

### Legislative Assembly of Alberta

Title: **Tuesday, May 11, 1993**

**8:00 p.m.**

Date: 93/05/11

[Mr. Speaker in the Chair]

MR. SPEAKER: Please be seated, even those of you with heart murmurs.

head: **Government Motions**

41. Moved by Mr. Dinning:

Be it resolved that the Assembly do resolve into Committee of Supply, when called, to consider the supply to be granted to Her Majesty.

MR. HAWKESWORTH: Well, Mr. Speaker, that's fine as far as it goes. We got some capital fund estimates tabled earlier today and estimates of proposed investments from the Alberta heritage savings trust fund, capital projects division. That's fine as far as it goes, but we have yet to receive the element details and the estimates for the operating funds required by this government under the operating budget. While I certainly have no objection to this Assembly resolving itself into Committee of Supply when called, it would seem to me only courtesy at the least and competence at the best for the Provincial Treasurer to table for us the estimates that the Committee of Supply is expected to consider. Where are they? Where's the beef? Where are all these operating expenditures that we should be asked to consider, review, have some time ahead of time to look over? Where are they?

The Provincial Treasurer has had plenty of time to table them. Does this mean that the oversight is deliberate? Has something happened in the last month or six weeks that has made them change their mind and they had to scurry back into the cabinet room and redo all their estimates and come up with a whole new set of numbers? Is that why we don't have them? Is he just trying to keep the Assembly for some reason, especially opposition, from knowing what's going on? This is the most curious circumstance, the most curious situation I've ever seen in this Assembly, how the Provincial Treasurer could bring in a motion asking us to go into Committee of Supply when the bulk of the estimates aren't even provided to us. Either it's deliberate or it's incompetent, and I'm not sure with this government whether you could ever tell the difference.

I just would like the Provincial Treasurer to maybe indicate to us when we can expect to get the operating estimates, the element details for our consideration and review prior to being called as Committee of Supply. That's the least he owes us. The fact that they're not available just tells me that either this government is unable to get its act together or it is part of a deliberate Machiavellian approach to dealing with the Assembly in refusing to provide them with basic information. After all, the special warrant that was passed in March, over \$4 billion: that and only that is the basis on which this government is meeting its day-to-day operating expenses.

I think that with the Assembly here in place it's unconscionable to be operating the government of Alberta on a special warrant when the Assembly is in session and that three weeks into our session we don't even have the operating budget in front of us for our review. I just think that's totally unacceptable.

MR. MITCHELL: Mr. Speaker, I'm very uneasy about this motion under the circumstances. We have been told by various

people that we were going to get estimates today, and, of course, again in what can only be considered a symbolic gesture, we get not even two-thirds, we get two of three estimates documents, but of course they don't represent two-thirds of the expenditure of this government. So in a sense the minister is putting the cart before the horse. Until such time as we actually have estimates, how could we even begin to . . .

#### Point of Order Items Not Debatable

MR. GOGO: A point of order, Mr. Speaker.

MR. SPEAKER: Thank you. Lethbridge-West.

MR. GOGO: Mr. Speaker, I know it's not possible, sir, to ask you a question, but my point of order would be under Standing Order 18(1)(a), that this motion would not be debatable.

MR. SPEAKER: Great point of order. The Chair agrees.

#### Debate Continued

[Motion carried]

43. Moved by Mr. Dinning:

Be it resolved that the messages of His Honour the Honourable the Lieutenant Governor, the 1993-94 capital fund estimates, and all matters connected therewith be referred to the Committee of Supply.

MR. HAWKESWORTH: Mr. Speaker, in view of the fact that my previous comments might have been recognized for a motion that shouldn't have been recognized, I'll refer all hon. members to *Hansard* when it comes to reviewing Motion 43, and the same arguments apply.

MR. SPEAKER: Very gracious of you, hon. member. Thank you.

[Motion carried]

44. Moved by Mr. Dinning:

Be it resolved that pursuant to Standing Order 58(6) the number of days that the Committee of Supply will be called to consider the 1993-94 capital fund estimates shall be two days.

