

Legislative Assembly of Alberta

Title: **Monday, May 3, 1993**

2:30 p.m.

Date: 93/05/03

[Mr. Speaker in the Chair]

head: **Prayers**

MR. SPEAKER: Let us pray.

Our prayer is that as said at the Mother of Parliaments since the year 1659.

We, Thine unworthy servants here gathered together in Thy name, do humbly beseech Thee to send down Thy heavenly wisdom from above to direct and guide us in all our considerations.

Amen.

head: **Reading and Receiving Petitions**

MS M. LAING: Mr. Speaker, I would ask that the petition I tabled I believe about a week ago Friday please be now read and received.

CLERK:

We, the undersigned, urge the Legislative Assembly to urge the Government of Alberta to commit itself to a strong independent Advisory Council on Women's Issues by supporting such a Council with adequate resources and by moving quickly to appoint a woman experienced in advocacy for women as Chair.

head: **Notices of Motions**

MR. McINNIS: Mr. Speaker, I give notice that at the conclusion of question period I'll move the following motion under Standing Order 40, "urgent and pressing necessity":

Be it resolved that the Legislative Assembly recognize the humanitarian and public-spirited contribution of Mr. Lou Hyndman, who has praised the "brilliant leadership" of the hon. Premier for preserving and protecting Mr. Hyndman's \$50,000 a year lifetime pension, periodically adjusted for inflation.

head: **Tabling Returns and Reports**

MR. SPEAKER: Calgary-Forest Lawn.

MR. PASHAK: Thank you, Mr. Speaker. I'd like to file 639 letters written to the Minister of Education by Albertans in support of native education. Their concern is that recent changes in grants for native education will reverse progress made over the last five years in the education of native students in Alberta.

MR. SPEAKER: Hon. members, pursuant to the Legislative Assembly Act I am pleased to table with the Assembly the fifth annual report of the Legislative Assembly Office for the calendar year ended December, 31, '92. This report includes the annual report of *Alberta Hansard*, as required by Standing Order 110.

head: **Introduction of Special Guests**

MS M. LAING: Mr. Speaker, it is my pleasure to introduce to you and through you to the members of this Assembly six seniors that are involved in a speech craft group that is sponsored by the Central Lions Club. They are accompanied by Mr. Bill Daly. I would ask that they please rise now and receive the warm welcome of this Assembly.

MR. SPARROW: Mr. Speaker, it's a pleasure to introduce to you and through you to Members of the Legislative Assembly a group of grade 6 students from Corinthia Park school in Leduc. These 36 students are accompanied by Mrs. Heidt and Mr. Clough and are seated in the members' gallery. I would ask that they rise and receive the warm welcome of the House.

MR. SPEAKER: Edmonton-Belmont.

MR. SIGURDSON: Thank you, Mr. Speaker. It's a pleasure today to introduce to you and to all members of the Legislature 12 students in the academic challenge program from the school of M. E. LaZerte. They're accompanied today by their teacher Mrs. Kim Malayko, who recently received the Canada 125 award. They're seated in the members' gallery. I would ask that they now rise and receive the traditional welcome of the members of the Legislature.

MR. SPEAKER: Edmonton-Beverly.

MR. EWASIUK: Thank you, Mr. Speaker. It's a pleasure for me today to introduce to you and to members of the Assembly some 53 students from Fraser elementary school in Edmonton-Beverly. The students are here as part of their study of government, and I'll be attending their school shortly to expand on their knowledge. They're also accompanied by their teachers Corleen McKinnon and Alice Kowalchuk. They are seated in the public gallery. I'd ask them to rise and receive the welcome of the Assembly.

MR. SPEAKER: Might we revert to oral Notices of Motions? Agreed?

HON. MEMBERS: Agreed.

MR. SPEAKER: Opposed? Carried. Thank you.
Deputy Premier.

head: **Notices of Motions**
(*reversion*)

MR. ELZINGA: Mr. Speaker, I wish to give oral notice that the government intends to introduce Bill 66, being the Members of the Legislative Assembly Pension Plan Amendment Act, 1993 (No. 2).

head: **Ministerial Statements**

MR. SPEAKER: The Minister of Environmental Protection.

National Forest Week

MR. EVANS: Thank you, Mr. Speaker. I'd like to take this opportunity to invite all hon. members and Albertans to celebrate National Forest Week, starting May 2 to 8. Throughout Alberta many organizations, communities, and associations have risen to the task of raising a collective awareness of the importance of our forests by planning events ranging from tree-planting activities to forestry interpretive programs.

It's only fitting that this year's theme, Our Common Ground, recognizes that our forests provide a multitude of benefits for many different users. Each year thousands of Albertans and tourists enjoy the unlimited recreational opportunities provided by our forests. Our forests remain integral for fish and wildlife habitat. Our forests have also strengthened the prosperity of many communities by providing various employment opportunities.

As the provincial forest capital for 1993 Lac La Biche is a fine example of the significant role our forests have played in Alberta over the past several decades. The region's rich abundance of forests, lakes, and rivers has captivated the hearts and the minds of visitors and recreationists. Lac La Biche is a community which more than anything else was built on the forest resources surrounding it. The first sawmill in the province was built at Notre Dame des Victoires Mission on the shore of Lac La Biche. The efforts of the many volunteers and supporting organizations who are participating will be sure to make Lac La Biche's designation memorable.

I'm also pleased to announce that the city of Edmonton, Mr. Speaker, has also been designated as the 1994 national forest capital. As the gateway to the north, Edmonton will continue to have an increasing role in the forestry sector, as it harbours a significant portion of educational institutions, research facilities, and forest industry headquarters.

As custodians of this natural resource, my department remains committed to sound forest management principles which will ensure that our forests will continue to provide enjoyment, ecological diversity, and economic enrichment for generations to come.

Mr. Speaker, I encourage all Albertans to take part in this celebration as it provides a unique opportunity for all levels of government, industry, and Albertans to work together to achieve our common goal: the perpetuity of this resource.

MR. MARTIN: Mr. Speaker, of course all of us in the Assembly want to celebrate National Forest Week, starting May 2 to 8. In celebrating it I would say to the minister, though, that we need a new forest policy in Alberta. The public has spoken on this issue many times, and when it didn't work out the way the government went, they went ahead anyhow. We're going to have massive clear-cuts. They have the potential down the way to create an ecological disaster.

Now, Mr. Speaker, the minister says that "our forests provide a multitude of benefits for many different users," and I believe he used the term "ecological diversity." That's precisely the point, Mr. Minister. We're not doing that. We're not getting the value-added component from the forests. We have not looked at the traditional pursuits of natives. We're losing jobs there eventually. That's the point. That's why we do need a new policy dealing with forests, although in many cases it's too late. There's already the potential for ecological disaster.

So while it's very easy to agree with the ministerial statement, I say that actions speak louder than words, and that's just not been the case here in the province of Alberta, Mr. Speaker.

2:40 Hire-a-student Program

MR. ADY: Mr. Speaker, I'm pleased to rise in the Assembly today to announce the beginning of the annual hire-a-student program. As the name implies, hire-a-student provides a link between education and the labour market for Alberta's high school and postsecondary students. The program matches students seeking summer employment with employers seeking employees and promotes the development of positive employer/student relationships. The program is successful each year because of the partnerships formed among all of its stakeholders: the Chamber of Commerce, Canada employment centres, Alberta career development centres, businesses, service clubs, educational institutions, parents, students, and others interested in helping students help themselves.

There are a total of 73 hire-a-student offices in Alberta: 26 are operated under the jurisdiction of the federal government through Canada employment centres; 47 are operated by my department in other locations too small for an employment centre. All of these offices offer young Albertans access to a variety of resources to help them gain career and job-related experience. Counselors help students to write effective résumés, handle interviews, and learn basic job techniques.

Work experience programs for Alberta's youth are an important priority for this government. The hire-a-student program, along with our highly successful \$10 million summer temporary employment program, provides thousands of young people with meaningful employment opportunities. Initiatives like these are an investment for the future. The more job experience students can attain now, the more valuable they'll be when they enter the work force full time. This experience increases their confidence. It gives that sense of direction needed when it's time to pursue a career. I know Alberta's youth has what it takes to be successful. Their energy, willingness to learn, and their eagerness to succeed are qualities every employer wants. Our young people are ready, willing, and eager to work.

On behalf of this Assembly I urge employers to hire a student this summer.

MR. MARTIN: Well, again, Mr. Speaker, it is important that we support the hire-a-student program. It may mean the difference between some people continuing with their education or not, and we obviously hope for the success of it.

I want to say that we have structural problems. We have structural problems generally in terms of job creation but specifically for young people, Mr. Speaker. I look at the figures here in Alberta. Youth unemployment went up almost a percentage point to 16.7 percent officially, and when we deal with the hidden unemployed, it's probably much higher than that, probably at least 20 percent. We are creating, if I may say so, some very serious social problems for ourselves down the way. The minister talks about the \$10 million, but I would point out that he didn't tell you that it was formerly \$20 million when unemployment was lower. So I wouldn't crow about that.

There are some things that could be done: co-operative education at the university and college level, the provincial community youth service program to help out with all needed social programs. Mr. Speaker, there are a lot of things that we could do to deal with this very social problem. Certainly we hope that this program is successful this year, and we hope that employers open their doors and give these young people a chance.

Thank you, Mr. Speaker.

head: Oral Question Period

MLA Pensions

MR. MARTIN: Well, Mr. Speaker, the Premier tried a little diversionary tactic. He tried to get people to talk about pensions in the future, of not having pensions, but what he forgot to realize is that Albertans aren't going to be fooled. The issue was these people who were going to walk away with lucrative pensions and a severance package and all the rest of it. What he's done with them is simply trimmed it a little bit. We have the figures here. Mr. Adair goes from \$83,000-plus to \$79,000, 5 percent. Mr. Bogle goes from \$74,000 to \$71,000, 4 percent.

MR. SPEAKER: Forgive me, hon. member. I don't want to interrupt the flow, but in the House we know these members by constituencies not by their names, please.

MR. MARTIN: Well, the message is there anyhow, Mr. Speaker. It goes through. If you look at the pre-89, rather than the 25 percent which was intimated, there's only a 7 percent decrease. Add on to that the severance packages, and these people are walking away again with a golden handshake. That's the issue. My question to the Premier is simply this: why did the Premier distort the situation, leaving the impression that MLAs would be taking a 25 percent cut when that is just not the truth?

MR. KLEIN: Mr. Speaker, for those MLAs elected before 1989, there are retroactive provisions. Indeed the hon. Member for Peace River has served in this Legislature for in excess of 20 years and is entitled to some form of compensation. There was some sacrifice. I don't know if the hon. member figures that \$4,000 is not a lot of money, but it's a lot of money to me. I don't have all the figures relative to the reductions for each and every MLA, but I can tell you this: I know what my reduction is; it's a hundred percent. Is that enough?

MR. MARTIN: Put it this way, it's more than you're worth.

But that's not the point, Mr. Speaker. I want to remind the Premier that the issue with Albertans is all these pre-89 people that are going to walk away with huge pensions, \$60,000, \$70,000, \$80,000 plus a severance package, plus these are the same people that were involved in double-dipping. That's a political issue, and the Premier hasn't dealt with it. I want to ask the Premier this question: why didn't he screw up his political courage and say no to these people and make the 25 percent cut at least? He could have done that, and that would have been acceptable to Albertans.

MR. KLEIN: My, the gentleman is excited today, and he should be excited, Mr. Speaker, because the hon. Leader of the Opposition party stands, if he retired tomorrow, to gain \$1.7 million in pensions. So why is he talking about sacrifice? I'll tell you what sacrifice is. I know what I'm giving up, and I know what my colleagues who joined this government in 1989, including members of the opposition, are giving up: a hundred percent.

MR. MARTIN: Mr. Speaker, I've been arguing for retroactivity. We've been prepared to take the pain all the way along, unlike this Premier, who said before that retroactivity was immoral. He can't have it both ways. My question to the Premier is simply this: isn't the Premier really trying to shift the focus, talk about the future where there are no pensions, when the real issue – and he knows he's vulnerable – is these people walking away with a lucrative handshake? Isn't that what he's trying to do?

MR. KLEIN: Well, Mr. Speaker, I take it that the hon. Leader of the Opposition party is not going to vote for our Bill, because he wants his pension.

MR. MARTIN: Mr. Speaker, I'll make him a deal: you cut the debt by 25 percent, and I'll live without the pension, Mr. Premier. Let's make a deal right here.

Mr. Speaker, let's look at it even being more offensive. We've talked about retroactivity. We'll look at the question now of double-dipping. It's a lot of the same people that have been doing it in the past. We notice that one of the members over there has collected since 1989 over \$60,000 on a pension while sitting as an MLA. Then he's going to walk away with a pension and a severance package. This is a perfect opportunity for the Premier to do what Albertans want. My question to the Premier is simply this: now that he acknowledges that retroactivity can occur, will the Premier now ask former cabinet ministers who have collected

a pension while sitting as MLAs since 1989 to pay that money back?

2:50

MR. KLEIN: Mr. Speaker, the Bill that will be tabled before the Legislature tomorrow deals with this whole issue of so-called double-dipping, as did Bill 62.

