edmonton-Belmont sits there – a hundred million dollars for 1,200 jobs. Let's make it 2,000 jobs. My gosh. That's something like \$50,000 a job for a year to pay out – what? – \$30,000. In other words, we're going backwards. We should send his constituents the money and let them go home and spend it the way they want rather than put it into Gainers. The big thing to remember is that in the Gainers plant, by being inefficient, the hog report has shown that \$10 to \$15 per hog is lost by using the system we now use with the pork. That means 2 million hogs a year, and I'm not talking about NDP voters. When I talk about 2 million hogs, I'm talking about four-legged critters with little ears and pointed snouts. There may be a resemblance, but that's all. There are 2 million of these hogs a year grown: at \$15 a hog, \$30 million that they're depriving farmers of. [interjections]

#### **Speaker's Ruling Relevance**

MR. ACTING DEPUTY SPEAKER: Order please. Hon. member, I will say to you what I said recently to the Member for Edmonton-Kingsway. Please confine your remarks to the principle of the Bill before us.

#### **9:10**

MR. TAYLOR: I agree. I was just trying to defend myself. "Liberal" has been mentioned by everyone. They've wandered all over, Mr. Speaker. I was hoping that you'd give me some room to tack out of the harbour anyhow, because no matter what I say here, they've brought up so many issues, I guess I could speak for another 24 hours just defending ourselves. We'll be out on the hustings, and we'll find out whether Gainers or Pacific Western or all these others . . .

#### **Debate Continued**

MR. TAYLOR: There's no question now that the government hasn't got the money. It doesn't matter whether you're NDP or Conservative or Liberal. If you haven't got the money – and we haven't got the money – you have to open it up for other people who have the money. Now, the NDP may like the idea of one solid airline with those red markings – you know, they love those red markings – controlling everything with no Canadian around at all. They may love that idea. They may love the idea of one airline from one end to the other, but the point is that if we're going to have competition in the public sector and if we haven't got the money, we have to open it up for foreigners – if they want to call them foreigners. Mind you, the last time I looked at the NDP, they considered somebody from Medicine Hat foreign, and they are down there. That's far away since they never won in an election.

The point is that we have to open it up to allow alternative money to come in, alternative airlines to give it competition. [interjections] They're having a great time here, Mr. Speaker.

Could you get them to turn around and face you? All I see is a huge red throat looking at me when I turn around, with a couple of teeth outlining the outside.

MR. ACTING DEPUTY SPEAKER: Order please, in the New Democrat benches.

MR. TAYLOR: The fact of the matter is, Mr. Speaker, that the Bill should be supported by the House because there's no other place to go for money. Even the NDP can't figure out someplace to get the money. You can't borrow it from Ontario. You can't borrow it from Saskatchewan. You can't borrow it from B.C. There's nothing in the Treasury, so we've got to let the foreigners come in and buy the airlines.

MR. CHIVERS: Mr. Speaker, it's with some trepidation that I arise to respond to the invitation of the member for Lethbridge-south with respect to his cautionary note regarding the use of the word . . .

SOME HON. MEMBERS: West.

MR. CHIVERS: My apologies. Lethbridge-West. Well, I'll get him in the right geographic location here.

In any event, the hon. member, Mr. Speaker, sounded a cautionary note with respect to the use of a word. I believe his point was that he felt that it was a word that connoted some form of legal art. I want to reassure him that in the context here the word is not used as part of the legal concept of the doctrine of estoppel. I will not embark upon a description of the meaning of that doctrine, because if ever there was an exercise in intellectual gymnastics, the courts have grappled with the meaning and application of the doctrine of estoppel, which is a shield and not a sword. That is not, I can assure the member, the context in which the word is used here. The word here is used and applied, in my opinion, in its ordinary dictionary sense. It would square with the dictionary definition that the member provided the Assembly earlier in the evening.

MR. ACTING DEPUTY SPEAKER: The Member for Edmonton-Jasper Place.

MR. McINNIS: Try not to look so pained when you say that, Mr. Speaker.

MR. ACTING DEPUTY SPEAKER: The Member for Edmonton-Jasper Place.

MR. McINNIS: Thank you. It is indeed my pleasure to address a few comments to Bill 59 in the Legislative Assembly. The debate has indeed taken an interesting turn when the Member for Westlock-Sturgeon indicates what pride he has in the fact that the name "Liberal" creeps into debate from time to time, not realizing that there is a purpose to these interventions. Most of us in this Assembly never give up on anybody, and that includes members of the Liberal Party. We're hoping that they may learn occasionally from our interventions, but if there is indeed pride in being mentioned so frequently, perhaps the member should realize that pride goeth before the fall. In fact, if you go back and read Chaucer, some of the early works in the English language, you'll find that pride is, in fact, the deadliest sin of all.

MR. TAYLOR: It's not as bad as envy.

MR. McINNIS: Envy of the Liberal Party? Give me a break.