MR. SPEAKER: Calgary-Mountain View.

MR. HAWKESWORTH: Thank you, Mr. Speaker. I'm just wondering whether we're going to get any further information than this. For example, for Public Works, Supply and Services there's \$166 million being requested here without any listing of where these funds are destined. I'm just wondering if at some point we're going to have something more than this very, very sketchy, superficial amount of information to inform our debate in this Assembly.

MR. McINNIS: Mr. Speaker, Motion 44 is that the Assembly has a grand total of two days to consider the capital projects estimates. I just would like to say that I consider that to be totally inadequate. I assume that the reason we're doing that is the government wishes to have these capital estimates passed before it has an election. I've learned around here that a day is not necessarily a day. When they say two days, it could be a few minutes as part of a day. So I'd just like to say that that's a thoroughly inade-

quate amount of time. I'd also like to know where the main spending estimates are.

[Motion carried]

45. Moved by Mr. Dinning:

Be it resolved that the messages of His Honour the Honourable the Lieutenant Governor, the 1993-94 estimates of proposed investments of the Alberta heritage savings trust fund, capital projects division, and all matters connected therewith be referred to the Committee of Supply.

MR. MITCHELL: Mr. Speaker, I oppose . . .

#### Point of Order

#### Items Not Debatable

MR. KOWALSKI: A point of order, Mr. Speaker. The Standing Order is again 18(1)(a).

MR. SPEAKER: The Chair apologies for being so dozy tonight. Just half a moment. Thanks, Edmonton-Meadowlark.

#### Debate Continued

[Motion carried]

46. Moved by Mr. Dinning:

Be it resolved that the Assembly do resolve itself into Committee of Supply, when called, to consider the 1993-94 estimates of proposed investments of the Alberta heritage savings trust fund, capital projects division.

[Motion carried]

head: **Government Bills and Orders**

head: **Second Reading**

8:10

**Bill 68**

**Public Sector Pension Plans Act (No. 2)**

MR. DINNING: Mr. Speaker, I beg leave to move second reading of Bill 68, the Public Sector Pension Plans Act (No. 2).

In summary, Mr. Speaker, this legislation puts in place and legislates by this Assembly some very important agreements that were reached over the last 12 months among and between the government and representatives of the local authorities pension plan, the public service pension plan, the universities academic pension plan, the special forces pension plan, and the public service management pension plan. This legislation confirms those agreements and secures the long-term financial security of the current participants in those various plans, ensures the security not only of those who are now members and future beneficiaries but also the existing beneficiaries of the plan. It also assists Alberta taxpayers in ensuring that the taxpayer dollars associated with and directed to these funds are known and are predicted and are secure for the future.

I have to pay a special word of compliment to my predecessor, the hon. Member for Lethbridge-East, in some very long and difficult but very successful and fruitful negotiations with the various representatives of these plans, because, Mr. Speaker, what we've done is put in place a fully actuarially sound plan to fund the liabilities that were previously unfunded liabilities and now will become contractually funded liabilities that will be paid off over a period of time.

The legislation is broken down into the various plans and spells out the contributions, the establishment of various boards under the

plan, the requirement for actuarial valuation reporting, and current service funding. It creates and parcels up the existing pension plan so that there is a specific and distinguishable set of funds to protect the assets of the funds and protect the assets that belong to the beneficiaries of those programs. It provides for a cost of living adjustment that has been negotiated in virtually all of the plans to the tune of 60 percent of the cost of living of the Alberta CPI. It provides in some cases, Mr. Speaker, the opportunity for transition such that if at the choice of the members of that plan, the members of the various boards, they wish to opt to run their own pension plan, make their own set of arrangements, then there are transitional arrangements spelled out in the document.