MR. MARTIN: Well, Mr. Speaker, that's the point. Bill 62 dealt with it in the future, not for the people that have been abusing the system here. Since the Premier has been Premier, almost \$100,000 has gone out in double-dipping fees. My question is: why is the Premier, if he wants to show new leadership under new management, allowing former cabinet ministers to double-dip?

MR. KLEIN: Mr. Speaker, since the Premier has been the Premier, we have eliminated pension plans. What is he complaining about?

MR. MARTIN: Only because he felt the political heat, Mr. Speaker. He didn't want to do it.

The reality is that he still hasn't dealt with these major issues that I'm talking about. He's talking about the future; people are talking about the past. The taxpayers are going to be paying for these pensions for many years hence. He talks about the Bill. It's another Bill. We never know what's coming then. I'll ask the Premier this: will the Premier now assure the House that his new pension Bill will deal retroactively with double-dipping?

MR. KLEIN: Mr. Speaker, the Bill will be before the Legislature for debate tomorrow. I would assume that the hon. Leader of the Opposition and other members of his party will have an opportunity to introduce amendments and propose improvements. For the time being for those MLAs elected before 1989, there are retroactive provisions. As I said, I don't have all the figures. I can only reiterate what my sacrifice is and the sacrifice of maybe 15 or 20 other individual members. That sacrifice has been a hundred percent.

MR. DECORE: Mr. Speaker, on Friday 28 government MLAs and a couple of NDP included were going to access some \$40 million in pension benefits if they lived until they were 75 years of age. That was Friday. Today that \$40 million is just reduced marginally. What we saw was our Premier telling Albertans that the reduction was going to be 25 percent. It isn't 25 percent; it never was 25 percent. I'd like to ask the Premier: with the army of economists and civil servants that he has, how could he make a huge gaff like he did, saying that it was a 25 percent reduction when it wasn't anywhere near 25 percent?

MR. KLEIN: Well, I was alluding to since 1989 and based on the increase. Aside from that, I won't talk about 25 percent; I'll talk about a hundred percent. I'll talk about total elimination. If this member wants to talk about 25 percent, let him talk about 25. I'll talk about a hundred percent.

MR. DECORE: Mr. Speaker, maybe the Premier didn't hear my question. My question was: how could the Premier make such a huge gaff and tell Albertans that there was a 25 percent reduction when there was no 25 percent reduction? How could you do it?

MR. KLEIN: Well, Mr. Speaker, I'm glad to stop talking about 25 percent, but I will talk about a hundred percent. I will talk about elimination of the plan completely. That is a hundred percent.

Now, I would think that the hon. leader of the Liberal Party wants to have a pension plan, bring back the pension plan. Mr. Speaker, the emperor has no clothes.

MR. DECORE: And the Premier isn't even on a horse.

Mr. Speaker, the Member for Lethbridge-East has his pension reduced from \$73,000 to \$69,000: big deal for the taxpayer. Mr. Premier, I'd like you to justify for Albertans how this minuscule reduction in a pension benefit is going to wash with Albertans.

MR. KLEIN: Well, Mr. Speaker, maybe the hon. leader of the Liberal Party lives a different life than I do. He probably does. To me \$4,000 is a big number. Maybe it's not to him. Maybe he's got all kinds of money, but to me \$4,000 is a big number. I really can't believe that he is asking this kind of question. I understand, however, that the hon. leader of the Liberal Party has been taking television lessons. I don't know whether that question was for real or he's just practising. [interjections]

MR. SPEAKER: Thank you. [interjections] Order. [interjections] Order.

Smoky River.

Children's Health Centre of Northern Alberta

MR. PASZKOWSKI: Thank you, Mr. Speaker. My question is to the hon. Minister of Health. Many northern Albertans have for years contributed time and funds to the dream of a children's hospital in this part of the province. Could the minister update the House on the status of the children's hospital for northern Albertans?

MRS. McCLELLAN: Well, Mr. Speaker, on Friday I was the guest at the official signing of an agreement on the Children's Health Centre of Northern Alberta. Indeed this is a very momentous occasion, because what it means is that four hospital groups in Edmonton and area will be co-operating to offer very comprehensive children's health care to children of northern Alberta and of the city of Edmonton and indeed in some cases to children of Alberta.

MR. SPEAKER: Supplementary.

MR. PASZKOWSKI: Thank you, Mr. Speaker. My supplementary is also to the Minister of Health. Is this children's health care centre intended to replace the northern Alberta children's hospital which was planned by the previous Premier?

MRS. McCLELLAN: Well, Mr. Speaker, the model of the Children's Health Centre with the facilities at the principal site is certainly a model that is indeed different than what was at one time envisioned for a children's hospital in northern Alberta. However, I think this project demonstrates co-operation and collaboration between many facilities in this province. It indicates a model of future health delivery that is unique in this city and I believe will be a model for the rest of the country. I think the boards and participants in those co-operating hospitals should be commended, because indeed all had to make some sacrifice and some change in their plans to achieve this tremendous opportunity for providing children's health services to our kids.

3:00

Health Care Reform

MR. EWASIUK: Mr. Speaker, my constituents are extremely worried that user fees for health care are still on this government's agenda inasmuch as the minister has indicated that she welcomes

a discussion on user fees. I note in the latest Health annual report that the 20 percent cut in extended health benefits for dental and eye care for seniors has resulted in more people going without these services thereby saving the government dollars. My question is to the Minister of Health. How can the minister justify considering user fees when they are nothing more than a way to save costs on the backs of the poor?

MRS. McCLELLAN: Thank you. Mr. Speaker, the Member for Edmonton-Beverly changes the comments made by this minister saying that she would welcome a discussion on that subject or any other subject – this government is an open government; we're prepared to discuss any issue with Albertans – to saying that this minister approves of imposing user fees. Indeed, there has been a great deal of discussion on user fees, and the main area of discussion centres around people's desire for awareness, accountability, and cost containment. I think that in that light certainly it's important to have those discussions and to hear people out. I hope that this minister and this government will always be open to discussion on any subject regarding future health delivery in this province.

MR. SPEAKER: Supplementary, Edmonton-Beverly, followed by Edmonton-Meadowlark.

MR. EWASIUK: Thank you, Mr. Speaker. It's ironic that this minister's predecessor recognized that user fees were not the solution to the rising cost of health care inasmuch as studies have shown that abuse is not driving up costs. What this government needs to do is begin to address the real issues such as fee for service, low usage of generic drugs, duplication of services, and high technology, to name just a few. Why is this minister not addressing these issues instead of looking at the punitive measure of user fees?

MRS. McCLELLAN: Well, again, the hon. member is suggesting that we are looking at a punitive imposition of user fees. That is indeed incorrect, and I would like to correct that again. The member is correct that there are a number of things that drive health costs. Diagnostic costs are increasing and so on. However, to suggest that we are not addressing that or not looking at that would also be incorrect. I would remind the hon. member and all hon. members that there has been a series of meetings throughout this province to discuss health planning, how we continue to deliver health services, and we recognize very much that we can spend the dollars that we're spending in health care perhaps in better ways to meet today's and the future needs of Albertans. To ignore rising health costs, not to be aware of them and not to discuss them, is a danger to our health care system. Indeed, we should be discussing all aspects of health costs.

MR. SPEAKER: Edmonton-Meadowlark.

MLA Pensions

(continued)

MR. MITCHELL: Thank you, Mr. Speaker. This government has brought Albertans eight consecutive deficit budgets, the most recent deficit at \$3.2 billion, a net overall debt of about \$20 billion or \$25 billion, and an overall slide from \$12 billion in net assets to \$11 billion in net liabilities, a \$23 billion slide. Now, 28 Conservative members who presided, literally, over the fiscal collapse of this government are now still going to walk under these proposed reforms with huge pension benefits, and some of them in their late '30s and early '40s are going to receive these

benefits for as many as 30 or 40 or 50 years. My question is to the Premier. How can the Premier justify any pension reform – and I use that word lightly – proposal that will see, for example, the Member for Pincher Creek-Crowsnest receive \$44,000 a year for the next 30 to 40 years?

MR. KLEIN: Well, Mr. Speaker, I propose to save taxpayers just a whole lot of money by scrapping the plan altogether, scrapping it.

MR. MITCHELL: Mr. Speaker, if this government accepted a really retroactive RRSP-type pension proposal, the Member for Pincher Creek-Crowsnest would receive \$300,000 as opposed to millions of dollars over the lifetime of the program proposed by this Premier. How can this Premier accept any kind of pension reform proposal that will see the Member for Pincher Creek-Crowsnest receive millions of dollars instead of \$300,000?

MR. KLEIN: Well, Mr. Speaker, I know that the Liberals are really anxious to have a pension plan, and not only a pension plan but a pension plan that is backstopped by the taxpayers. Even with their proposal, as modest as they say it is, it will cost taxpayers about \$505,000 a year. What my government is proposing is that we scrap it all together. Can't they understand that?

Highway Cleanup Program

MR. ZARUSKY: Mr. Speaker, my question today is to the Minister of Transportation and Utilities. As we all know, spring is here, and many activities happen at the beginning of spring. Our province has one example in the cleanliness of our highways and many other areas of towns and cities. Saturday, May 1 the cleanup campaign took place on Alberta highways. Could the minister advise the House on the activities of the day?

MR. TRYNCHY: Mr. Speaker, it's been a very successful 17th annual cleanup campaign. There were 521 groups that participated, an increase over last year. There were 8,506 young Albertans and 4,717 adults who took part in that cleanup on May 1. Over 55,000 bags of garbage were collected. Some 8,456 kilometres were cleaned up. I want to pay special tribute to all Albertans for the tremendous job they did on the highways.

MR. ZARUSKY: Supplementary to the minister, Mr. Speaker. These young volunteers are always energetic and ambitious. Could the minister indicate that safety is a factor in this? What precautions or actions were taken to ensure the safety of these young participants?

MR. TRYNCHY: I'm sorry, Mr. Speaker; I should have mentioned it at the outset. There were no reported traffic or safety-related incidents, and there were no cancellations across the province. The weather was well. The whole cleanup was successful, and it was right across the province. Again, let's commend all those Albertans that took part for a job well done.

Yellowhead Youth Centre

MS MJOLSNESS: Mr. Speaker, over the last few years 25 spaces for high-risk, severely disturbed children have been cut at the Yellowhead Youth Centre, including a 15-bed receiving unit that provided an effective transition program for these children. Last Friday the Minister of Family and Social Services indicated in the Legislature that he would follow up on this matter after it was

raised, because this issue is a priority for him and his department. So I'd like to ask the minister: in view of the fact that spaces at the Yellowhead Youth Centre are in great demand for high-risk children that are severely disturbed, will the minister indicate whether he will now reverse the decision to cut seven frontline positions in that particular facility?

MR. CARDINAL: Mr. Speaker, first of all, I'd just like to indicate that there are no plans at this time to cut any positions in that particular facility. I'd like to also advise Albertans that under our child welfare budget we are spending as Albertans \$155 million. That particular project alone is about \$4.7 million dollars with 97 existing staff. Also, we have 69 child welfare workers, and there are alternative spaces also available in Alberta. In Edmonton alone there are 136 institutional beds available. In addition to that, another 156 group home beds are available for a total of 292. There are alternative spaces available.

I would also like to advise the hon. member that I will be touring the facility tonight for over an hour to talk to not only the frontline workers but also the administrators and hopefully the clientele, if I have the opportunity.

Thank you.

3:10

MS MJOLSNESS: Well, Mr. Speaker, I would hope that the minister will also let the frontline workers know that no positions are being cut. That should be very clear to them, and I hope the minister would let them know that when he tours tonight.

In addition to the proposed seven positions being cut, which the minister says are not being cut, in June of 1990 the receiving unit at YYC was closed, and 15 spaces were lost at that time even though the receiving unit helped stabilize these very disturbed children moving in and out of this facility. I ask the minister: will the minister now consider reopening this unit? The building is already on the premises to provide a badly needed service for these highly disturbed children.

MR. CARDINAL: Mr. Speaker, I would like to advise the hon. member, first of all, that there are no seven positions being cut at this time. Seven people have applied to take early retirement leave, and we are reviewing the staffing component there right now. That is one reason I am going to visit the facility: to talk to the frontline workers, to look at their workload, to look at the facility, and to talk to the clientele also that are in the program, if I get the opportunity, to find out and see what we as a government are not doing in a facility like that.

MR. SPEAKER: Calgary-Forest Lawn, followed by Three Hills.

Native Education

MR. PASHAK: Thank you, Mr. Speaker. In 1984 the Ghitler Committee on Tolerance and Understanding recommended improvements in the education of native students, and in 1987, after extensive consultation with native people throughout Alberta, the Minister of Education introduced a new native education policy and targeted funding for native education. Good things began to happen. More native children are attending and completing high school, native advisory committees have been set up across the province, appropriate curriculum materials have been developed, and more students are enrolled in native language programs. Yet the minister's 1992 Achieving the Vision review continued to rate the achievement of success for native children in Alberta as only fair. My question is to the Minister of Education. How does this

minister justify amalgamating native education programs with other programs that are being cut by 8 percent when the government is doing only fair at ensuring success for native children?