I do think that a debate has erupted concerning the role of government in relation to two very thorny matters that face the economy. One of them is the future of Pacific Western Airlines. Now, the Member for Calgary-North West represents that strain in the Liberal Party which offers schoolboy capitalism; you know, let the market take care of it all. He learned way back in high school that you have supply and you have demand and these forces balance in the economy and everything works out. So he can stand up here and say that the government should not become involved in Pacific Western Airlines, even though he also wants to say that he supports a competitive airline industry. I think if the member would just think for a moment and realize that if the Liberal Party, God forbid, gets in government and allows PWA Corporation to bleed to death, which is what's happening today, we will have one and only one airline left. Where, Mr. Member, is your competitive airline industry with one and only one carrier in this country of Canada?

Then he goes on to say that, well, he's not totally heartless. I mean, he is prepared to do something about the aviation tax, because he thinks that can solve a problem, thinks he's found a way he can solve the airline without having any government involvement. Now, I would defy him to find anybody, anybody in this country who would tell him that the change in the Alberta aviation tax is going to save Pacific Western Airlines. But notice one thing, and one thing only: there is a world of difference between a loan guarantee, which is being offered in this case, money that has to be repaid, and a tax concession, which does not have to be repaid. I think the working people of this province should take careful note that the Liberal Party is interested in offering tax concessions to big business when they get in trouble but not the kind of assistance that has to be repaid. That's not fair, Mr. Speaker, and I think that unfairness in the approach will have to be noted before too very long.

Now, the Member for Westlock-Sturgeon jumped into this issue and indicated his total confusion when he talked about grants. Now, I don't know that anybody at this point in time is offering grants to Pacific Western Airlines, but he seems to think that's what it's all about. He says the problem here is that we haven't got the money, we, I guess, meaning the government. I think he probably thinks they've already got the 54 seats that he talked about when he talks about we. "We don't have the money to do this. We don't have that." Let us think about the future of Alberta if, God forbid, there is a Liberal government in Alberta. I'd like to know where they are going to get the money to do anything if there are 6,000 people who used to work for Pacific Western Airlines in this province who don't work for anybody at all. Where do they think they're going to get the money from then to do what things they will go around this province promising to do?

I listen to what the Liberal Party says because I'm running against a Liberal by the name of Alice Hanson in the constituency of Edmonton-Highlands-Beverly. This is a person who has a deserved reputation as a helper in the community. She's worked in the medical clinic, and she's been on the board of health, appointed by a former mayor of Edmonton who is that party's leader. She's worked at the Bissell Centre, she's been among the poor of our society, and she talks about saving the world through social development, about how governments create agencies and programs and how all these programs are going to lift people up by their bootstraps. That's another strain, another tradition in the Liberal Party, where they have people who say these things about how government is going to do things and help and solve problems, and yet the schoolboy capitalist comes in and says, "Oh,

we've got to let everybody die on the vine, because we're not prepared to do anything economically."

9:20

You know, I finally figured out the Liberal Party, because I've heard them say this for years. Liberals are people who are right wing on economic issues, and they're left wing on social issues. Have you ever heard that before? Have you ever heard about Liberals being left or liberal on social issues but really, you know, hard-nosed, businesslike on economic issues? Do you know what that means, Mr. Speaker? What it means is they're prepared to spend money to solve problems, but they're not prepared to collect the money to pay for them. That's why all the governments in this country are going bankrupt. They're going bankrupt because Liberal government after Liberal government created programs to solve problems, and they never ever collected money to pay the bills.

There was only one time I remember that the Liberal Party did try to collect. Allan MacEachen was the Minister of Finance back in 1982 and produced a budget which closed all the loopholes for developers and corporations and rich people. And what happened? The business community got outraged and they lobbied. Trudeau backed down and they all backed down. They all backed away. The problem got worse and worse, and it's with us today. We're all grappling with it. This is what this group is all about.

Back to the principle of Bill 59, Pacific Western Airlines Amendment Act . . . Because, you know, they're saying with great pride – not in Edmonton-Highlands-Beverly though and not in Edmonton-Beverly-Belmont and not in the Edmonton-Manning riding. They're not saying there how proud they are to let these corporations wither on the vine. They're going to leave that to the poor schmucks who carry the banner locally to explain those decisions, and people in Calgary and so forth.

I tell you this is a campaign coming up where the truth will be heard on Bill 59 in particular. They will say: "Oh, we don't want any part of this rescue plan for the corporation because we're pure. We don't believe in that sort of thing." But then they turn around and tell you they support the Bill at the same time. Well, it's all part and parcel of the same package. What's been very clearly stated by two of them today is that they're prepared to let those 6,000 jobs go down the tubes. The Member for Calgary-North West – I don't know how he did it under this Bill – got up and said he's going to do the same thing to Gainers. They're talking about 1,200 full-time jobs in the city of Edmonton and another 3,000 spin-offs.

Now, take away a national airline based in Alberta. Take away the last remaining packinghouse in the city of Edmonton, which is what the Liberal Party wants to do. We had four packinghouses when I grew up in this city; now we have only one. They want to take the last one away. He told us that it costs \$15 a hog to keep Gainers going. He said that under Bill 59. I think that's an outrageous thing for him to say because he doesn't know anything about that. He does not know in particular what he's talking about when he says that there was \$100 million spent to save 2,000 jobs. He's out of his mind. He doesn't realize that one Peter Pocklington got that money, not Gainers, not the employees of Gainers. He took the money and . . .

MR. TAYLOR: Ran.