Mr. Speaker, I had the pleasure earlier today of filing with the Assembly a variety of letters from a number of people, including the Edmonton Police Association, the city of Calgary commissioner's office, the Confederation of Alberta Faculty Associations, the Alberta Union of Provincial Employees, as well as the office of the president of the Banff Centre, all of whom have called upon members of this Legislature to enact this legislation, to ensure its passage during the spring sittings of the Legislative Assembly. I have – and I will delay the filing of these documents – and will file with the Assembly tomorrow two additional letters, one from the Alberta Association of Registered Nurses and another from the president of the University of Calgary, again calling upon this Legislature to enact this important piece of legislation, to secure the future financial security of the participants in this plan, present and future, as well as protection for the taxpayers of the province.

It's my pleasure to move second reading of Bill 68.

MR. SPEAKER: Thank you.

Calgary-Mountain View.

MR. HAWKESWORTH: Yes, thank you, Mr. Speaker. I hope that this Bill in front of us finally brings to a close a very rocky and difficult set of negotiations that have been attempted to resolve a very significant problem facing the government of Alberta. Certainly it's something that we've called for for some years, for the province to focus its mind on the growing unfunded pension liabilities contained in a number of current pieces of legislation.

In opening up the issue, it became quite adversarial at times, very difficult. There were almost ultimatums and fiats laid down by the Provincial Treasurer about how this problem was to be resolved on the backs of the current participants. It had the effect, Mr. Speaker, of generating a significant reaction. They went into the negotiating room over a period of several months, and last year the government brought forward a resolution of the issue, in which there was agreement from various plan participants to accept a surcharge and increase contributions. It seemed that once the provincial government got what they wanted out of the negotiations, that's basically where the issue remained. They seemed to be satisfied that they had gotten what they wanted.

So when we came to Bill 47, which I believe is still on the Order Paper for second reading, the Public Sector Pension Plans Act, again it had the effect of generating a lot of controversy, because Bill 47 failed to incorporate a number of the key principles that were the foundation of the terms of agreement that had been achieved between the government and the pension boards. For example, such essential issues as a board of trustees that would truly represent the employer and employee groups was a key issue that wasn't properly reflected in Bill 47. The investment control that the boards were to exercise and the issue of governance weren't properly reflected in Bill 47. The way that Bill 47 was structured left the Provincial Treasurer to essentially maintain control of the plans and funds although these new boards were

established under Bill 47 without a lot of authority and without a lot of the ability to make key decisions regarding the pension plans. It also seemed that once Bill 47 was tabled in the Legislature, there were lots of promises made about ongoing communication, resolving the outstanding issues, and so on. It left the impression for plan participants out there in the province, Mr. Speaker, that the government was not really very interested in resolving the outstanding issues, so there it sat.

**8:20**

I recall getting a number of pieces of correspondence back in the fall of 1992. Certain discussion papers had been promised that failed to be delivered. Certain analyses were promised and failed to be delivered. A working paper was late in arriving, and they weren't sure whether it was even going to show up. It was just an ongoing loss of opportunity from one incident to another, one chapter to another. It just seemed almost as if the government had gone out of their way to antagonize the very people they were trying to negotiate with.

So I must say that it was with some pleasant surprise, Mr. Speaker, that the Provincial Treasurer was able to table some letters for our consideration from people who are members of the pension plan boards. The people on the boards are very, very key and play a significant role. I am pleased that these letters have been provided to us, that they in essence endorse this legislation that's before us, and I think that is an important accomplishment. I believe the whole process was designed to bring us to a situation where both parties could say that they feel the resolution is one they can accept with honour. I would just highlight for the members of the Assembly the letter from Pat Wocknitz, president of the Alberta Union of Provincial Employees. She makes a comment in her letter addressed to the Provincial Treasurer that she feels "that the process that brought us to this point" - this point being the legislation in front of us - "from my initial meeting with you in January has been positive." I guess when you read these kinds of correspondence, it makes me feel that there was some genuine give and take, genuine negotiations going on in terms of the government and the plan participants.

Another one from CAFA, the Confederation of Alberta Faculty Associations. The president has indicated that "a great deal of work has gone into the agreement that has been reached." He emphasizes that the board and the volunteers and the staff of the department have reached agreement and

regardless of the progress of discussions of reform of the other provincial pension plans, we urge that the government (and opposition parties) take the earliest opportunity possible to bring the necessary legislation before the Legislature.