MR. JONSON: Mr. Speaker, the hon. member is quite correct in that the government has taken a number of initiatives with respect to improving programs and service for native students across the province. During this particular school year something in excess of one quarter million dollars will be devoted to the development of curriculum and curricular materials for the native students of this province. In addition, we are working with school boards across the province in terms of the overall student dropout rate, not only as it pertains to native students but in terms of the concern as it relates to the whole student population in the province.

MR. PASHAK: Well, Mr. Speaker, that really doesn't answer my question. My question really is: given the importance of this, will the minister now commit to restoring targeted funding for native education to the same level it was last year, and if not, why not?

MR. JONSON: Mr. Speaker, this coming school year the government has made a commitment to provide as part of the overall block grant over \$4 million that will be going to those school boards who have operated native education projects. I would like to emphasize and repeat something that I mentioned in response to a previous question, and that is that one of the things we have heard from school boards all across the province is that they would like some additional flexibility with respect to the expenditure of certain grants. Therefore, yes, we have grouped a number of grants together. I expect that school boards will look at their jurisdictional needs, and in many cases there'll be increases in certain categories of grants and decreases in others.

MR. SPEAKER: Three Hills.

Biomedical Waste Disposal

MR. MacDONALD: Thank you, Mr. Speaker. For the past four years the government has delayed dealing with the issue of disposal of biomedical waste in Alberta hospitals. Instead of addressing the obvious environmental concerns and public safety issues, the government has adopted a stopgap regional hospital incinerator model. To the Minister of Health: can the minister inform Albertans why five regional hospital incinerators are currently being licensed on a month-to-month basis by this government when they clearly do not meet the air emission guidelines established by the Canadian Council of Ministers of the Environment?

MRS. McCLELLAN: Well, Mr. Speaker, the health facilities that still have incinerators operating are operating on a month-to-month or on a short-term basis, because they are able to meet certain guidelines that are required. We've made it very clear that we would not be retrofitting or upgrading hospital incinerators to bring them up to standards or guidelines and that when there is sufficient room in the private sector or other to handle the medical wastes, we would be phasing them out completely. It is not our intention to retrofit any hospital incinerator at this time to bring them up to those standards.

MR. MacDONALD: Mr. Speaker, we have a state-of-the-art, high tech facility in Beiseker designed to dispose of biomedical waste.

It's been underutilized. Can the minister explain why this government continues to resort to the stopgap solution of regional incinerators that could cost \$20 million to upgrade when a state-of-the-art facility is available?

MRS. McCLELLAN: I guess one of the differences is that we would prefer to prepare an action plan to handle this in a very orderly fashion and to ensure that it is handled correctly, and that's indeed what has happened. We have developed an action plan for handling these biomedical wastes. I've explained to the hon. member that we intend to move in that direction. We are providing educational programs for the management of biomedical wastes that are handled by our hospitals, for our hospitals. A number of issues need to be dealt with in this – it doesn't perhaps happen overnight – such as transportation and handling and disposal. I can assure the hon. member that we are very conscious of this and, I think, have a very orderly plan to handle medical wastes in a very safe, cost-efficient, and effective manner.

MR. SPEAKER: Drayton Valley, followed by Edmonton-Avonmore.

Twin Rivers School Division

MR. THURBER: Thank you, Mr. Speaker. To the Minister of Education. In the last municipal elections in the Drayton Valley area a new school board was elected in the Twin Rivers school division. Because of some concerns that were brought to your attention, Mr. Minister, the board underwent a thorough review just recently. This review has since become public knowledge. Could you advise the Assembly as to what the results of this review were, please?

MR. JONSON: Mr. Speaker, the member is reporting upon an event in which, yes, there was a great deal of concern expressed to my office with respect to the overall school situation in the Twin Rivers school division, and a review was requested and conducted. That review is now a public document. It identified a list of certain I think very significant concerns. It concluded with reference to the fact that in the opinion of the review committee the action and inaction of the board on certain issues related to educational matters are placing the education of children in this school system in jeopardy. That was their overall conclusion.

MR. THURBER: A supplementary, Mr. Speaker. In order to maintain the high quality of education in this area, could the minister advise what actions are being proposed to alleviate this issue, please?

MR. JONSON: Mr. Speaker, I have met with the board of trustees of the Twin Rivers school division, and I've asked them to provide to me a plan with specific features or commitments to address the problems that are outlined in the report and to have a plan which would show the possibility of constructive action in this regard by the end of this school year.

MR. SPEAKER: Edmonton-Avonmore, followed by Edmonton-Gold Bar.

3:20

Boards and Commissions

MS M. LAING: Thank you, Mr. Speaker. My questions are to the Minister of Community Development. Albertans are very concerned about the future of some very important advisory

councils. They want to be certain that strong, independent voices advocating on behalf of women, seniors, and persons with disabilities will be maintained. However, many recent events are calling this into question. My question is: can this minister explain why orders in council were passed transferring administration of the seniors advisory council, the Premier's Council on the Status of Persons with Disabilities, and the Advisory Council on Women's Issues from Executive Council to the Minister of Community Development?

MRS. MIROSH: Mr. Speaker, that's a good question. The Minister of Community Development and the department are working together with issues that concern all of those areas. We plan on bringing administration together and working very effectively.

MS M. LAING: Well, Mr. Speaker, I think the next step will be just simply integrating these councils into the civil service.

The previous system, whereby these bodies have advised the government through particular ministers while remaining under the administration of Executive Council, has maintained their independence, and the transfer to the minister of community services appears to be an attempt to limit their independence. Changes are being made while this so-called open government claims to be doing a review of boards and commissions.

MR. SPEAKER: And the question is?

MS M. LAING: As the government's agenda with respect to these councils is uncertain, it makes many people very nervous.

SOME HON. MEMBERS: Question. Question.

MR. SPEAKER: Order, please, so I can hear the question, which is about to happen.

MS M. LAING: Will the minister tell us when the results of the government's review of boards and commissions will be made public?

MRS. MIROSH: Mr. Speaker, that's the responsibility of the Deputy Premier. These are areas of concern with Community Development. These are areas within the jurisdiction of the community, and the responsibilities of all of those boards have been excellent and will remain so.

MR. ELZINGA: Mr. Speaker, just to supplement the minister's answer, as we've indicated consistently both publicly and within this House, the initial review will be released in the Provincial Treasurer's budget on the evening of May 6, and I stress the initial review.

MR. SPEAKER: Edmonton-Gold Bar.

Rural Health Services

MRS. HEWES: Thank you, Mr. Speaker. Foreign doctors are once again facing major bureaucratic barriers. Unable to get residency placements in Alberta, many are having to turn to the U.S. in order to complete training. However, to get a visa, they have to have a Canadian employment contract, and rather than enabling this requirement, the province is resisting. My questions are to the Minister of Health. Why won't the minister offer those

doctors who successfully complete a U.S. residency a placement in one of the rural areas that are so desperate for a physician?

MRS. McCLELLAN: Mr. Speaker, there still are opportunities for rural communities to obtain the services of foreign doctors. However, the whole question of physician numbers and mix is one that is of concern to us, and the ministers of health across Canada are concerned with this whole issue. I would remind the hon. member that we introduced a program called the rural physician action plan in response to the concerns of rural communities. I believe that this plan, although it takes a bit of time to work, is the true answer for rural physicians, because in it the initiatives include rural experience for medical students in post-graduate training, which is probably the key to recruiting and retaining doctors in rural communities.

MRS. HEWES: Well, Mr. Speaker, it seems to me that it's a question of fairness to these foreign doctors as well as to rural communities. I'd like to ask how the minister justifies or explains to these rural facilities why they cannot have a doctor when the province is turning down these qualified professionals.

MRS. McCLELLAN: Well, Mr. Speaker, first of all, it is not impossible for a rural community to recruit and to bring in a foreign doctor today. In fact, we assist them with it. That is a very short-term solution to a problem that has been with us for some time.

I do believe the rural physician action plan is the answer with the number of initiatives that are in there. The one I mentioned, very key, is the student's experience in a rural community. The other one is the opportunity for education and training for doctors that are in rural communities: distance learning has been very important to them, the availability for locums and to have time off. To bring somebody into a rural community on a very short-term basis is not the best answer. We're looking for the best long-term answer. Again, if a rural community is having difficulty having a physician in, they have the opportunity to bring in foreign doctors today.

MR. SPEAKER: The Member for Dunvegan.

Forest Management

MR. CLEGG: Well, thank you, Mr. Speaker. My question today is to the Minister of Environmental Protection. As I travel around the wonderful constituency of Dunvegan, I get a lot of questions about stumpage fees. Many of them have been telling me that the stumpage fees are too low. Could the minister tell me in this House if he is looking into stumpage fees in Alberta?

MR. EVANS: Thanks very much. Mr. Speaker, actually we collect fees for the harvesting of timber, we collect holding fees for the right to harvest, and then we collect fees so that we can protect the forests so that we can ensure that we have reforestation and just the administrative charges that are incurred. The hon. member is quite correct, though: those fees have been frozen really for a very long period of time. Even though there were \$18 million in the early '90s, those figures are probably low. We've been looking at this issue very carefully in the department, and we've been talking to the industry as well. We are working towards a plan to increase those fees, to make them more realistic given the markets that we have today and given the amount of activity that we have in the forest industry in Alberta.

MR. CLEGG: A supplementary question, Mr. Speaker. As many of you know, there are many different forms of fees for forestry in Alberta. There are FMAs, CTPs, LTPs. Are they all going to be looked at? Certainly the concern is out there.

MR. EVANS: Well, the short answer is yes, Mr. Speaker. I'd like to assure the hon. Member for Dunvegan that we are going to look at every aspect of the fees that are charged, whether it is a forest management agreement, a quota, or a permit. In particular, I want to ensure that we have a system for stumpage fees that's price sensitive. In other words, if the world market for our pulp and our timber supply is high, then we'd be asking the industry to pay a greater fee. If the price goes down, then we would reduce the price accordingly. I think that's much more realistic.

MR. SPEAKER: Edmonton-Belmont.

Summer Employment Programs

MR. SIGURDSON: Thank you, Mr. Speaker. I'd like to direct my question today to the minister of advanced education. In May of 1990 the unemployment rate for youth and young adults was 10.6 percent, and in that year the summer temporary employment program was funded at \$20 million. Today the unemployment rate for young people is about 17 percent, and the government has cut the funding for STEP by half. Too many young people will not find enough work and may not be able to return to postsecondary institutions because of their lack of summer employment. Can the minister advise what new programs he and the government are prepared to put in place that will accommodate the needs of those students who hope to get back to postsecondary institutions this fall?

MR. ADY: Mr. Speaker, the government does have some programs in place to deal with the unemployment circumstance of young people in our province. Admittedly the economy is not as good as it has been, and employment is more difficult for all age groups in the province. Our youth are not being exempted from it. However, they're doing an admirable job of coping with it. I attended the hire-a-student rally this morning. The students were there in an effort to access the jobs that were posted and were anxious to have an opportunity to go to work. I'm confident with the programs we have in place, with hire-a-student and the \$10 million that has been put into the summer temporary employment program, that the industries will come onside and all the employers in the province will get involved in doing the best they can to provide meaningful jobs to students in our province.

3:30

MR. SIGURDSON: Mr. Speaker, reading between the lines, that means that nothing is being done.

I'd like to direct my supplementary to the minister of agriculture, who today along with the minister of advanced education announced the summer farm employment program. Mr. Speaker, over the last 22 years that special program has averaged approximately 1,500 jobs for young Albertans. This year the limit for access to the program is 500 jobs which, according to the ministerial release, are expected to be filled prior to the final application date. I'd like to ask the minister of agriculture if he could advise the Assembly how many producers who want to hire students who want to work through that program will be turned down this year.

MR. ISLEY: Mr. Speaker, that will depend entirely on how many apply, and we don't have that information yet.

MR. SPEAKER: Thank you.

The time for question period has expired.

head: **Motions under Standing Order 40**

MR. SPEAKER: A Standing Order 40 request. Edmonton-Jasper Place.

Former MLA's Pension

Mr. McInnis:

Be it resolved that the Legislative Assembly recognize the humanitarian and public-spirited contribution of Mr. Lou Hyndman, who has praised the "brilliant leadership" of the hon. Premier for preserving and protecting Mr. Hyndman's \$50,000 a year lifetime pension, periodically adjusted for inflation.

MR. McINNIS: Thank you, Mr. Speaker. The motion I have put before the Assembly has been distributed. It is of a congratulatory nature in its form, but I submit that there are reasons why the matter is indeed urgent and pressing.

No less an authority than *Alberta Report* magazine has a cover story this week about the intergenerational war over funding of pensions, and of course the government has fired the first shot in the intergenerational war. I quote just briefly from the article:

The essence of pay as you-go schemes is that the first generation of pensioners is able to enjoy relatively luxurious retirement only because legislators have in effect reached into the future and stolen the pension benefits of the generations that will be forced to inherit the plan in its mature, bankrupt phase.

Now, it is always dangerous for anyone to enter into the pension debate, as complicated as it is. Mr. Lou Hyndman has spoken on behalf of that rare group of people who are the beneficiaries of the MLA pension plan. He speaks on behalf of the 113 who are presently . . .