MR. McINNIS: "Ran," says an hon. member. It somehow disappeared within the Pocklington empire to be invested somewhere else. This is the same Mr. Pocklington who is trying to

extort concessions out of this government and the city government and everyone else.

#### Speaker's Ruling Reference to a Nonmember

MR. ACTING DEPUTY SPEAKER: Hon. member, we've allowed considerable latitude because the Assembly feels quite exuberant tonight, but your remarks are occasionally touching on Bill 59. Now we're beginning to stray into the area where you're drawing into your remarks people who are not able to be in the House to defend themselves. I would urge you to confine your remarks to Bill 59.

MR. McINNIS: Mr. Speaker, I was trying to relate all of this to the doctrine of estoppel, but it appears that's too long a road to take.

#### Debate Continued

MR. McINNIS: I will simply conclude my remarks by stating that it is an absolute falsehood to say that \$100 million was spent to save 2,000 jobs. Nothing like the case is the truth. Pacific Western Airlines Amendment Act, 1993, has dramatically shown all of the contradictions in the Liberal Party. And however many times we say the word "Liberal" in here, I don't think it'll be enough to get the message through that they're on the wrong course economically and politically.

MR. ACTING DEPUTY SPEAKER: The Member for Calgary-Bow, to close debate.

MRS. B. LAING: Thank you, Mr. Speaker. The intention of this Bill is the amendment to allow Canadian Airlines International Ltd. to comply with the federal government's requirement of 75 percent Canadian ownership. This is necessary for it to remain a viable airline. By using the regulations passed by the Lieutenant Governor in Council, the corporation will have the flexibility it needs to respond quickly to meet changing circumstances.

I'd like to thank all members for participating in the debate, and I'll be most pleased to answer the questions raised by hon. members during the committee stage of this Bill.

Mr. Speaker, I would ask that the vote on second reading be called.

[Motion carried; Bill 59 read a second time]

#### Bill 60 Alberta School Boards Association Amendment Act, 1993

MR. JONSON: Mr. Speaker, I wish to move second reading of Bill 60, Alberta School Boards Association Amendment Act, 1993.

Mr. Speaker, there are two changes to principles involved in this particular Bill. First of all, the Alberta School Boards Association, by having the amendment to section 6 of their current legislation, would be able to have some flexibility in providing services and membership to nonoperating school boards in the province. The association would like to concentrate their resources and their efforts on providing services to boards of education who own and operate school buildings and provide programs for students. The amendments proposed here would allow them that flexibility. As noted in the amendment, by bylaw the association can still extend their services to other school jurisdictions.

Secondly, Mr. Speaker, there's been an historic arrangement with a school board in the city of Yellowknife. The Alberta

School Boards Association has provided services to this major centre in the Northwest Territories, and up to this point in time that has been the only elected local school board in the Northwest Territories that needed this type of service.

Now, the Alberta School Boards Association wish to honour that historic commitment to the school or school boards of Yellowknife. However, with the possibility of a number of other local elected school boards being apparent in the Northwest Territories, the ASBA does not feel it could commit to extend their service throughout the entire Northwest Territories due to travel and cost requirements. So the amendment would restrict their service to the city of Yellowknife and honour the historic commitment that they have had.

Thank you.

MR. ACTING DEPUTY SPEAKER: The Member for Calgary-Forest Lawn.

MR. PASHAK: Thank you very much, Mr. Speaker. I'm glad that my geographic location shifted across the city of Calgary.

I'd rise to support Bill 60. I think it's really quite generous on the part of the minister to permit the Alberta School Boards Association to enter into an arrangement with the city of Yellowknife in the Northwest Territories, and I recognize the historical role that the Alberta school board has played there.

With respect to the other matter, which really is that you're allowing only those boards or districts that operate an actual school, as I understand the Bill anyway . . . In order to be guaranteed a membership in the Alberta School Boards Association a school board must actually have a physical school building. That doesn't preclude them from using their bylaws, as I understand it, to incorporate a school jurisdiction that doesn't have an actual physical school, a so-called nonoperating school board. I think that's an important issue in itself, and I'd just like to draw attention to the issue, Mr. Speaker.

Now, I recognize that the number of school boards that we have in this province changes rather quickly and changes over time. We did a study last fall of the number of school boards in the province, and we calculated that there were some 104 public boards and 88 separate school boards, for a total of 192 boards. I think the minister in his remarks the other day said there were actually fewer boards than that. Why I'm mentioning this and how it touches on the Bill is that when we did this study, fully 50 of these school boards were nonoperating. That is, they had no schools; they had students. I think that's an issue that the minister should address.

When I look at this total number of school boards that are in the province, I'd just like to point out that the average number of students per school board is 2,539. The national average, by the way, is almost double that, 5,401. Ontario has an average of over 10,000 students per school board. Why I'm mentioning this and why it's connected to the Bill is that I think the Bill itself is moving in the direction of recognizing that nonoperating school boards do not have and should not have the same statutory right that operating school boards have. I think it's a good step for the minister to be moving in that direction, but I think he's embarked on a journey that's maybe a hundred miles long and he's only moved an inch along the way. I'd like to see him make more progress in the direction of consolidating school boards.