Given the history of this issue, Mr. Speaker, where we've had calls and letters and letter writing campaigns calling upon us to do all we can to hold up an unfair, unjust resolution in the legislation, I must say it is a refreshing and positive change to receive these kinds of letters. It indicates that at least there's been a different climate here and some recognition that the basic concerns, as outlined by the plan participants and the boards in the past, appear to have been addressed.

I recognize in the legislation that each schedule follows a pretty well set boilerplate process, if I might use the term, in terms that the organization of the legislation for each plan follows a common kind of process or a common outline and indicates that there is going to be a real governance of the plan on behalf of the boards that have been established. I assume that all the numbers have been crunched, that the unfunded pension liabilities will be addressed with the kinds of amounts laid out in legislation. Of course, at some point after a number of years, if it's felt by the

plan participants that they want to go their own way, there are provisions in the legislation to draw the plans to a close, and I guess they then become self-governing and independent of further requirements or a further trustee relationship with the Alberta government.

All told, Mr. Speaker, the key issues that were raised in the fall with me by a number of different people across the province certainly appear to have been addressed. And, as I say, when you have letters brought to your attention that urge endorsement rather than opposition to legislation, I just think that signifies that some good work has gone on, some genuine negotiations have gone on, and I would express my congratulations to the Provincial Treasurer for having been able to accomplish that.

### **Speaker's Ruling Items Not Debatable**

MR. SPEAKER: If the House would excuse me for half a moment.

Procedurally, for the record's sake, the Chair needs to read into it what was right and what wasn't about what was happening a bit earlier on. If hon. members want to make notes in their Order Paper, that's great, and if not, that's fine. I'm sure you'll have it so that you can deal with it a year from now in the proper way.

With respect to Motion 41 as moved, that motion was not debatable because it falls under Standing Order 18(1)(a). Now, hon. members, the Table and Chair have made a submission to the Committee on Parliamentary Reform with respect to the Standing Orders because we have some of these areas in here which give us exceptions instead of being stated in the positive. That is no excuse but is part of the confusion this evening. Standing Order 18(1)(a) says

18 (1) The following motions are debatable:  
every motion

(a) standing on the Orders of the Day except a motion for the Assembly to go into committee at a later date.

If you don't catch the "except" you're in trouble in the Chair. So with respect to Motion 41, that was not debatable.

However, Motion 43 was debatable because it comes into effect with Standing Order 18(1)(i): every motion is debatable including a motion to refer. In the last line of Motion 43 it's referred.

Then we come on further to Motion 44 which slides back to the other side of the ledger and is not debatable under Standing Order 58(6), which is indeed part of what that particular motion is.

Having gone there, back and forth almost like the score in a hockey game, we come to Motion 45. Motion 45 was also debatable because at the last line it referred to Committee of Supply, so under Standing Order 18(1)(i) it is debatable.

Then Motion 46 was not debatable, and that applies because of Standing Order 18(1)(a).

In effect, what we had was 41 was not debatable, 43 was debatable, 44 was not debatable, 45 was debatable, and 46 was not debatable.

I apologize for the earlier confusion. This probably hasn't added much to making the record clearer, but it does indeed clear up what occurred.

I also have a notice from the minister that he'd be willing to table the letters that he referred to. Is the House willing to allow him to do this at this moment or would you prefer it later on when he sums up debate?

SOME HON. MEMBERS: He did this afternoon.

MR. SPEAKER: No, these are an additional two letters that the member has. Is the House agreeable to now?

HON. MEMBERS: Agreed.

MR. SPEAKER: Opposed? Carried. Thank you.  
Mr. Minister.

head: **Tabling Returns and Reports**

MR. DINNING: Mr. Speaker, thank you for your generosity. I have two letters here: one from the president of the University of Calgary calling upon the Legislature to proceed with the legislation on the universities academic pension plan and another from the president of the Alberta Association of Registered Nurses calling upon us to enact the local authorities pension plan amendments without delay. I'll file those with members of the Assembly this evening.