MR. SPEAKER: Order please. The hon. member is fully aware that this does not go into the debate of the proposed motion. It's dealing with urgency.

AN HON. MEMBER: That's right.

MR. SPEAKER: Thank you.

The member quoted Standing Orders correctly and will adhere to it. Thank you.

MR. McINNIS: Thank you, Mr. Speaker. The urgency is that in fact intergenerational warfare over pension funding has broken out as of Friday. Mr. Hyndman is speaking on behalf of the 113 who are presently collecting, but there is the group of the 28 who hope to also join that lucky group. I believe this Assembly should recognize that when he talks about "brilliant leadership," he's in fact talking about the leadership that preserves his \$50,000 a year pension, and he should be congratulated for what he is.

MR. SPEAKER: Order please. All members of the Assembly are aware of Standing Order 40, a matter "of urgent and pressing necessity" for debate. This is not a matter of the motion in terms of its own merits. All those in favour of granting agreement for the matter to proceed, please say aye.

SOME HON. MEMBERS: Aye.

MR. SPEAKER: Opposed, please say no.

SOME HON. MEMBERS: No.

MR. SPEAKER: The matter fails.

head: **Orders of the Day**

[On motion, the Assembly resolved itself into Committee of the Whole]

head: **Government Bills and Orders**
head: **Committee of the Whole**

[Mr. Main in the Chair]

MR. DEPUTY CHAIRMAN: I'd like the committee to come to order.

Bill 59
Pacific Western Airlines Amendment Act, 1993

MR. DEPUTY CHAIRMAN: Any comments to be offered on this Bill? The Member for Calgary-Bow.

MRS. B. LAING: Thank you, Mr. Chairman. I welcome the opportunity to rise and speak on Bill 59, Pacific Western Airlines Amendment Act, 1993, in the committee stage. I'm pleased to answer members' questions which arose during second reading.

The hon. Member for Lethbridge-West asked what the meaning or the implication of the word "estopped" in section 6 was, and we had some help that time from the hon. Member for Edmonton-Strathcona, who was correct when he described "estopped" as a shield and not a sword. It merely allows the corporation to continue a normal operation while it addresses any share ownership situation in excess of the legal limits. The use of the word "estopped" is not an addition to the Act but is used in section 6 in the 1983 Act. [interjections]

MR. DEPUTY CHAIRMAN: Order please, hon. member.

Could we just have the subcommittee meet in a subcommittee room elsewhere. Thank you very much.

Thank you, hon. member.

MRS. B. LAING: This provision is exactly the same as what the situation was in the past when the only shareholder restriction was the 4 percent, which later became the 10 percent restriction on individual ownership and the company had to redeem shares for cancellation.

A second question from the hon. Member for Lethbridge-West was if section 16(c)(vii) changes the liability of the board of directors of PWA as to its obligation when this Bill is passed. Section 16(c) refers specifically to the enforcement of the foreign ownership provisions. It does not change the general liability of directors or any other officials, for that matter. It allows the establishment of the regulations to set what the responsibilities for the enforcement of legal requirements concerning foreign ownership are for the key players involved. It also provides for the authority of the Lieutenant Governor in Council to make regulations defining how the foreign ownership controls can be enforced. In other words, it says that the Lieutenant Governor in Council can impose restrictions on foreign ownership, and part (c) says that the Lieutenant Governor in Council can define what rights and responsibilities all the parties for the corporation – the directors, officials, et cetera – and the shareholders have in enforcing the foreign ownership restrictions.

A question from the Member for Edmonton-Kingsway: can section 16 be used by cabinet to change the 10 percent individual ownership restriction on PWA shares by regulations, and if it can and American Airlines buys 25 percent of PWA, can it vote the full 25 percent, or will it be limited to 10 percent of the voting rights? This Act deals with the ownership provisions for PWA, and American Airlines is interested in buying shares in Canadian Airlines International Ltd., not PWA. However, this section does not provide cabinet with the power to change the 10 percent limitation on individual ownership of PWA. Section 4, which specifies the 10 percent limit, remains intact.

PWA is a holding company which has interests in a number of companies, including 100 percent interest in Canadian Airlines International, 25 percent of which American Airlines proposes to purchase. American Airlines is interested in providing services to the airlines and not in controlling the airline or its holding company, hence its interest is in Canadian Airlines and not PWA. The federal foreign ownership restriction on Canadian Airlines flows through to PWA since PWA wholly owns Canadian Airlines and hence the need for the amendment.

A point raised by the Member for Calgary-Forest Lawn about employment impacts. Canadian Airlines and affiliated companies employ about 2,800 employees directly. An economic impact study prepared for the government for the National Transportation Agency hearings into the proposed Canadian Airlines/American Airlines transaction indicated that the difference between approving the transaction and having Canadian Airlines fail would be close to 6,000 jobs. This estimate is based on conservative numbers and assumptions, including some based on Air Canada's view of the world which overstates the job loss associated with the transaction and understates the negative impact of the demise of Canadian Airlines. So the final number could in fact be quite a bit higher.

The Member for Edmonton-Kingsway raised a point about whether section 16 is a new section compared to the old Bill. He was told by Parliamentary Counsel that the answer was no, but section 16 is an addition to the old Act.

3:40

On last Wednesday, April 28, there was an article in the *Calgary Herald* which I'd just like to refer to. It says:

Poll favors two airlines

Canadians favor keeping two major airlines flying, says a poll released yesterday by Insight Canada Research.

The poll, commissioned by Canadian Airlines International and American Airlines and conducted between April 1 and 3, found that 77% of 1,000 Canadians questioned felt the country is better off with competition, said Michael Marzolini, chairman of Insight Canada.

"There is widespread belief in every region of the country that Canada is [indeed] better off with two major national airlines," . . .

With respect to the proposed deal between American Airlines and Canadian Airlines, more than 68% of those polled said they would prefer to see the U.S. carrier invest in Calgary-based Canadian, with control remaining in Canada.

As I stated earlier in second reading, this amendment is necessary to allow Canadian Airlines International Ltd. and PWA to conform to federal requirements governing the foreign ownership limitation of 25 percent on shares. In view of the article, which I read part of, I think there's good support among all the people of certainly Alberta for this to be allowed to happen. So we need to help them by putting in the amendments that are so necessary.

I would urge all hon. members therefore to vote in favour of Bill 59.

Thank you.

MR. DEPUTY CHAIRMAN: Any other comments? How about Edmonton-Kingsway?

MR. McEACHERN: Thank you, Mr. Chairman. I am still a little bit concerned about the answer I got from the member. She read it very carefully, but I can't help thinking there's still something rather strange or circular about her argument. Just because Canadian Airlines Ltd. is a subsidiary of PWA does not to my mind mean that section 4 and section 7 of the previous Bill should be ignored in the way that section 16 of the new Bill, or the amendments, seems to imply. What this seems to be is that section 16 – and of course it's a new section. I didn't ask Parliamentary Counsel if it was a new section. I asked him if it gave regulations precedence over the Bill which was restricting ownership by any one entity to 10 percent, and his answer was no, but obviously your answer says yes. What the government seems to have done is said that by regulation cabinet can do whatever they like. I might point out that not only can they then override those 10 percent limits so that they can conform with the federal rule of 25 percent purchased by a foreign corporation, but they don't even specify that the voting power of that foreign corporation will be limited to 25 percent of the company and make sure that the control of the company stays Canadian.

Now, that may very well be the intent, and that is I assume what cabinet is giving itself the power to do, but it would be nice if they spelled it out that way. What they have done is given cabinet incredible power to do whatever they damn well please, quite frankly. I on this side of the House certainly am concerned. I understand the importance of keeping Canadian Airlines going and the jobs and all that sort of thing, so I will ultimately support this Bill, but I don't like the form in which the member brings this Bill to the House. It gives incredible power to cabinet to do as they please. They could, according to this Bill, give 70 percent of the company away and give 70 percent of the control away. They talk about restrictions on foreign ownership and restrictions on foreign voting power, but there is no need that it be set at any limit below 50-50, which is of course the margin usually for who controls a company. So I do have some concern about the Bill. I think the intent of it is right, so I will support it at this stage. I can tell you that if we form the next government, we're sure going to take another look at this Bill and try to make it a reasonable Bill that states what was intended or supposedly intended rather than giving *carte blanche* to cabinet.

It's typical of what this government has done. My late friend Gordon Wright used to talk about this kind of a Bill, where cabinet is given *carte blanche* to do as they pleased. He called them Henry VIII clauses, meaning that Henry VIII had all the power and could do as he pleased and that cabinet now has all the power and can do as it pleases, because they were not prepared to deal with those 10 percents upfront and eliminate them. You're hiding behind in your explanation the idea that somehow, because Canadian Airlines is a subsidiary of PWA, it's okay the way it is, that you don't have to change that, but yes, cabinet does have the power to do as it pleases with PWA, which controls Canadian Airlines anyway. On this side I am certainly concerned because of the importance of the airlines industry and the direction that this party took in saying that we support the \$50 million loan guarantee to PWA and we support the jobs in Calgary and the need for us to do something in this country about rationalizing this overcapacity in the airlines industry.

I wonder sometimes if this government is doing enough to push on their federal cousins to have some say in the airlines industry instead of just leaving it to a fight between Hollis Harris of Air Canada and Rhys Eytan of Canadian Airlines, who are fast

bankrupting both of the companies and going to, if we don't watch out, end up with both the Canadian companies owned and controlled by American corporations over time. That seems to be the direction it's heading, and I don't really see the government doing anything about that. So this is nothing more than a stopgap measure to try to hold things together for a little bit longer to see if we can't come up with some kind of a made-in-Canada solution to this transportation crisis that we have in the airlines industry.

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

MR. GOGO: Thank you, Mr. Chairman. As I indicated at second reading, I support the principle of Bill 59. I very much appreciate the sponsor's response, the hon. Member for Calgary-Bow, with regard to the questions I raised. I found a great variance with the former minister of consumer and corporate affairs, with the plain language Act he brought in, the word "estopped." I'm grateful now that it's been explained both by the Member for Edmonton-Strathcona and the sponsor of the Bill.

Mr. Chairman, I still have some concern with regard to the ability of cabinet to make regulations under 16(c)(vii); however, I'll read that between now and third reading time.

I just close, Mr. Chairman, with the fact that I'm quite taken with the action of the directors of Pacific Western Airlines who have agreed to a 50 percent reduction in the director fees that they receive each year. Both as a legislator and as a shareholder of PWA, that's something I'm very grateful for.

MR. DEPUTY CHAIRMAN: Any other comments? Calgary-North West.

MR. BRUSEKER: Thank you, Mr. Chairman. I, too, just want to ask a couple of questions of the hon. member who's the sponsor of this Bill, the Member for Calgary-Bow, and just point out a couple of points that I think need to be discussed.

Mr. Chairman, the member talks about PWA being primarily a holding company, but I think we need to be reminded here that the primary function of this holding company is the operation of Canadian Airlines. When the member says that this isn't going to change anything about PWA, let's face it, this is really going to have a significant impact on what they do. I think the idea of changing the percentage of ownership is a bit of a concern. I think the poll that has been referred to, the idea of keeping Canadian-owned airlines Canadian owned, is a concern that should be addressed by the Legislature.

The Member for Edmonton-Kingsway raises an important point and talks about regulations. Mr. Chairman, we see many Bills introduced in this House by this government that say that we're going to take it out of legislation and put it in regulation. Here's another case. Section 15 has a long section and it talks about the "conflict between this Act or the regulations under it" and then lists some exclusions. At the end it says, "this Act and the regulations under it prevail."

Well, Mr. Chairman, again what we're doing here is: first of all, we created a piece of legislation, the Pacific Western Airlines Act, that created Pacific Western Airlines, and we said that we're going to give the control of this to the Legislature. Now, this Bill with the Act and regulations being referred to really takes the control now away from the Legislature and puts the control of this corporation again into a smaller body – that being Lieutenant Governor in Council; i.e., cabinet.

The regulations are outlined very clearly, I guess, in section 16 in this Bill. Mr. Chairman, when you look at those, there are

some pretty broad kinds of things that are considered in there, including mention of voting shares, transfer and ownership of those voting shares. I think there's probably good intent on the part of the government here, but I guess the concern that I am voicing is a concern that we have voiced with other pieces of legislation about regulations, and that concern is that decisions will be occurring in the cabinet room as opposed to in the Legislature in public debate.

3:50

We debated a Bill only last week that proposed that changes would be made with respect to student loans. Here we're seeing proposed changes made to Pacific Western, again by cabinet. Mr. Chairman, although all decisions by cabinet are recorded in the *Alberta Gazette* and orders in council are shown, it all occurs after the fact. That's a concern we have that I would like to raise with the member: that it's going to be after the fact.

A question, I guess, that I would put to the member is: there's consideration, I guess, for lack of a better term, of the possibility of a name change, that Pacific Western will be a name that is going to go the way of the dodo bird, and we're now going to get some other name proposed, potentially. I'm wondering: if we're not really making any substantive changes to Pacific Western, why are we starting with something as basic as a name change? If this is just a holding company to really look after the assets and affairs of Canadian Airlines, why are we even considering something like a name change to this corporation?