9:30

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

MRS. GAGNON: Thank you, Mr. Speaker. The purpose of Bill 60, as I understand it, is to define the membership qualifications of applicants to the ASBA, the Alberta School Boards Association. What section 6(1) says is that only those boards which own and operate a school building will be allowed to be a member of the association unless the association decides to pass a bylaw making an exception. So what we see here I think is a backward attempt to decrease the number of school boards in this province.

Now, I certainly agree with decreasing the number of school boards – we have said all along that there probably are too many – in order to achieve efficiencies, in order to have excellent education provided at justified costs. However, I do not know that this is the way in which to achieve that purpose. We have also said all along that amalgamation of school boards is the answer to eliminating the number of school boards. The point I'm trying to make, Mr. Speaker, is that most of these so-called nonoperating boards happen to be Catholic separate boards. They were formed because of the inability to combine two separate school districts, even with contiguous boundaries. That is really the problem that should be addressed. That would be attacking the problem directly rather than in this indirect manner.

The parents who establish so-called nonoperating boards, boards with students but no buildings, do so in order to access Catholic education for their children, something that is a long-established right in this province. I'm quite sure, Mr. Speaker, that this government has no intention of seeing this Bill through to committee and final and third reading because if they did so, they would be facing a number of challenges in the courts. The point, also, about these so-called nonoperating boards is that very few of them contribute to the budget of the ASBA. However, very few of them avail themselves of that association's services. What I see here is an attempt by the government and, unfortunately, by the Alberta School Boards Association to solve the issue of nonoperating school boards by limiting their access to service.

Our position is that we have to oppose the Bill at this stage because of its possible effect on separate boards and accessing those rights to Catholic education in the province. I have a memo, Mr. Speaker, from the Catholic School Trustees' Association. I would like to highlight it just a little before I conclude. This is written by the executive director of that association.

1. The major intent of this proposal is to exclude from membership (without By-Law) any board that does not presently own or operate a school building.
2. An estimated 42 Catholic Separate School District Satellite Boards, among others, will be immediately affected

if this were to pass. But as I say, I doubt if the government intends it to pass.

3. It fails to recognize two factors of utmost significance:
  - (1) that owning and operating a school building are not now, nor have they ever been, requisite conditions (or even implicit motivation) for the establishment of a school district, [and]
  - (2) that the Alberta Government has neglected to remove the present school boundary impediments for amalgamation with larger separate school districts, impediments that keep the satellite district financially supporting the larger separate school district without being part of it.

It is the position of that association that if these amendments are passed, they will only

further isolate satellite boards and deny those resident parents a continuing opportunity for democratic representation through their school trustees association.

So, Mr. Speaker, we do not support these amendments. We believe that amalgamation of school districts is the way to go if we wish to decrease the numbers of school districts in this

province, and we feel that this is not a constructive way in which to confront the problem of the numbers of school districts in the province.

Thank you.

MR. ACTING DEPUTY SPEAKER: The Minister of Education to close debate.

MR. JONSON: Yes, Mr. Speaker. I would thank the hon. members that participated for their comments. In the future as this Bill and perhaps other measures deserve consideration, I will certainly remember and note the remarks that were made.

Mr. Speaker, I would like to emphasize, however, that the purpose of the Bill is to provide an opportunity for the Alberta School Boards Association to concentrate their services, their resources, and the monetary resources that are available to them on offering services to operating school boards. I do not think it should be overly emphasized or read into this particular piece of legislation that the Alberta School Boards Association has any broader issue that's involved. They feel that that is where their services are most effectively provided and most important to the students and the school boards of this province.

However, as I said before, in concluding debate, Mr. Speaker, I think the government well recognizes, through Bill 41 and other considerations which are under review, that we do need to promote in every way possible and act upon the need to have effective and efficient school boards in the province that will provide the best possible programs to its students.

[Motion carried; Bill 60 read a second time]

**Bill 58**  
**Students Loan Guarantee Amendment Act, 1993**

MR. ACTING DEPUTY SPEAKER: The hon. Minister of Advanced Education and Career Development.

MR. ADY: Thank you, Mr. Speaker. I'm pleased to move second reading of Bill 58, the Students Loan Guarantee Amendment Act, 1993.

The provincial guaranteed student loan program supplements the Canada student loan program, whose loan limit has been frozen for nine years. Our loan program has been absorbing the increases in student living costs and books and tuition during that time.

Mr. Speaker, enrollments have never been higher than at present in Alberta as an increasing number of qualified high school graduates seek access to postsecondary study, and a growing number of mature students require assistance to upgrade their educational qualifications. We have a commitment to ensure that all qualified students receive the financing required to enable them to attain skills required to compete in today's economy. In order to do this, we must have a student loan program which is adequate and responsive to the current needs of students. As evidence of our continued effort to improve the student loan system, I announced a program review on April 22nd which is intended to increase the flexibility of the student loan repayment process. It is not our intention to increase the debt load of students beyond their capability to repay. It is important, however, that all students have access to sufficient loan funds in order to allow them to complete their course of study. It is for this reason that the Students Loan Guarantee Amendment Act, 1993, has been forwarded.