MR. SPEAKER: Thank you.

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

8:30 **Bill 68**  
**Public Sector Pension Plans Act (No. 2)**  
(continued)

MR. SPEAKER: Edmonton-Meadowlark, please. Thank you for waiting.

MR. MITCHELL: Thank you, Mr. Speaker. I personally have always felt that most of what this government does is quite debatable, and it was interesting to me to see the technical links to which we had to go to find a couple of things that they've actually been able to do that weren't debatable. I found it very interesting. The fact that they would have to make a rule about something they did that wasn't debatable is quite extreme. [interjections] I would like to say that since they took the strong people off the front bench, really it's only two people that we need in this caucus to withstand you. [interjections] Why is Red Deer-North laughing?

I would like to say that our caucus does support this Bill. It's not our intention to delay it at all, but I would like to make a couple of points. I was interested in the effusiveness of the Member for Calgary-Mountain View. While I think this is an accomplishment, I think the assessment of such requires some qualification. First of all, Mr. Speaker, I think it should be noted that the huge unfunded pension liability which this particular Bill addresses would have been considerably smaller, would have been considerably more manageable, in fact would already have been managed if the government had fulfilled its obligations years ago each step of the way, year by year by year. What would have been done is that the government would have set aside money at that time, and that money would have grown, had it been managed properly and earned interest and compounded, and therefore the \$9.1 billion unfunded pension liability, which I think was about the peak of the unfunded pension liability, never would have become the problem that it is today.

The long and short of it is that the government is now putting up much more money than it would have had to put up had it met its obligations at the time those obligations arose over the last 20 years. In fact, Mr. Speaker, I expect that the taxpayers of Alberta would have paid as much as three-quarters less than they will have to pay now, because they will have to pay each cent of that unfunded liability, whereas had the obligation been met properly by government each year at the time it was incurred, year after year over the last 20 or so years, the money required would have

been much, much less and it would have grown and compounded as it had been invested in a pool of funds distinct from this government's general revenue fund.

The other point is that that management oversight, that neglect on the part of the government has led to other consequences. The money that should have been set aside over these years to cover pension obligations was money that was freed up, so to speak, by this government and spent elsewhere. They were led to believe that they actually had more money than they in fact had, and they spent it. So not only are we spending more money than we need to spend, that we would have had to spend otherwise on this unfunded pension liability, but also, Mr. Speaker, this government was provoked, motivated into spending this money elsewhere. So in a sense the people of Alberta were put into double jeopardy. I believe the accomplishment that this Bill may represent isn't as much an accomplishment as it is an effort on the part of this government to patch up, in a haphazard way albeit, yet another one of its evident mismanagements in running this government over the last 20 years.

There are several points that I would like to make. I'm not as convinced as the Member for Calgary-Mountain View that in fact this represented a quality process of negotiation. In fact, I think the former Treasurer was inclined to push this to brinkmanship. His original proposal in July 1991 of a 1 percent across-the-board surcharge for all of the pension plans, despite the fact that each of them had unique circumstances and some of them were in fact in better financial shape than others, was clearly an effort to push this issue to a head, to intimidate the other side, to force the issue in a way that I think isn't a particularly positive and a particularly acceptable negotiating process.

I note that the members of the faculty association at SAIT were concerned, remain concerned that the governance provisions here may not be as strong as they would have liked, at least to the extent that they're not invoked as quickly as they would like. They ask why it is that their board won't receive the full responsibility for governance. In fact, it will simply be an advisory board until 1996, the question being: why would it take that long?

I would also like to point out that there is an issue that was resolved again in a way that hasn't been exposed to the public and which raises some questions. That's the issue of the \$330 million excess assets in these plans, and of course there was a controversy as to how they would be split. I note that the local authorities pension plan felt that given the state, the quality of management to this point that their plan had undergone, they were probably entitled to about half that amount. The settlement saw them getting \$89 million instead, and we haven't received an explanation of how that \$330 million was apportioned between and amongst the various plans.