I think the intent is clear. The intent, as pointed out by the Member for Calgary-Bow, is to keep Canadian Airlines International in the air and operational, and we certainly support that. There seems to be a hidden agenda behind this Bill that is not clear from what we see before us, and I wonder if the member could address those issues.

Thank you, Mr. Chairman.

MR. DEPUTY CHAIRMAN: Any further comments?

HON. MEMBERS: Question.

MR. DEPUTY CHAIRMAN: A call for the question on this issue.

[Title and preamble agreed to]

[The sections of Bill 59 agreed to]

MRS. B. LAING: Mr. Chairman, I move that the Bill be reported.

[Motion carried]

Bill 64 Safety Codes Amendment Act, 1993

MR. DEPUTY CHAIRMAN: The Minister of Labour.

MR. DAY: Thank you, Mr. Chairman. A few brief comments. First, to thank the Member for Rocky Mountain House for handling this Bill at the second reading stage last week and addressing a number of the questions that were raised.

Again, just by way of a reminder, this is a Safety Codes Amendment Act. The Safety Codes Act has already gone through. We're dealing with some of the items which were brought out in second reading, those being: allowing accreditation of agencies and individuals to have the same liability provisions as municipalities so that we can get participation from others than just municipi-

palities; also, there's a reference that the council may cover expenses of members who are on these councils as far as travel and lodging go, but certainly the encouragement is that the industry associations themselves would be involved in that; also, alluding to the fact that the council may establish fees as it gets into various audits and accrediting procedures; and allowing also for professions and occupations other than those mentioned in the current Act to be involved in this process. That's in brief what the amendments will cover.

I understand the Member for Rocky Mountain House addressed some of the questions raised in second reading. Any others that come up, I'd be happy to attempt to deal with.

MR. DEPUTY CHAIRMAN: Edmonton-Belmont.

MR. SIGURDSON: Thank you. Mr. Chairman, I'm curious about the setting up of the accredited agencies. I know that there's the process that the government's going to go through where the government is only going to appoint 40 percent of the council that is eventually going to agree to the accreditation of agencies. I know that we're probably going to get into the regulations that I've not seen. Can the minister advise whether or not there's going to be some kind of liability insurance that these accredited agencies are going to have to put up by way of a performance bond that's going to ensure that the public is going to be protected if an accredited agency should – I don't want to use the word "misrepresent" – approve something that later on damages the public good? Where is the responsibility going to lie? So perhaps the minister could respond to that question.

MR. DAY: Our anticipation is that the normal courses of action would be taken in this process. Most municipalities now carry some kind of liability insurance. What this actually does is protect an agency from being sued. If they have indeed followed due course and due diligence, then they have some area of protection. Certainly I would think that various councils would want to assess this too, since it would be their own member agencies, possibly, or individuals or journeymen who might want to be accredited. They may want to pursue some personal insurance factors. I think that would be whatever is the normal course of events. That's what we anticipate would happen. They'll define that.

As far as the regulatory process goes, again the expertise of the various councils will be looked upon to come up with the regulations. That will be a delegated regulatory authority, so it will still have to pass here.

That's basically the reason on the accreditation and my response as far as the insurance itself.

MR. SIGURDSON: Just following up on that, Mr. Chairman, if I may. If I understand the process that we're going through with the accredited agencies, I guess the concern I have is that we have right now – I don't know if the minister is aware of condominium associations, some of them in the city of Edmonton, the city of Calgary. Some of those condominium associations are as large as some small municipalities in our province. They're not afforded the same kind of protection that municipalities are with respect to limitation. Now, if an accredited agency is going to be afforded the same kind of limitation as a municipality, I suppose the concern is: what is preventing the accredited agency from, in the event of an action, just declaring some kind of bankruptcy so as to avoid a payout? It's not defined in the Act, and again, because we haven't seen the regulations, I'm worried about the public safety being jeopardized and there not being any kind of accountability for anybody that may unfortunately be injured

because of the transfer from the public authority to a private authority.

MR. DAY: That's a good concern. I can say that one of the safeguards in this Act is that each specific discipline council would also be involved in the accrediting of an agency. So, for instance, it would be electricians themselves along with the other people in that particular council that would grant that. That certainly provides the safeguard of – I mean, nothing is a hundred percent guaranteed – the so-called fly-by-night outfit coming in. Having to actually convince a fairly high degree of experts in their particular discipline who are there to protect their industry and the standards of that industry certainly is going to be minimized by that. It's a process that a normal agency doesn't have to go through, but this one certainly would. It's a safeguard that's in place there.

MR. SIGURDSON: Mr. Chairman, maybe we could just go a step further and ask about interprovincial agencies. Is it the intent of the government to allow for an outside-of-Alberta agency to come in and inspect projects that are in Alberta? Might somebody from British Columbia come across to inspect an Alberta project if there's no accredited agency in the Peace River country? Would the government be looking at accrediting an agency outside the province or permitting an agency outside the province to come in and inspect something in Alberta? Same thing on the Lloydminster-Wainwright side. We may have an accredited journeyman from the province of Saskatchewan coming in to inspect projects on this side. Are those individuals going to be able to access accreditation in Alberta even though they reside outside the province?

MR. DAY: That's another area of anticipation, Mr. Chairman. The expertise of the councils themselves would address that type of question. That type of delegated regulatory authority still has to come back here. If there was something that appeared to be out of line, it could also be addressed there. So there are two levels there at which those types of things are going to be addressed.

4:00

MR. DEPUTY CHAIRMAN: Calgary-North West.

MR. BRUSEKER: Thank you.

AN HON. MEMBER: Again?

MR. BRUSEKER: Back again, you bet.

Thank you, Mr. Chairman. Just a couple of questions for the hon. minister. I'm just looking at the Safety Codes Amendment Act, Bill 64, Mr. Minister. I'm looking particularly at section 16 as amended, talking about the composition of the Safety Codes Council. There are those people who are firmly in favour of a Safety Codes Council, and there are those that I'm sure the minister has heard from who are absolutely dead set opposed to a Safety Codes Council. The Bill that we have before us proposes 40 percent of the members to be appointed by the minister, 60 percent appointed by the co-ordinating committee. I guess I'm kind of wondering how that series of numbers – 40 percent, 60 percent – was arrived at, because I know, in speaking with different groups, that there are two clear and dichotomous camps. I'm wondering if the minister just might talk about how the 40-60 split was arrived at and the rationale that led to that kind of a decision.

MR. DAY: As in any piece of legislation, Mr. Chairman, there probably isn't 100 percent unanimity in the province, as far as

people accepting this. The number of pieces of legislation that this will replace is significant, and the overwhelming feeling by all of the technical councils involved is that this is a good piece of legislation. However, some are concerned about it. Some of the building inspectors have some concerns that they want to see addressed. Moving ahead with these amendments and getting the various technical councils appointed is going to allow for those to be addressed. Those are the types of questions that the people in the field themselves need to address, and we shouldn't assume that we as government can do all that. So those are some of the concerns. There are some home builders in the province who have raised some concerns with me, and I have given a commitment to them that we are going to do all we can to work closely with them to address their concerns.

On the 40 percent factor, that's something that we had anticipated would find considerable favour. Here the Lieutenant Governor in Council would only appoint 40 percent. That's to allow for the high degree of working autonomy by the technical councils without the government appearing to be coming in, as sometimes we're accused of political appointments. This limits us to 40 percent. If we go over the 50 percent, in response to the question of how we got the figure, it limits our ability to truly deem the arm's-length classification of this type of council itself. That gives them that arm's-length ability, in legal terms, if we keep it to 40 percent. It also allows us to appoint public members, which are always necessary with groups like this. The disciplines themselves can appoint their own experienced people, and it allows us, to a degree, to put on public members to balance out the public concern.

MR. BRUSEKER: Thank you, Mr. Minister. I appreciate that answer. I, too, have heard from the Alberta Home Builders', and they have expressed their concern about the structure, I guess, of the Safety Codes Council.

Mr. Chairman, just a couple of sort of general comments, I guess. With respect to these safety codes councils, I think it's absolutely imperative that we get a good cross-section representation on these councils from interested people but also of course people who have the technical expertise that is required. Because a number of these areas, as I'm sure the minister is aware, are very technical areas: boilers and pressure vessels, for example, a highly technical, a highly specialized skilled area. So it's critical that we get people on there who are of the appropriate level of expertise.

Mr. Chairman, the reason I'm making that comment, though, is that the role of opposition of course is to propose suggestions for improvements and so on to Bills and make amendments where appropriate and so on. I don't have any amendments to this particular Bill, but the concern that I've heard from a variety of people – as the minister knows, I'm the critic for the Department of Labour and also for Economic Development and Tourism. I guess Alberta has a reputation. That reputation is pretty good, I think, by and large: with respect to tourism, as being a safe place to come and visit; with respect to economic development, as a safe place to do business; and with respect to labour, as a good place to work in terms of worker safety. There's always room for improvement in terms of worker safety. The point that I'm making here is that I'm hoping that his focus and the focus of the safety councils and the focus of the entire Department of Labour is going to be to maintain that good reputation we have.

Thank you, Mr. Chairman.

MR. DEPUTY CHAIRMAN: Any further comments? Edmonton-Belmont.

MR. SIGURDSON: Thank you, Mr. Chairman. Just with respect to the fees proposed, sections 21.1 and then 60(1) on page 3 of the Act, there seems to be some redundancy in that. I notice that the old section certainly allowed for the government and the council to charge fees, and it's almost verbatim in the proposed amendment to 21.1. It allows for the government to charge fees "in accordance with an order of the Minister." So, first of all, we have council being able to charge fees, and then we have the government perhaps charging fees for the same thing. I know that the term that we use in this place for those who collect pensions while still sitting in government caucus is double-dipping, but I want to make sure that this wouldn't be an example of double-dipping the industry for the same information that they may be trying to access: once by the council and once by the minister, who's trying to secure some funds for a Treasury that's sorely bereft of funds these days.

MR. DAY: Certainly, Mr. Chairman, the whole direction here is to move the government out of this business. The charging of fees by a council will allow them to do some cost recovery on things like their audit process as different disciplines develop safety audit processes, to see that things are going along meeting standards – they may need some fee recovery on that – and also on the development of the accreditation procedures. If an agency comes forward for accreditation, that agency should have to assume the cost of seeking that accreditation, so the council will be able to come up with those costs and assess those fees. The provision on government is merely to allow – if the government, for instance, were asked for certain information, certain files, be they safety files or whatever, in the provision of that information, if it was deemed to be extensive, there could be a charge assessed to that, nothing that was in any way prohibitive, but it would indeed be able to anticipate things that were issued or given out in terms of material or information.

The Member for Calgary-North West talked about the levels of expertise. Certainly when you see the makeup of the councils, these are people who have been recommended by the various trades – labour, electrical, boilermaker, whatever it might be – by the professions themselves. They are choosing their own peers and those who are recognized as having a high level of expertise. The member is quite right: Alberta has established quite a reputation. In the area of boiler inspections alone, for instance, because of the standards there and therefore those standards going into the manufacturing process, actually our manufacturing companies then are able to manufacture with some degree of credibility their product in areas like China. Right now, for instance, some of the boiler products – the boilers and equipment for boilers, pressure-related items – that are being purchased around the world are looked at very favourably coming from Alberta because of the expertise and the level of standards that are there. So that will be something that they will certainly have the full freedom to maintain: those high levels and standards.

MR. DEPUTY CHAIRMAN: Any additional speakers?
Mr. Minister.

MR. DAY: I move that the Bill be reported.

MR. DEPUTY CHAIRMAN: Well, I guess we have to find out if we agree on it first, and we'll do that right now.

[Title and preamble agreed to]

[The sections of Bill 64 agreed to]

MR. DAY: I move that Bill 64 be reported, Mr. Chairman.

MR. DEPUTY CHAIRMAN: Déjà vu all over again.

[Motion carried]

MR. DAY: Mr. Chairman, I would move that you do now leave the Chair, that we rise and report.

[Motion carried]

4:10

[Mr. Speaker in the Chair]

MR. MAIN: Mr. Speaker, the Committee of the Whole has had under consideration certain Bills, and the committee reports Bill 59 and Bill 64.

MR. SPEAKER: Thank you. Does the Assembly concur with the report?

HON. MEMBERS: Agreed.

MR. SPEAKER: Opposed? So ordered.

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

Bill 59
Pacific Western Airlines Amendment Act, 1993

MR. SPEAKER: The Member for Calgary-Bow.

MRS. B. LAING: Thank you, Mr. Speaker. I'm pleased to move third reading of Bill 59.

A couple of comments were raised on questions from the committee reading of the Bill. I think we should keep in mind that the National Transportation Act of 1987 requires that all air carriers have a minimum of 75 percent of their shares owned by Canadian interests. This is a federal regulation and therefore would protect the Canadian ownership.

The name change allows Pacific Western to remain an Alberta company, to keep its headquarters here in Alberta, and by just reincorporating, it protects the Alberta interests of the company.

With regards to regulations being made by Lieutenant Governor in Council, I think we've seen a very rapid change in the transportation system in the past few years. These are days of change, and they happen very quickly. Waiting for the Legislature to sit puts a great deal of pressure and stress on the corporation's ability to respond adequately to changing circumstances. I think it's very important that PWA can have the desired ownership controls necessary to ensure that it keeps the 75 percent Canadian ownership which is required. These controls are similar to those available to Air Canada, and many of the structures are those that were used to form Telus when it went out of government ownership.