9:40

[Mr. Payne in the Chair]

Currently the maximum outstanding principal liability limit for guaranteed provincial student loans is set in the Act. The statutory loan limit was last increased in 1990 to \$250 million and will be exceeded by January, 1994, with no change in the current student assistance policy. Since the limit is set by statute, once it is reached the government can no longer issue certificates of eligibility for provincial student loans. It is therefore critical that this amendment be approved during this session.

The main principle underlying the Bill is to repeal the requirement to have set in statute the maximum outstanding principal liability limit for guaranteed principal student loans. Instead, the Bill proposes that the maximum amount of outstanding principal liability of the government at any given time be fixed by an order of the Lieutenant Governor in Council. The proposed amendment will allow this limit to be increased as required to respond quickly to rapidly changing student needs without having to fit within the Legislature timetable.

In addition, the Bill would repeal the requirement to have the Lieutenant Governor in Council fix a limit lower than the statutory loan limit. This subsection has never been used and to my knowledge will be unnecessary if the Lieutenant Governor in Council is given the authority to set the maximum amount of outstanding principal liability.

I would ask the hon. members to support second reading of Bill 58.

MR. ACTING DEPUTY SPEAKER: The Member for Edmonton-Calder.

MS MJOLSNESS: Mr. Speaker, I would rise tonight to make some comments on this Bill and certainly add my support. I'd like to say at the outset that certainly the remarks the minister has made reflect the intention that this Bill would give the authority to the government to increase the amount of liability beyond \$250 million. I think the key word in his introduction that he gave, not only in the Assembly on April 26 but again tonight, is that it gives the government the ability to extend beyond \$250 million. Initially, I was concerned that it would give the government flexibility to decrease the amount of money, and that clearly is not the intention, based on what the minister has said. So I think that's really an important point to make.

Mr. Speaker, we know that in the past many students have attempted to access student loans, and many have been successful in attaining some financial support through the Students Finance Board. Many students have not been able to access those funds, and that has meant that many students have had to either try and find alternative funding or in fact have had to drop out of their plans for the future, which included going to school and upgrading their education.

Mr. Speaker, I'd like to take a minute tonight to just mention the new welfare reforms because this, I believe, has a significant impact on the Students Finance Board. The reforms that the Minister of Family and Social Services announced approximately a week ago indicated that social assistance recipients will no longer be able to go on social assistance and at the same time go to school. They will now have to access student loans in order to go back to school to obtain some postsecondary education. I think this will significantly affect the numbers of people trying to access the Students Finance Board. In the past I know there have been a number of students not able to access that funding, and I think I can see a crisis developing in the province where many, many more students will not be able to access funding. Now, this Bill certainly will enable the government to respond more effectively to the increase in numbers, but I still am concerned that unless the

government is prepared to increase the money many students will go without support.

[Mr. Main in the Chair]

I'm not convinced that the government should have gone in this direction in terms of people on social assistance, Mr. Speaker, because many single-parent women who have these families are trying to support their children as well as go back to school. They're finding it extremely difficult to access a student loan that would provide for their children as well as their educational expenses. I'm very concerned that now the government is insisting that they will not be able to access social assistance as well as a student loan. I can foresee a lot of problems. I know this policy change does not come into effect until this fall, but I'm quite concerned. I know that the government is responding to this Bill this evening. I hope that it will be responsive when the numbers do increase dramatically in the fall, which I can foresee happening.

Mr. Speaker, I'd just like to say again that I do support the Bill, and I hope that the government is sensitive enough, although one minister already is making some remarks that just prove why I do have concern.

**Point of Order  
Questioning a Member**

DR. WEST: A point of order.

MR. ACTING DEPUTY SPEAKER: The Minister of Municipal Affairs on a point of order.

DR. WEST: Yes; under *Beauchesne*. Would the hon. member accept a question during debate?

MS MJOLSNESS: I would be pleased to answer a question from the minister.

DR. WEST: The gist of your debate here today would insinuate that giving a student loan to somebody who's going to school who previously was on social assistance is detrimental to them. Are you trying to say that showing them the responsibility of taking a loan and making the payback later on and administering their life with this loan as other people do in the world wouldn't be good for their self-initiative and individual resolve and pride? Or would you just put them on welfare, pay the whole bill, and keep sending them to school without any responsibility to what the rest of the world does? I don't understand your debate, and I would like you to answer whether you think that giving them a student loan doesn't teach them responsibility.

MS MJOLSNESS: Okay. Mr. Speaker, the minister's question just illustrates how out of touch he is with so many people, but I'll answer the minister's question.

There are many single-parent women that would have no problems taking out a student loan to pay for such things as tuition, to pay for their books, to pay for other educational expenses that they incur going to school. What they're concerned about is that they cannot obtain enough funds to feed their children at the same time that they have to pay for their educational supplies and expenses. That's the concern. They need the extra money to assist them in feeding their children, in clothing their children, and so on. I'm sure that this minister probably has no idea what it must be like.

DR. WEST: I had firsthand experience, and that's a red herring.

MS MJOLSNESS: Well, why don't you go out and talk to some of your constituents, and you'd know firsthand how they feel and how they are trying to cope with their circumstances.

**Debate Continued**

MS MJOLSNESS: With that, Mr. Speaker, I will conclude my remarks. On one last note, though, the minister did say that he understands why it's so crucial that the Students Finance Board is an adequate program. I think when the numbers increase this fall, I will be watching the government to see – well, depending on who's government at that time – if they do in fact respond to the demand.