The concern would be that the Treasurer structured the negotiation in such a way that he really limited the options of these plans, that he forced the issues, that they were in a vulnerable position, and that they found themselves having to acquiesce to perhaps arbitrary division, apportionment of this \$330 million, to perhaps arbitrary specification of the date at which full governance would be in place. They had to acquiesce to these kinds of demands simply to get some kind of settlement, a settlement for which they had waited so long and about which their membership had such grave concern. I think they were really forced, Mr. Speaker, in many ways: one, by the negotiating process, which left much to be desired, and also by this fundamental belief that they'd better get what they could from this government because it was difficult to accept that the government would necessarily operate with good intentions for any protracted period of time.

Mr. Speaker, we support this Bill. It is an improvement. It is a recognition of what we in this caucus have been pointing out in this Legislature since 1986. It reflects in some important respects the proposal that our leader made a number of years ago. We acknowledge that the process has worked to that extent, that government has listened to others in this Legislature, and perhaps that is recognition that this process does work. But I cannot be effusive or particularly forthcoming in congratulating the government in the way it handled this process or in acknowledging this as some kind of outstanding accomplishment. I think what overrides this, what must always be remembered is that had this government paid up when it should have paid up, if it had matched all along step by step, it would have saved Albertans literally billions of dollars in the payout that will now be required because they allowed this problem to unravel so dramatically over the years.

MR. SPEAKER: Thank you.

Might we interrupt the business of the House momentarily for the introduction of guests?

HON. MEMBERS: Agreed.

MR. SPEAKER: Opposed? Carried.

Minister of Labour.

head: **Introduction of Special Guests**  
8:40

MR. DAY: Mr. Speaker, a number of members of the Legislature were honoured to be hosted this evening by the Independent Physical Therapists Association. We were given much good knowledge and information about situations which face them as a profession. A number of them are here in the galleries tonight. I would ask that they would rise and receive the warm welcome of the Assembly.

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

**Bill 68**  
**Public Sector Pension Plans Act (No. 2)**  
*(continued)*

MR. McINNIS: Mr. Speaker, I rise not to prolong debate on the Bill but on a matter that puzzles me to some degree. The Public Sector Pension Plans Act (No. 2), Bill 68, has a clause which amends the Members of the Legislative Assembly Pension Plan Act. Now, for a plan that's being killed by the government, it certainly seems to take a lot of care and feeding. I wonder if either in closing debate or at some point prior to committee the Treasurer would explain why there is that clause on page 7 of the Bill and, secondly, just give some background. Maybe he wants to do that when he opens the debate in committee.

MR. DINNING: Mr. Speaker, I would just simply close the debate on second reading of Bill 68 by acknowledging the support from all three parties in the Assembly. I appreciate the warm words of praise from the members opposite for the work undertaken by my predecessor, the Provincial Treasurer and Member for Lethbridge-East, and a number of things that we've been able to do in the last 157-odd days to bring the Bill to this point. I would be happy to answer further questions in committee study.

I want to thank the hon. Member for Calgary-Mountain View for citing the letters and reading some of the excerpts of the letters that we have received. This wouldn't have happened, Mr.

Speaker, this Bill wouldn't have come to this stage, were it not for some hard work by hundreds of volunteers who are there to participate and to assist and guide these pension plans. I want to say a special word of thanks to them, as well as to officials within the Treasury Department who've worked a long number of hours to bring about this agreement and to bring this Bill to this stage.

Mr. Speaker, I move second reading of Bill 68.

[Motion carried; Bill 68 read a second time]

**Bill 67**  
**Deficit Elimination Act**

[Adjourned debate May 10: Mr. Woloshyn]

MR. SPEAKER: Stony Plain.

MR. WOLOSHYN: Thank you, Mr. Speaker. I would like to summarize my remarks from yesterday, simply pointing out that this Bill goes a very long way in outlining the government's plan for eliminating deficits by 1996-97. It also goes a long way in identifying possible pitfalls and eliminating any deviation from the plan. I think that sections 2 and 3 could stand on their own. However, the Bill goes further and does a very good job of outlining what will happen if in fact there are some years, as we're sure there will be, when the deficit will actually be less than is prescribed, and it's quite clear that that can't be carried over. On the same note, section 5 is keeping with the spirit of the Bill to reduce the deficit and hence get after the debt down the way. Surpluses in any given year can't be forwarded; they must be applied to where they rightly belong, against the debt. I would like to point out that the remainder of the Bill also goes after very relevant matters dealing with the budgeting process and the audit and so on.