I would like to move third reading.

MR. SPEAKER: The Member for Edmonton-Kingsway, on third reading.

MR. McEACHERN: Yes. Thank you, Mr. Speaker. Just a last comment. I made most of my comments at second reading but would like to reiterate my concern in spite of what the member has said about the need for a fast response on the part of the

government, so therefore that justifies the incredible power given to cabinet to make regulations overriding legislation. I still don't find that an acceptable way to pass legislation, and I'd like to point out that that idea that regulation can override legislation is carried particularly far in section 15 on page 2 of the Bill.

If there is any conflict between this Act or the regulations under it and

- (a) the Business Corporations Act or the regulations under that Act,
- (b) the articles of the Corporation, or
- (c) the by-laws,

this Act and the regulations under it prevail.

So that's saying basically that cabinet by regulation can override the Business Corporations Act. Now, the Business Corporations Act is a fundamental piece of very important legislation in this province, as are the provisions that were put into the Pacific Western Airlines Act in the first place. I for one find that a rather serious matter when the cabinet can just override legislation by regulation. I guess I wouldn't be so concerned if I really trusted the cabinet of the Tory government, but I've been around too long for that. So I don't like it.

MR. SPEAKER: Call for the question.

HON. MEMBERS: Question.

[Motion carried; Bill 59 read a third time]

Bill 64
Safety Codes Amendment Act, 1993

MR. SPEAKER: The Minister of Labour.

MR. DAY: Thank you, Mr. Speaker. I'll conclude by saying and reminding that the actual Safety Codes Act was passed in the Legislature in June of '91. These are amendments. The Act replaces approximately seven pieces of legislation in a number of disciplines.

I appreciate the concerns and advice that has come from members opposite, and that will certainly be passed on to the various technical councils as they deliberate and take those things into consideration.

I would look for and move passage of third reading.

MR. SPEAKER: The Member for Edmonton-Belmont.

MR. SIGURDSON: Thank you, Mr. Speaker. I want to rise only to indicate that the New Democrat caucus is still opposed to Bill 64; we've not changed our position from second reading. We do have some problems with the inspection services of public safety being moved from the public domain to the private domain. We believe the services that have been provided by the public employees in the province of Alberta have been of paramount quality. They have gone out of their way to make sure that at those sites that they inspect - whether related to electrical, plumbing and pipefitting, boilermaking - those services, those inspections have always been top of the line.

What we have now is a moving away from public safety inspections provided by public employees to public safety inspections being done by accredited agencies. Mr. Speaker, we have for the first time, as far as I'm aware, private corporations being protected by statute in the event that they err. I certainly hope that they don't err in the area of public safety inspections.

Mr. Speaker, this is a significant piece of legislation that follows an ideological bent of the government: to move into the area of

privatization. It's one of the areas that I have a great deal of concern about. I don't believe the public's interest is being well served by moving safety inspections away from the public domain to the private domain, and I've yet to be convinced of that.

MR. SPEAKER: Additional? Calgary-North West.

MR. BRUSEKER: Thank you, Mr. Speaker. Just a few closing comments, as well, with respect to safety and inspections in general. I, too, have a few concerns about this process. I've mentioned them before, even back when the original Bill was passed by this Legislature, nearly two years ago. The concern about public safety inspections is simply this: the Legislature has to ensure that those inspections will in fact take place on a timely basis. I've talked earlier about the need to ensure that the individuals who are making the inspections in fact have the qualifications. I'm a little concerned again. This seems to be the philosophy of this government: hands off. Let's, in this case, farm it out. We don't want to deal with this, so we're going to send it out somewhere else.

Mr. Speaker, if the passage of this amendment and of the original Bill results in an improvement in the overall level of inspection and safety, as the government purports it's going to do, then I think that would be a step in the right direction. My concern is that we haven't seen that commitment from the government about safety, at least in my opinion, with respect to inspections in the past. I'm concerned about this proposal and the amendment we have before us, but I hope that in the long term it does make Alberta a safer place for the public at large and the workers involved at those worksites.

MR. SPEAKER: Thank you.

Additional?

The minister, in summation, third reading.

MR. DAY: Well, again, just to thank the members opposite for the good comments, which will be referred to the technical councils, which I have the ultimate faith in, in their high level of expertise.

Having said that and previous comments, I would move third reading.

[Motion carried; Bill 64 read a third time]

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

4:20 **Bill 63**
Financial Administration Amendment Act, 1993

MR. DINNING: Mr. Speaker, I am delighted to be able to stand in the Assembly today and move second reading of Bill 63, the Financial Administration Amendment Act, 1993.

Mr. Speaker, I look at the work that has been done by the Auditor General of the province of Alberta, who's an officer of this Legislature, as well as the work of the Financial Review Commission that was created in January and which reported in early April. This Bill goes a long distance towards implementing a number of the recommendations, particularly of the Auditor General in his annual report of 1991-92.

If you look at the Auditor General's report, especially in section 1, he focuses and calls for improvements in the budgetary process, in the reporting process, and in the review of public accounts, especially along the themes of greater accountability and providing full and accurate information so that all members of the Assembly

and indeed all Albertans will have a better understanding of what the government's plan of action is, what its proposed budget is, and then of equal importance, how well did the government achieve its stated objectives, its budgetary plan. The Auditor General calls for changes to improve the accountability along those lines.

Mr. Speaker, I can say on behalf of this government that we are supportive of that objective. It is fundamental to good government, to improving the quality of government, and certainly improving the quality of information that Albertans can have and can have in a timely and in a plain and simple language fashion so that they are aware of and fully informed of the decisions being made by their government.

Mr. Speaker, I particularly turn to the recommendations in the Auditor General's report, his major recommendations 1 through 8, wherein he talks about consolidated budgets, about the timeliness of reporting, about the public accounts, and the information that ought to be in the public accounts. What this Bill does is begin to respond to the call for that greater accountability and more timely and informative reporting.

The first part of the Bill focuses on recommendation 8 of his 1991-92 report, wherein he calls for the government to define a Crown-controlled organization. His recommendation, if I may read it, sir, says:

It is recommended that the definition of a Crown-controlled organization be widened to include a 50% interest in, or equal control of, an organization. This change would extend the application of my previous recommendations to any use of public funds in joint ventures.

That's precisely, Mr. Speaker, what the first few sections of this Bill are all about.

As well, there is in the middle of the Bill, in section 6 of the Bill, a response to Recommendation 15, wherein the Auditor General recommends

that the Treasury Department seek express legislative authority for the Provincial Judges and Masters in Chambers Pension Fund, as well as other recommendations that he has made before, where he calls for express approval and authorization of the creation of the likes of the Alberta dental plan trust and government employees' group extended medical benefits plan trust. Those are good recommendations, Mr. Speaker, that again call on the government for greater accountability and express authorization of the existence of those funds and trusts, and we are implementing that in this Bill.

As well, we respond to other recommendations in section 12 of the Bill, where specifically either the Legislature or the Lieutenant Governor in Council, according to the Auditor General, ought to be approving the creation of any provincial corporation or Crown-controlled organization. Section 12 of the Bill responds directly to that.

Mr. Speaker, there are other parts of the Bill that authorize the creation or support the incorporation, perhaps a slightly different approach to government expenditures – it's a matter related to what might complexly be called net budgeting – insofar as the way our accounts are set up these days. Invariably we budget on a gross budgetary basis, wherein annual program spending is authorized on a line-by-line basis by this Legislative Assembly. Most if not all revenues that are received by the department operating or delivering those programs are invariably deposited directly into the general revenue fund. What that does is ensure accountability; it ensures that the Legislature has full control over the expenditure of funds and the receipt of revenues.

What it also does, however, is create a certain amount of inflexibility, especially in those programs where services are or

can be provided on a cost recovery basis. I think of my previous experiences in another responsibility, as the Minister of Education, where federal funding for language programs, while available – there was some concern that the expenditure of those funds out of the Department of Education budget might be seen to be inflating that budget unnecessarily. I think of the Alberta vocational colleges and the willingness of the private sector and other levels of government to use the AVCs to deliver programs that are needed by Albertans for training purposes, for retraining purposes. Those funds are available but often not easily taken up simply because of, may I say, perhaps a more archaic system of accounting. What this Bill does, Mr. Speaker, is authorize and make easier the receipt of those funds from agencies outside of the provincial government so that those agencies may fund programs by the likes of the Alberta vocational colleges or other parts of the government so that where the government has an expertise in the delivery of a service or a program we capitalize on that and capitalize on the demand for the delivery of those services by people outside of government and their willingness to fund those programs.

So, Mr. Speaker, what the Bill does is allow for the creation of those regulated funds, which will still require legislative scrutiny, legislative approval, and will still be there in that the full reporting before and after the fact will be spelled out and must be spelled out so that this Legislature remains in full control of both the expenditure of public funds and the receipt of those funds.

So in summary and in conclusion on second reading of the Bill, what the government is doing is taking a different approach, I think a more businesslike approach to managing its affairs. That is perhaps a foreshadowing of what hon. members and Albertans will see and hear in a Budget Address on Thursday evening. Of equal importance, Mr. Speaker, is this government's approach to greater accountability, a response to a number of the Auditor General's very good recommendations on how we can improve the quality of our financial management and control, improve the accountability to Albertans, and the timely and simplified information that can go to Albertans and Members of the Legislative Assembly so that there will be full understanding of the government's activities and its finances.

So, Mr. Speaker, I would encourage all members to vote for second reading of this Bill.

4:30

MR. SPEAKER: The Member for Calgary-Mountain View.

MR. HAWKESWORTH: Well, thank you, Mr. Speaker. I think the Provincial Treasurer makes some extravagant claims for some fairly basic and modest changes here. I will acknowledge there's been one change, in terms of adding a definition for a Crown-controlled organization and making some changes that are long overdue in that area. Beyond that, I don't think the Provincial Treasurer should be making such extravagant claims for what I think is a fairly modest effort, particularly when you look at the number of recommendations that have been made for fiscal changes and greater accountability.

MR. SPEAKER: Forgive me, hon. member, for half a moment. The Chair would like to do something unusual. Since we have a member who's a dean of the House, for the next five minutes I'd like him to take the Chair just to mark that responsibility. I know all hon. members will be most co-operative. [applause]

[Mr. Adair in the Chair]

MR. HAWKESWORTH: Well, Mr. Speaker, I just want to know: what happens if you like the job and what happens if we like you in the job?

MR. ACTING DEPUTY SPEAKER: That would be a tough problem for you.

MR. HAWKESWORTH: We welcome you to your new duties here, hon. member.

As I was saying, Mr. Speaker, given the number of significant recommendations that have been made by the Auditor General, the Financial Review Commission, and certainly the opposition over many years, it seems to me that what we get here is a few tiny steps in the right direction, but overall it leaves a great deal to be desired.

Now, in terms of adding the definition for Crown-controlled organizations, that's certainly a new definition that didn't appear in the Financial Administration Act prior to this.

In terms of establishing revolving funds, well, there's already a revolving fund for the Treasury Department. That section is repealed, and it seems there's a more general directive given to the Treasury Board to establish a plethora of revolving funds and perhaps bring some administration that has been done on an ad hoc basis or on a diffuse basis under one section of the Act. That is, I guess, a step, but I wouldn't make any great claims for it.

In terms of regulated funds, it seems we're just adding under one of the sections of the Financial Administration Act a couple of additional trusts and the masters in chambers pension fund. Again, Mr. Speaker, somewhat modest here.

Some changes in the supply votes whereby when the supply vote shows an item as a credit or recovery, then the Legislature is deemed to authorize the payment of the supply vote as well as the estimated credit or recoveries, and a third condition allows the Treasury Board to also pay the credits or recoveries actually payable to or receivable by the Crown. That may be somewhat more significant, but quite frankly, Mr. Speaker, I really don't think this is much more than a housekeeping Bill.

One thing I find intriguing in this legislation is that it states:

No person shall incorporate a Provincial corporation or Crown-controlled organization without the approval of the Lieutenant Governor in Council.

I'd like to know who was approving it before. I presume it was the Provincial Treasurer, but when we look at the section that's being amended – it had to do with borrowing powers of a provincial corporation that has the power to borrow money by issuing securities – it seems to me it may be nothing more than a consequential amendment. I suppose there's greater accountability to some extent if a Crown-controlled organization now requires the approval of the Lieutenant Governor in Council as opposed to the Provincial Treasurer off doing this all by himself. That may say something about what we've suspected for many years, about the previous Provincial Treasurer setting up Crown-controlled organizations to keep the Auditor General at bay. However, I would say that these seem to me at least to be some modest efforts, but I wouldn't make any extravagant claims for them.

[Mr. Speaker in the Chair]

Now, let's just take a look at what's not included in Bill 63. In the public accounts there's a section, section 5 in the '90-91 public accounts, called regulated funds' financial statements, and in it, under Executive Council, is found the lottery fund. Now, Mr. Speaker, the Alberta Financial Review Commission has called on

the government to incorporate lottery funds, that it be administered as part of the overall supply votes of the Legislature. I don't see any specific reference made to the lottery legislation in this Act. I can't see, for the life of me, how it's brought under the umbrella of this legislation.