9:50

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

MRS. GAGNON: Thank you, Mr. Speaker. As I understand it, this amendment is meant to eliminate the ceiling on student loans, leaving the decision regarding total government liability for student loans in the hands of the Lieutenant Governor in Council. That's the only aspect of the Bill that I worry about a little bit, because I hope that this would not mean a reversion to cabinet secrecy and decisions being made by cabinet rather than being brought here. I'm talking there as to the amounts.

Let me say, however, that loan limits for individual students have been woefully inadequate, and we have held this for a number of years now. We support raising the student living allowance, particularly because that's been frozen for the last three years. This living allowance taking into account inflation has dropped by 27 percent over the last 10 years, and I'd like to see anyone in this Assembly trying to live on 27 percent less over the last 10 years. As a matter of fact, most people are able to live on beautiful remunerations.

Now, one of the reasons the government has continued to use in regard to the fact that this living allowance has actually dropped – I mean, it went up \$5, but we know that taking into account inflation and so on, that is a drop – is that rents have fallen and, you know, the costs have not gone up that significantly. Well, we feel that that has not been the case and that particularly the student allowance aspect of the student loan program has really been inadequate and punitive and has meant that some students could not avail themselves of higher education at a time when really we need to make sure that all qualified people have access, because we need them in order to contribute to our economy as well as in order for them to enjoy quality of life.

We do hope that this amendment signals that the government intends to review on an annual basis and increase student living allowances and loan ceilings. We do believe that those reviews should assure that living allowances especially keep pace with inflation.

So we are very happy to support this amendment, and all I can say is that it is high time. We are very pleased that the government has been sensitive to the need to increase the principal liability amount over and above the \$250 million.

Thank you.

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

MR. CHIVERS: Thank you, Mr. Speaker. The minister of advanced education has made indeed a compelling case for the

Bill. He speaks of the supplementation to the Canada student loan program and the increasing costs as a result of increasing tuition fees, book costs, and other costs associated with higher education. Going back to the previous comment with respect to the increasing costs, certainly there are greatly increasing costs, and we all know that. He speaks of a growing need, a growing demand, and there is indeed a growing demand, a growing need, and we all know that.

My concerns are that this is a curious way of dealing with the issue. There is a way in which it could be dealt with directly. The way the statute is presently set up, it's a very simple matter for the government to have brought forward an amendment to the legislation which would have done directly that which can be done directly. I'm curious and I have some trepidation with respect to the method that the minister is going about doing what he says he's going about doing. Under the present situation the legislation as it presently is worded provides – and I'm paraphrasing here – that unless cabinet establishes a lesser sum, the minister may not exceed an outstanding principal liability of \$250 million. Well, it would be a simple matter to recognize the increasing costs, the growing demand, the growing need for this type of assistance, and the good, sound, public policy in providing that type of assistance by making the change directly.

What is proposed here is an indirect method. The jurisdiction, the ability is turned over to cabinet. I had understood that this was not the policy of the new management, that the policy of the new management was that it was going to be an accountable administration, that it was going to be accountable to the Legislative Assembly and that this sort of a technique would not be one which would be chosen to be utilized by this new management. So what's happening here is that the amendment removes the control from the Legislative Assembly and puts it in the hands of the provincial cabinet.

The minister speaks of a need to make changes on some sort of quick and urgent basis. Well, of course, that can be accommodated by allowing sufficient flexibility in the statute. Given the fact that these amounts are not changed with any great degree of frequency and the last change, I believe, was in 1990, it seems to me that it would be possible, if it was necessary – it should not be necessary – for amendments to be made to the statute more than once a year. Since we're compelled by the Legislative Assembly Act to sit at least once a year, it seems to me that the rationale for turning over the authority and the responsibility for making these determinations to cabinet is questionable.

Now, the minister has assured the Assembly that the purpose on this occasion is to meet the increasing costs, to meet the growing demand, and that indeed that is the objective of the government with respect to this amendment. I accept that that indeed is the purpose and motive behind this amendment and that indeed the government intends to act in that fashion to provide additional funds to meet increasing costs and growing demand. My concern, however, is that it is a two-edged sword and what cabinet increases by this amendment cabinet can also decrease, and that the debate with respect to the public policy will be removed from this Assembly and will be left to be handled internally within cabinet. I suggest, with respect, that that is not good public policy. I'm concerned about the mechanism that is being used and not the objective.

If the objective is indeed to provide the additional funds to meet the increasing costs and the growing demand, then indeed that is a worthy objective, and I think all members in this House support meeting that objective. I must say that I do have concerns with respect to the method that the minister is proposing to go about achieving that purpose, and it seems to me that it is a reverse of

the type of accountability that this new administration is supposed to be speaking of.

MR. ACTING DEPUTY SPEAKER: The Member for Calgary-Forest Lawn.

MR. PASHAK: Well, thank you, Mr. Speaker. I, too, share the concerns that were just expressed by the Member for Edmonton-Strathcona. I welcomed the remarks that the minister made in introducing the Bill. My inclination is to want to support the Bill for the reasons that he gave, but I'd certainly like to hear from the minister, in terms of his summation of the debate, a response to what the Member for Edmonton-Strathcona had to say. I don't like the general principle that we give to cabinet the authority to adjust the outstanding principal liability of the government at its own discretion. I think it might serve a greater purpose to have that actually set out by statute.