On that note, Mr. Speaker, I would have to conclude my remarks by simply saying that the Bill is an excellent Bill. It will outline to all Albertans the fact that this government is very serious about addressing the deficit within a very specific time line and getting on with eliminating the debt of this province.

Thank you very much.

MR. McINNIS: Mr. Speaker, the Deficit Elimination Act at first blush looks like a bit of PR fluff to get a government through an election, but I think it's far more dangerous than that and far more serious than that. For that reason, I think it should be debated thoroughly not just by members of the Assembly but by members of the general public as they assess the new moves of the government and assess in particular the choices that they have in the election campaign which is to come.

The Bill is anything but a plan to eliminate the deficit. At the very best it could be considered a series of targets. I guess there's nothing wrong in life with having targets. You know, a person might graduate from high school saying, "I'd like to be a millionaire in my 30s and a billionaire in my 40s and a trillionaire in my 50s and then retire." But that's not a plan; those are targets. All that we've got in this Bill is some targets. How realistic the targets are depends entirely on what type of a plan backs it up, and that's where the problem is, Mr. Speaker. There is no plan, and the budget document, which really provides the background for this Bill, makes it abundantly clear that there is no plan.

I guess you should expect that from the hon. Premier, because in the time that he's been in this place, he's begun more reviews and consultation processes than can be named easily. I'll just simply name a few of them in order to make my point. There was an extensive four-year review of environmental legislation, which so far has enacted nothing, although there's a promise that

legislation will be proclaimed later on this year. There was a clean air strategy review, which is now off to a secretariat which is composed of 15 committees that are studying this, that, and the other thing. There's a Water Resources Act review, which is off in never-never land somewhere. So there is a pattern of creation of review processes that kind of go on and on forever.

Now, if you look, Mr. Speaker, in the budget plan at the four-year timetable, I think that reveals the game as much as anything else. The word "review" appears more often than any other in the context of what is allegedly a detailed work plan or timetable to achieve this goal of eliminating the deficit. There is a tax review, a general review of the tax system, which was announced by the Premier in his so-called state of the province address or the one that was advertised on television as actually an economic development strategy. So there's that particular review that's under way.

There is a review of the forestry revenue system in the province of Alberta. There is what is described in this document as designing of a new system for natural gas royalty collections. Again another review. So the key elements of the tax system over the next four years are the subject of some kind of unspecified review process, which hasn't even begun yet. There is a review promised of the role of the heritage savings trust fund. There is a review that's being undertaken of the government's holdings, assets, and corporations.

There is a review that's under way of the use of technology in terms of program cost-effectiveness. There's a review of cost recovery within government, which presumably one takes to mean user fees. So that's under review as well. There's an ongoing review to eliminate federal/provincial/local duplication overlap, and there's also a review of roles and responsibilities regarding intergovernmental fiscal relations. So in this one particular timetable document you've got nine different reviews which have been announced and not even substantially begun in terms of our overall budget position.

#### 8:50

So, Mr. Speaker, the first point that I would like to make is that the government itself doesn't have a clear idea what policy direction it wants to take with respect to a number of key budget elements yet it would like Albertans to believe that there is a detailed plan in place to achieve this zero budget deficit within a four-year period, and that truly does strain the bounds of credibility. We had some discussion in this Assembly back in January to the effect that the government appeared to be making it up as it went along. That much hasn't changed. We're very clearly in a position where the government has no real idea how it will achieve budget balance in many detailed elements.