The Treasury Branches deposits fund. Again, the Alberta Financial Review Commission made a major recommendation about their concern with the number of agencies of government that are all out there in the business of providing credit, extending credit, and doing banking, and it makes some significant recommendations regarding governance in the operations of the Treasury Branches. Nowhere in this legislation is the Treasury Branches deposits fund addressed.

Timeliness of reporting, Mr. Speaker. The Provincial Treasurer made a claim for it, but I don't see any commitment in legislation, for example, that the public accounts would have to be released within six months or seven months or eight months of the end of the fiscal year. I don't see any commitment that the Provincial Treasurer should provide regular quarterly updates to give us regular reporting throughout the fiscal year as to how the budget is doing and performing. That's standard operating procedure in other jurisdictions. The Financial Administration Amendment Act would have been an excellent opportunity for the Provincial Treasurer to really do something serious about timeliness of reporting and the providing of up-to-date significant financial information to the people of the province.

In terms of consolidated financial statements, Mr. Speaker, I'm looking forward to the Budget Address on Thursday night. Perhaps we'll see some changes in the way the budget is presented. For example, section 29 of the current Financial Administration Act deals with the capital fund votes. I don't see any change taking place here that would address or change the way those votes are brought before the Legislative Assembly. If the Provincial Treasurer can give me a different reading than what I see in front of me, then I'll stand to be corrected, but I don't really see much significance in the way that the estimates, in the division between the capital estimates and the operating estimates, are presented to the Assembly. If he can demonstrate that that has in fact taken place and that this is a major new departure – well, I'm from Missouri, Mr. Speaker. I am skeptical. I could be convinced, if he reads it differently than I do, but the legislation doesn't seem to me to have taken the opportunity to make that kind of change.

4:40

All in all, Mr. Speaker, if we take a look at the recommendations made by the Alberta Financial Review Commission, to consolidate the number of funds and agencies would appear to me to be one small step that's been taken in Bill 63. But consolidating a number of financial institutions, recording capital expenditures, strengthening control over agencies and funds: some of these are done and some aren't. Transfer of the heritage fund: we don't see the government addressing that one. Including lottery funds in the consolidated budget: I don't see that one. "Consider the objectives and mandates of the financial institutions controlled by the province so that duplication . . . can be eliminated": I don't see any of that addressed in this Financial Administration Amendment Act. Appointments on merit: I don't see any of that dealt with either.

In terms of looking at how we account for loans, guarantees, and investments, the fact is that there was concern from the commission about "the monitoring of loans, guarantees, and investments [that is] not consistent from one department or agency to another," a concern that that may not be addressed in legisla-

tion. "Valuation principles for loans, guarantees and investments": I don't know that that necessarily needs to be addressed through legislation, but it could be. Again, we don't see that particular recommendation reflected here.

Mr. Speaker, a lot of these things could be done by policy, but then many of them could also be done by legislation. This is where I think that what we're getting is the easy stuff, the stuff that's relatively innocuous, relatively easy to do, relatively insignificant to some extent, although there are some changes that we've been pushing for for many years, particularly the issue of Crown-controlled organizations.

By and large, it's at best a very modest effort. While it incorporates some positive recommendations that have been made over the years, I don't think the Provincial Treasurer should make the extravagant claims for this legislation that he does. I don't think it comes anywhere close to incorporating the recommendations put forward by his own Financial Review Commission or by the Auditor General. I think at best it's a halfhearted Bill, halfhearted changes, not that significant, and I wouldn't make those claims for it, Mr. Speaker, if I were the Provincial Treasurer.

MR. SPEAKER: The Member for Edmonton-Meadowlark.

MR. MITCHELL: Thank you, Mr. Speaker. I, too, feel a sense of disappointment about Bill 63, the Financial Administration Amendment Act. I think it brought with it a good deal of promise. It should have embodied the promises of this government that the eight major recommendations of the Auditor General in this most recent Auditor General's report would be accommodated much more extensively in a Bill of this nature. As it turns out, in fact only two of the eight major recommendations were adopted by the government in Bill 63. They had the effect, of course, of expanding the definition of Crown-controlled entity and then of taking these entities and seeing that their financial statements will be recorded in the public accounts of the government of Alberta. That's not an insignificant measure. That's an important step, and in a limited way the government should be given some credit for having done that. But that step is dwarfed by the absence of activity or reaction to action on the six remaining major recommendations of the Auditor General in his most recent report.

I would also like to point out that the government does bring regulated funds, by way of this Act, under statutory authority – that's an important step – but neglects to deal with the recording of the \$23 million in unfunded liability in the judge's and masters in chambers pension plan fund.

I would like to just note briefly, Mr. Speaker, which of the eight recommendations are not dealt with in this document. First of all, the consolidation of budgets. The Treasurer has made no commitment, official commitment at least, to consolidate with his general revenue fund budget – and its inevitable deficit, it seems – the capital fund budget and the heritage savings trust fund budget. While the Treasurer may say that somehow he is going to do that, he continuously refers, when referring to last year's deficit, only to the general revenue fund deficit of \$2.757 billion and neglects to refer, as one would expect, to a consolidated deficit including the capital fund deficit, for example, which would bring the actual deficit for the last fiscal year to \$3.17 billion. This is an extremely important omission because it underlines to Albertans that while the government says it wants to be new and different and somehow it's under new management, in fact it continues to exercise the same kind of reporting liberties it has always exercised, at least over the preceding seven or eight years.

Timeliness of reporting was emphasized in the Auditor General's report as well. The Auditor General pointed out that in fact it was reasonable and important that the public accounts be released by September 30 of each year, so that would be about a six-month span of time to complete the public accounts. This year, as in previous years, nothing has changed, except that in fact the release of public accounts wasn't even as responsibly done as it has been done in previous years. The one volume of public accounts was released about the end of the fiscal year, three months after the Auditor General's recommendation for the September 30 deadline, but, very interestingly, the supplementaries to the public accounts weren't released at the same time. History shows that they are always released at the same time. A government which says that it's new and different and changed one would think would at least live up to that standard, but in fact it didn't even meet that very limited standard of releasing both volumes of the public accounts at the same time. The Financial Administration Act makes no mention of that deadline and embodies no commitment on the part of this government to meeting such a deadline.

Assets and liabilities. The recording of all unfunded pension liabilities was called for by the Auditor General. The fact is that this \$4.5 billion liability is neglected by the Treasurer in his discussion of net liabilities of this provincial government. In fact, he continues to say that there is only \$5 billion in net liabilities on the balance sheet when his own Financial Review Commission specified very clearly that pension fund unfunded liabilities should be included, and the figure they list as the net liabilities for this province is \$11 billion. So not only does the Treasurer deny the Auditor General's recommendation; he also denies the black and white figure published by the Financial Review Commission in denying to record properly the unfunded pension liabilities. The fact that this commitment is not embodied in the Financial Administration Act or even in the Treasurer's public pronouncements about net liabilities of the province is, I think, one of the major and glaring substantive omissions of this Financial Administration Act.

4:50

The Public Accounts Committee recommendations on the part of the Auditor General called for Public Accounts to have the ability to call various people, including deputy ministers, before them to explain departmental budgets. The underlying reasoning for this is that it would enhance the ability of the Public Accounts Committee to be effective in its review of prior years' expenditures and not simply receive, be subjected to yearly political, ministerial-level answers to what can be pertinent questions. It's important, of course, that the Public Accounts Committee, to be able to operate effectively in its role of holding government accountable for prior years' expenditures, would be able to hold management, senior management among others, accountable for their activity in prior-year expenditures.

Appointments to boards: this is critical. The Auditor General recommended the government use "the expertise of the Public Service Commissioner to short-list . . . qualified candidates for appointments" to agencies, boards, and commissions. It is absolutely a must, Mr. Speaker, that if we are to operate a government properly, we must first determine which boards and agencies are required and which aren't. Then when it comes to selecting people to sit on those boards and agencies, it is essential they be selected not on the basis of some kind of political affiliation but in fact on the basis of expertise and merit. Only then could we be certain that the jobs would be done as well as they could possibly be done.

We would also like to emphasize the neglect in this Bill of the Auditor General's recommendation "that the government establish a system for promoting effectiveness measurement" for all programs. The Liberal opposition, as you know, has been promoting the use of full value-for-money efficiency audits for years as a means of eliminating waste, duplication, and negligence. What we haven't seen is any action anywhere, Mr. Speaker, upon that particular recommendation, and certainly we haven't seen it in this particular Bill.

I think it's important to note that the Premier promised Albertans that he would provide them with a status report by the end of April on the government's actions in responding to each of these eight major recommendations and, we're led to believe, to the 37 other less major recommendations as well. Well, even the Treasurer can look at his calendar today and see that it's May 3, and he will see that the month has passed and the promise has yet to be fulfilled. This is disappointing. It's disappointing in and of itself, Mr. Speaker, that we wouldn't have an update, a progress report. It's particularly disappointing when it was the promise of the new Premier leading this new management that he would act in such a consistently traditional Conservative government way.

Mr. Speaker, I would therefore conclude by saying that this Bill simply doesn't measure up to what it should have achieved, and it isn't worthy of the support of the Members of this Legislative Assembly.

MR. SPEAKER: Edmonton-Kingsway.

MR. McEACHERN: Thank you, Mr. Speaker. Bill 63 has . . . [interjections]

MR. SPEAKER: Excuse me, hon. Member for Edmonton-Kingsway.

If the other two gentlemen would like to go outside and have a conversation, that's quite fine by all the rest of us, because it's been quite interesting the last 10 minutes or so.

Edmonton-Kingsway.

MR. McEACHERN: Thank you, Mr. Speaker. Bill 63 is a modest attempt to pretend that the government has had some kind of deathbed repentance, I think. You know, for 22 years they've told the people of Alberta what the fiscal and financial situation was in this province in a manner geared strictly to hiding the largest possible number of facts and figures that they could from the public so nobody would know what was going on. The most recent Treasurer perhaps was the best and did - if that's a criterion for being a good Treasurer, then he was really excellent. He managed to convince the people of Alberta that he had a fiscal plan that was going to balance the books over four years, and he postponed that twice and still had everybody convinced that he was right on track and doing a great job. It was only when his balanced budget turned into a \$2.1 billion deficit that the people came to realize the kind of con job they'd been handed for all those years. This Treasurer is now trying to tell us that it's a new start and a new day, everything's going to be wonderful, they're going to be open and honest and fix everything the Auditor General wants, and . . .

MR. DINNING: It's right in my brochure.

MR. McEACHERN: Well, it's right in your brochure. That's right, and it's the same con job we've been getting all these years.

He's done a couple of things in Bill 63, but in fact as the previous speaker just pointed out, out of the eight major recom-

mendations, this only refers to a couple of them. So he has now finally decided to honestly tell us that we have the right to know what goes on with North West Trust and Softco and Gainers. Well, big deal, Mr. Speaker. That is a step in the right direction, but it's a very, very small step.

I didn't notice that the Treasurer was telling us he's going to give us a consolidated statement in the budget when he brings his budget in. The Auditor General tells him, of course, and we've been telling him for years that he should include the capital fund, the heritage fund, the lottery fund, and a certain number of commercial investments and provincial agencies that the Auditor General records in his consolidated statement. The Treasurer should put all those things together in one consolidated budget. The difference between the consolidated budget and the operating budget that the Treasurer likes to pass off as being the figure for the deficit, whenever he talks about the deficit, is of course quite astounding. If you look at the Auditor General's report on page 166, the expenditures according to the Auditor General on a consolidated basis in 1989-90 were some \$14.2 billion, Mr. Speaker. In '90-91 it was \$15.2 billion, and in 1991-92 it was \$15.5 billion. Well, that's about two to two and a half billion dollars higher than the Treasurer owns up to when he talks about just his operating budget expenditures.

So it's not only that they've not given us all the facts and figures of what they do intend to spend, but there's a whole raft of things the Auditor General says should be included in the budget that are not considered at all. They are just set aside and ignored, and the Treasurer goes around pretending that's the figure. Even the Treasurer's so-called balanced budget: he said it was a \$33 million surplus, and it turned into a \$2.1 billion deficit. But that's not the consolidated deficit for the province that year; the consolidated deficit was \$2.76 billion. You see, there's another \$600 million there that has not even been addressed by the Treasurer when he talks about the \$2.1 billion deficit in that fiscal year.

Lottery funds is one thing that should be included in - the Treasurer, in making his opening remarks, talked about a line-by-line approval on the part of this Legislature of moneys to be spent by the government. On the operating budget side that's true, but there's a whole raft of things, as I've just pointed out, not included in that. One of them is the lottery fund; others are the heritage fund, the capital fund.

5:00

Also, ministers seem to have an incredible amount of rights, either through the Treasury Board or through the cabinet, in committing incredible numbers of dollars on a loan or loan guarantee basis or investment share basis, for that matter, on the part of the taxpayers of this province, and that can end up costing us a whole pile of money. Usually the Treasurer manages to find a way to call it valuation adjustments when it comes time to . . . You know, the operating deficit for '91 was \$1.2 billion, but the overall deficit, the consolidated deficit, was \$1.8 billion, another \$600 million difference.