[Mr. Schumacher in the Chair]

I am somewhat encouraged by the actual wording of the amendment that the government has proposed which says that this outstanding principal liability of the Government [will go] beyond the amount specified by the Lieutenant Governor in Council at any given time,

but my fear is that the section is so broad that it could allow cabinet to reduce the amount. That would come at a fairly critical time in the economic history of this province, when it's especially important that we increase the skill level of our work force, the knowledge base of our work force, that we make it easier, not more difficult, for students to access a postsecondary education. As I pointed out in other places, every major modern economist that you look at says that if we're going to be competitive, if we're going to have any economic future for our young people, we have to increase the skill level and the ability and the performance level of our entire work force. That has to be an objective that we strive for at all levels of the educational system, but it's particularly important at the postsecondary level.

10:00

I'd just like to say that in his remarks the minister of advanced education also drew attention to a news release that he issued rather recently on the whole student loan question. I'm pleased, although not totally pleased, with the fact that he is prepared to initiate a partial review at least of the Students Finance Board. I'm pleased with that. But I think the minister should be prepared to go much further than what's he's actually indicated in the news release that he referred to. Why it's relative to the Bill, Mr. Speaker, is that we're looking at student finance, the whole student loan system, and these are key components of it. In his release the minister drew attention to these features that he would put under review:

- the feasibility of graduated loan repayment schedules;
- the feasibility of a new financing structure for guaranteed provincial loans which would include provision for risk sharing with banks;
- the feasibility of an income contingent loan repayment program; and [finally]
- the appropriate form of financial support to students in high risk categories such as upgrading and short . . . skills training.

Now, those are only some of the things that have to be taken into account when you do a proper and thorough review of the student loan program. He should have also included: inadequate allowances, realities of part-time students, students should have representation on the Students Finance Board, parent's ability to

pay. These are some of the things that I mentioned actually in the question to the minister the other day. Those are all concerns that I think should be part of the review he's conducting, and that's going to have some impact on the total amount of liability the province is prepared to take on with respect to student finance.

Mr. Speaker, I do have a copy here of a Council of Alberta University Students bulletin that was issued in December of last year. They draw attention to essentially the same kinds of concerns that I've expressed. It's rather clear to anyone that has any familiarity with the postsecondary system in this province – I happen to have children that have just gotten through the system and two that are about to enter the system – the student loan system from the point of view of the students, and I'm going to quote here for the benefit of *Hansard*:

[It] no longer meets the needs of the post-secondary system, CAUS [which is the Council of Alberta University Students] has recommended that the respective levels of government address a number of reforms to make the student loans system more effective and responsive.

Just some of the things they've talked about: the need for “an adjustment to current living allowance guidelines.” I'm sure the minister is familiar with these. “A commitment to the use of a 60% course load for the purposes of defining students as eligible for student loans,” and I think the minister knows that the federal government is taking steps to raise that 60 percent limit to an 80 percent course load in these pressing times when more and more students that are entering our institutions are adults. In fact, 30 percent, I believe, of our postsecondary students in this province are beyond the age of 21. Most of them can only go back if they're working part-time and usually at minimum wage jobs. So there's a need to examine that factor, build it into whatever consideration the minister is making with respect to student loans.

The third point that the students are concerned about is that the finance program does “meet the unique needs of part-time students” of whatever age level. There has to be “a restructuring of the Parental Contribution schedule to more accurately reflect the ability and willingness of parents to contribute.” I think there has to be some way that if parents are in a position to pay, parents do pay for the education of their children. There has to be some way that that can be mandated, although I recognize that not all parents would do that. So if you have a capable and willing student, I don't think that student should be discriminated against either just because his parents won't support him in an educational institution.

This is the problem really with the way in which student financing is provided at the moment, Mr. Speaker. For those of us that are fortunate enough to have the kind of security that membership in this Assembly provides, we can provide for our children to go through university and receive an education. Many of us that care about that have probably, as I have, registered children in student scholarship programs, but not everybody can do that. There are a lot of very capable, very deserving, very ambitious students that would like to get a university education, would like to better themselves along the lines that I'm sure the minister of whatever it is would applaud. Financial difficulties often are an insurmountable barrier, so rather than just have a student loan program as such, I'd like to see some consideration given to a grant program that would be directed toward needy students; that is, not just students who are needy but students who also have demonstrated in addition to need a commitment to the pursuit of knowledge and have demonstrated that they have the ability and capacity to work in a serious way with respect to their studies. I'd like to see the minister take that into account in terms of his review of student financing as well.

I've mentioned that there should be an increase in student representation on the Students Finance Board, Mr. Speaker. That's also a recommendation of the Council of Alberta University Students. I'm encouraged in the minister's news release by the fact that some of the things that he's suggesting dovetail with what the students are also asking that he consider. One of these would be “that the student finance programme would be restructured to permit greater flexibility in loan repayment.” I think that would also help more students to access postsecondary education if that can be done.