Again, the Treasurer is kidding us if he thinks this fiscal administration amendment Act is going to tell the people of Alberta in an honest and straightforward way all the things they should be told. He tries to pass it off that in the past they had a sort of archaic accounting practice and he's going to update it and this sort of stuff. But, Mr. Speaker, that's nonsense and jargon. The fact of the matter is that what we need is an honest assessment and a clear evaluation of all the expenditures.

Another number that should be included in the consolidated statements, of course, is the pension liabilities. The Auditor

General has been recommending that for years, but the Treasurer kept saying, "No, no, no; some other jurisdictions don't do it." I guess one of the updates, then, is that it should be included, and I suggest to the minister that he should have brought that into this Bill.

The pension liability, of course, has been changed considerably with negotiations with the various unions involved, and a new set of numbers has to be put together. The Auditor General puts the figure at March 31 of '92 at \$5.7 billion. So if you add that to the \$5.3 billion this independent auditing committee came up with the other day, you're looking at an \$11 billion net debt in this province.

It rather amuses me, Mr. Speaker, that the government would feel it necessary to hire some outside auditors to tell them what the Auditor General has been telling all of us for the last seven years, since I got elected. Those of us that have followed the numbers have been able to watch the pattern of misinformation given to us by the Treasurer and the admission that a lot of those figures were wrong a year later, but the Auditor General six months later would tell us the true figures of what was going on. For those of us that could see the pattern, we got so we could tell what was going on when the Treasurer brought in his budgets: where he was wrong and where his numbers were exaggerated or understated.

So why this government – I guess it's a credibility problem. I guess they realized that the population of Alberta no longer believed anything the government was saying. Even though the Auditor General was telling us the truth – now, I know they delayed that truth in the last several years by not releasing the Auditor General's statement in September or October, as used to be the case, but rather holding it until March or April so that we would have three budgets in front of us all at once. Nonetheless, it's just incredible to me that this government would have to call in some outside auditors to come up with figures the same as the Auditor General's figures. If you knew and understood them and projected them forward to March 31 of this year – I mean, we had that figure down at a \$5.2 billion deficit according to the way the Auditor General is now allowed to do the books. What did these independent auditors find, Mr. Speaker? They found that in fact the net of liabilities over assets was \$5.3 billion. They were able to find another \$50 million we didn't know about and round it upward instead of downward. We had the figure at \$5.2 billion. There isn't a member of this House that couldn't have known that already, without hiring any outside auditors to tell them, if they had understood what I told them year after year after year by following what the Auditor General said and projecting forward the kinds of expenditures and kinds of revenues this government has had over the last four or five years. It was totally unnecessary. They should have told them exactly what they already knew if any of them had paid any attention to what we on this side of the House have been saying over the last four or five years.

So, Mr. Speaker, the Treasurer has made a modest start. He's brought in a couple of things the Auditor General talked about. He said, "Oh, yes, we should include companies that are 50 percent controlled by the Alberta government." But I would like to point out on that score that if you think about the Alberta Energy Company, which we sold just recently, the Alberta government had for some years 37 percent of the shares of the company, and since no one else was allowed to own more than a 5 percent share, that was total control of that company. The disturbing thing about that was that the government controlled the company but did so, in a sense, through the back door. They never admitted that it was a Crown corporation or a Crown-controlled company and therefore never had to report about it in the House, other than just whether it made a little money or didn't,

through the annual report of the company itself. We know that the people appointed to that company in the initial stages were appointed by this government, and they stayed in control of it. This government had by far the biggest lump of shares to control that company. Yet if we still owned Alberta Energy Company, they would escape being recorded as part of the government's assets and liabilities even under the new legislation in this Bill. So I guess what I'm trying to say is that the government has not totally solved the problem yet.

There are a number of other things besides ones I've already listed that should be included in the Auditor General's consolidated statement, and those are provincially-owned hospitals and postsecondary educational institutions. The Auditor General has consistently said that he should be allowed to record their assets and liabilities at year-end to go into his consolidated statement, and the government has consistently refused. They say: "They are autonomous bodies. We just give them a grant and that's the end of it. It's their responsibility whether they have a surplus or not." The Auditor General disagrees with that and says they should be included. So it's fairly clear to me that this Treasurer start in complying with the Auditor General's wishes. His modest, to put it kindly – it's almost infinitesimal. I'm sure the Treasurer will want to do better than that. It will be interesting to see when he brings in his budget on Thursday whether or not he has a consolidated statement for the people of this province.

I remember when Ontario brought in their first budget under the New Democratic government two years ago. There was such a hue and cry and scream in this Assembly about this \$10 billion deficit, and there was a big fit about it. I said, "Well, don't get too excited; it's not quite as big for Ontario as the \$4 billion deficit in this province." But I would like to say that the \$4 billion deficit in this province – that figure comes from the Auditor General's report a year or year and a half later, after the fact. This government never brought in a budget indicating there would be a \$4 billion deficit. In fact, they indicated it would be \$2.5 billion and still broke the figures into two parts. They admitted to \$3.4 billion on the operating side, and the Auditor General said, "No, it's really \$4 billion on the total picture." That \$10 billion deficit in Ontario was a consolidated figure.

MR. DINNING: It's 12. It's going to be 17.

MR. McEACHERN: So it's changed since. That's a different era and a new problem, and I'm not suggesting anything about the state of the economy there. The point being made, Mr. Speaker, is that the figure as given was on a consolidated basis. It was not the same kind of thing we've been getting out of this government, where they try to hide the consolidated figure and give us a partial figure for the deficit each year as they bring in their budgets.

So it's time we had a more comprehensive Bill than this one, Mr. Speaker, one that really deals with a number of the Auditor General's important recommendations. It's time we had some honesty in reporting the true figures on the deficit and the debt in this province. Just one last point to do that. I would like to say it's not very helpful when the Liberal caucus goes around the province exaggerating the debt and the deficit figures as they have been doing. A \$33 billion debt I heard here awhile back. Two weeks ago the leader of the Liberal Party corrected that and said a \$25 billion debt.

5:10

Mr. Speaker, if we're going to get at the problems this province has in terms of its economy and in terms of its debt and deficit, then we're going to have to start with the true facts and the honest

figures. I for one would just like to say that the Auditor General has been giving those to us all the way along the line for anybody prepared to analyze them and understand. It's only because the government delayed those figures that there was any guesswork going on and all these incorrect numbers were bandied around for all those years, understating the deficit and the debt in this province. It certainly does not help to have it exaggerated either. Let's get down to the exact truth, follow what the Auditor General is saying, understand it, and then go from there to solve the debt and deficit problems and economic problems of this province. It's going to take some honesty, and that's what's needed at worst. More than anything else at this stage, that's what's needed.

AN HON. MEMBER: Question.

MR. SPEAKER: A call for the question. The Provincial Treasurer in summation.

MR. DAY: Mr. Speaker, I move we adjourn debate on this second reading.

[Motion carried]

head: **Government Bills and Orders**
head: **Committee of the Whole**
(continued)

[Mr. Main in the Chair]

MR. DEPUTY CHAIRMAN: Will the committee come to order.

Bill 41
School Amendment Act, 1992

MR. DEPUTY CHAIRMAN: Any comments to be offered with respect to this piece of legislation?

MR. JONSON: Mr. Chairman, during our last opportunity to discuss Bill 41 in Committee of the Whole, the Minister of Education, namely me, put forward a number of government amendments. I believe there was also an amendment submitted by the New Democratic Education critic. However, during that last session I did comment on the debate that had occurred to that point in time. Therefore, at this time I have no further remarks to make.

MR. DEPUTY CHAIRMAN: We have amendments before the committee, a series of government amendments.

[Motion on amendments carried]

MR. DEPUTY CHAIRMAN: On the amendment proposed by the Member for Calgary-Forest Lawn.

MR. PASHAK: Well, my amendment calls for the deletion of section 6 of the proposed Bill, which has to do with providing private schools with the right to provide supervision for home schooling.

My first question, Mr. Chairman, would be to the minister. I'd like to know why the minister has decided to do this. Can the minister answer? Is he prepared to answer a question during Committee of the Whole study of the Bill?

MR. DEPUTY CHAIRMAN: You have the floor, hon. member.

MR. PASHAK: So does the minister. I'm just waiting for the minister to come back and answer my question.

My question is: what's the justification on the minister's part for extending the right to private schools to provide supervision for home schooling?

MR. JONSON: Mr. Chairman, the category 1 independent schools of the province are duly accredited. They are staffed with certified teachers. They are required to provide a curriculum which is in keeping with the government of Alberta's goals of schooling and education. The operation of the independent schools is monitored by Alberta Education, and therefore there is a set of standards and overall quality overseen with respect to the operation of those schools.

Secondly, it is felt that there should be the option of home schoolers to have the supervision of an independent school as well as that of a separate school or public school system in the province. Therefore, this particular amendment, Mr. Chairman, is in Bill 41.

MR. PASHAK: Mr. Chairman, the Bill makes reference to private schools, not independent schools. I wonder if from the minister's point of view those two terms are synonymous.

MR. JONSON: My apologies, Mr. Chairman. I should have used the term "private schools." The member is quite correct.

MR. PASHAK: I don't think the minister really answered my question. He described how private schools operate and some of the conditions under which they perform educational services, but there's a larger public issue here which involves the roles private schools do play in education. I think I made the point earlier that every time we give rights to private schools, in essence we weaken public education. In fact, we all know there's a very powerful movement afoot in North America to move toward a voucher system in education. Some see support for private schools in any form as a move in that direction. Really my question to the minister with respect to section 23 is if the inclusion of section 6 in the amendments in Bill 41 in effect represents a move in the direction of this philosophy of vouchers and dismantling the public school system and backing the privatization of all public education in the province of Alberta.

MR. JONSON: No, Mr. Chairman, I do not think the amendment proposed in Bill 41 relative to private schools being able to supervise home schooling has in it any of the implications the hon. member has referred to.

Mr. Chairman, going back, perhaps I should make a few comments with respect to home schooling. The Member for Calgary-Forest Lawn will probably recall that some years ago the issue of parents being able to home school was decided in the courts. That particular court case developed in Calgary, if I recall, and the right was established for parents to home school. The government was then faced with the challenge of setting up a structure whereby there could be overall oversight and supervision of home schooling, and the provision currently in the School Act was provided for. The amendment being proposed in Bill 41 merely makes it possible for home schooling parents to make a choice as to whether they would want that home schooling program for their child or children supervised by a private school or by a public school or separate school jurisdiction.

5:20

MR. PASHAK: Mr. Chairman, I would like to conclude debate, if I may, on my amendment. I'd just like to say that I still would

argue for support of the amendment I have introduced. I listened very carefully to what the minister had to say, and I appreciate his remarks and appreciate the bit of history he brought into the debate. Nevertheless, I'm very fearful that this measure contained in the Bill that I asked to be deleted will take us in a direction that will weaken public schooling in the province at this point in time. I think we should be taking every action we can to strengthen public education. It's absolutely essential, from my point of view, that all students in the province be guaranteed an education that will lead to better citizenship, and the only way I can see that occurring is if we have a strong and vital system of public education.

MR. DEPUTY CHAIRMAN: Is the committee ready for the question on the amendment from Calgary-Forest Lawn?

[Motion on amendment lost]

[Title and preamble agreed to]

MR. McEACHERN: Mr. Chairman, are you suggesting there's no more debate on the Bill itself?

MR. DEPUTY CHAIRMAN: Well, we've already called for the question on the title and preamble.

MR. McEACHERN: You called for the question on the amendment. You didn't call for any more speakers on the Bill itself, did you?

MR. DEPUTY CHAIRMAN: I didn't see anybody else on their feet. Are there additional speakers on the Bill?
Calgary-McKnight.

MRS. GAGNON: Thank you. I'm honoured to speak to the main Bill, including the amendments. We are prepared to support the entire Bill. We've received no input since the amendments were tabled last week during committee, and we feel that many of these issues have been addressed and discussed provincewide. I am happy with the minister's delay of the supervision of home schoolers by independent schools. It's not a deletion, but there is a delay. I think it's very good that the government is now moving on Francophone governance. Mr. Chairman, I'm just very pleased on behalf of my caucus to support the entire Bill.

Thank you.

[The sections of Bill 63 as amended agreed to]

MR. JONSON: Mr. Chairman, I move that Bill 41, the School Amendment Act, 1992, as amended be reported.

[Motion carried]

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

[Motion carried]

[Mr. Speaker in the Chair]

MR. MAIN: Mr. Speaker, the Committee of the Whole has had under consideration certain Bills, and we report Bill 41 with some amendments. Copies of all amendments considered by the Committee of the Whole will be tabled for the official records of the Assembly.

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

HON. MEMBERS: Agreed.

MR. SPEAKER: Opposed? Carried.

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

Bill 63
Financial Administration Amendment Act, 1993
(continued)

MR. DAY: Mr. Speaker, after some discussion with the Provincial Treasurer, I would now move second reading of Bill 63.

[Motion carried; Bill 63 read a second time]

MR. DAY: Mr. Speaker, given the hour, I move that we adjourn and do not convene again tonight.

[At 5:27 p.m. the Assembly adjourned to Tuesday at 2:30 p.m.]