I know there's a considerable debate over kind of income contingent loan repayment plans. On the surface they look good. I know that they need a little more investigation. These plans would work in such a way that as your income goes up after you leave university, you'd pay an increasingly greater proportion of your student loan back.

Finally, the last recommendation that the students make, Mr. Speaker, is:

that the provincial government engage in a study of the feasibility of a student finance programme which would be administered through the income tax system.

Now, some of those things that are being suggested here are completely in line with what we've proposed in a document that we prepared called Always Learning, which is our overview of the total K through postsecondary educational system in the province of Alberta.

I'd just like to conclude by inserting into the record our comment with respect to financial support for students. I quote.

To improve the equity of access and to lessen the financial burden on students and new graduates, it is important that the whole structure of student financing be re-examined as part of a task force on education funding.

So we'd encourage the minister to go in the direction that he started in but to broaden out that task force and to take into account a number of these other issues that I've raised. I'm sure there's more than the few that I've mentioned in my remarks so far.

Thank you, Mr. Speaker.

MR. DEPUTY SPEAKER: The hon. minister to close debate.

MR. ADY: Thank you, Mr. Speaker. I would like to respond to some of the comments made by members opposite. I'd begin with the comments made by the Member for Edmonton-Calder. I would remind the member that the student loan program in Alberta as administered by this government is a needs-based program. It's based on the needs of the student as outlined on the application form and as represented to the Students Finance Board as the actual amount of cash they need or resources they need in order to access a postsecondary education. I should also tell the hon. member that in the province today, less than half the students that are in the system access the student loan program and that on average they access less than half the amount of money that is available to them. In other words, they only get halfway to the cap of what's available in a given year.

I would also like to advise the member that to my knowledge at no time has the government ever turned students away because we didn't have money in the fund. That's never been an issue. The member indicated that students were being turned away in the past because there was not adequate money in the student finance program; we ran out, so students were standing on the street not able to access student loans and they couldn't go to university because of that. That's not the case. It's never happened.



**10:10**

She also spoke of students who had children, single mothers: that sort of thing. Well, there's a very definite provision within the students finance program to deal with students who find themselves in that circumstance, and it's for special-needs students. Those students in those circumstances can access \$13,950 in a given year. Now, that's a lot of money to access, but that too is needs based. Every student needs to remember that, as do their parents.

The Member for Calgary-McKnight seemed to have some concern with this amendment causing the government to have the ability to do this in secret some way. I should give her some comfort. Under the regulations that affect the student loan program, any change made by Executive Council would be printed in the *Gazette*, so it would not be any kind of secret agenda.

MRS. GAGNON: Yeah, but after the fact.

MR. ADY: Granted, after the fact. Nevertheless, I think the main purpose here is to ensure that there is adequate funding available for students. That's what we're trying to do, and the public would be made aware very quickly of what the government moves to do.

I have to say again that the member is using outdated figures in her calculation for living costs, but that's usually what she does when she speaks to this issue. The living allowance was last re-evaluated in 1990, and we keep a close review of that. Although everyone is having a bit of a difficult time making their dollars reach as far as they need to, the student loan program is still based on . . .

**Point of Order****Questioning a Member**

MR. CHIVERS: Point of order.

MR. DEPUTY SPEAKER: The hon. Member for Edmonton-Strathcona is rising on a point of order.

MR. CHIVERS: Mr. Speaker, I'm wondering if the hon. member would entertain a question. I'm a bit confused about his remarks.

MR. DEPUTY SPEAKER: Would the hon. minister entertain a question? [interjections] The minister can speak for himself.

MR. ADY: I really don't have any problem entertaining a question, but this amendment does have to go to committee yet, and certainly the member . . .

MR. CHIVERS: It will be short.

MR. ADY: Sure. One question.

MR. CHIVERS: Mr. Speaker, I'm confused. My question is simply this: is the member saying that the limit in the Bill is presently adequate, that it's never been reached, and that the amendment is not being brought because of a need to increase that limit?

MR. ADY: The cap will be touched in the not-too-distant future, and we don't want to be in a circumstance where there would not be funding that we could guarantee student loans. I can't give you the exact date because student loans come in in a variety of numbers, and it would be difficult for me to give you the exact time. That's the reason for doing it.

I would again just say that the reason for doing this is to ensure that we do not have our students not having access to funding when we need it and that the government not be in a position of not being able to access it and having to call the Legislature back to do what we're doing here tonight.

**Debate Continued**

MR. ADY: Calgary-Forest Lawn had some questions that I would like to deal with briefly. The Students Finance Board presently has representation from the students; I believe they have two members on the board. I'll double-check that, but I believe that's the case.

The 60 percent course load versus the 80 percent course load is a federal regulation, and we cannot swim upstream against that. We absolutely must access the federal money in this program; otherwise, we turn our backs on \$200 million of funding from the federal government for students.

The parental support issue that the member raised: he gave me a big problem, but he didn't give me much help in solving it. Certainly I would like to see parents be more responsible when they in fact can, and we'll have to work on that.

Mr. Speaker, I believe that deals briefly with some of the things, and we'll be happy to discuss them further in committee.

HON. MEMBERS: Question.

[Motion carried; Bill 58 read a second time]

[At 10:16 p.m. the Assembly adjourned to Wednesday at 2:30 p.m.]