The bulk of what has been explained by the government is that there will be deep cuts in spending. In the past two question periods the Leader of the Opposition has tried to gather up some detail from the Provincial Treasurer in terms of where these spending cuts will impact, on what sectors of our society, how many people will lose their jobs, for example, what services will disappear, what services will be reorganized, in what fashion. There has been no answer forthcoming from the government. I think it's beginning to be obvious to everyone that the reason there are no answers forthcoming is that the government doesn't have answers.

So we have to address the fact that the government is trying to tell Albertans that it's embarked on a course for which it does not have a road map, and that's a very serious situation. Times may have changed to some degree in government. Certainly people do want to be actively consulted about things that affect their lives, but to go to the electors with a blank sheet of paper and say,

"Write our budget policy for us," is a total absence of leadership. Indeed that's precisely what the Provincial Treasurer is doing. What he says over and over again is: we've talked to the institutions that are government funded; they say they know the best way to cut expenditures, so we'll just leave it up to them to figure out how to do it. Well, you know, you can go to the barber for a haircut, and you can have a pretty good idea what sort of haircut you want. You can say, "I'd like a little bit off the top," but you don't expect your head is going to be cut off when you call for a little off the top. Well, indeed, if these targets are going to be met entirely by deep expenditure cuts, a little off the top will mean some heads will roll, thousands and thousands of heads will roll.

I think it's more than a little bit intellectually dishonest for the government to go into a campaign without providing some measure of clarity in terms of how that's going to apply. For example, the Leader of the Opposition pointed out yesterday that application of this degree of expenditure cutback in the education system would mean, in the absence of some other policy as yet unannounced, that 7,000 teachers in our province would have to lose their jobs. That's the only way you can cut that much out of the system because that's where the bulk of the expenditure in the education system goes. I mean, there is money that goes to support the function of a classroom teacher, but in the end the classroom teacher is the delivery system for education. If you say that in real dollar terms we're going to cut one in four, that means 7,000 teachers throughout the system.

As was also pointed out by the Leader of the Opposition, that has an impact on class size. The average class size under that scenario would have to jump somewhere in the order of 50 students per class. Now, most classrooms in Alberta were not built large enough to accommodate 50 kids, so you've got a problem right there just in terms of the pure logic of the situation.

Let's suppose by some miracle of technology you can squeeze the 50 kids into the classroom, in smaller desks or you stack them two high or whatever it is that you do to cram the 50 kids in there. Then you have another problem. The problem is that of smaller schools. If you have a school that offers seven grades – let's say, kindergarten to grade 6 – and you're averaging 50 kids in a classroom, you can't really have a viable school unless you have between 300 and 350 kids. Now, how many schools are there around the province that have fewer than 300, 350 kids? There are lots and lots of them, particularly in the rural parts of the province of Alberta. What are the Treasurer and the Minister of Education saying about the fate of small schools under this legislation? I'll tell you what they're saying. They're saying absolutely nothing, because the government really has no clear idea at all on how it's going to achieve these targets yet the targets are being passed off as some kind of a plan.

Another good example was brought forward of what will happen in the advanced education system. We have now at the present time a mixture of funding from the public purse, from tuition fees, and from other sources that the institutions have themselves. Now, if you make what amounts to a 25 percent real cut in funding for our postsecondary institutions, they've got a tremendous hole to fill in their budget. It was suggested that the institutions will not be allowed to increase their fees beyond 20 percent of their operating budget because that's a matter of provincial policy. So what choice does that leave the institution? Well, I guess they will have to get rid of course offerings in very large numbers. Does that mean, for example, that we will no longer have two medical schools in Alberta or two law schools? What exactly does it mean?

Well, the government, quite frankly, does not have the courage or the guts to make any of those decisions. They're simply going to throw these numbers out and expect people to believe either that there is a plan, which there isn't, or somehow through the voodoo signs of public consultation all of these problems are going to be solved. They're not. The problems are still going to be there.

I can't let my friends in the Liberal Party off the hook, because they're guilty of this game as well. The leader of the Liberal Party has been going around promoting the idea that it's a very simple matter to balance the budget, that all you have to do is get tough with spending. He went so far as to use the term "brutal" to make his point. He said that he would cut brutally in the budget, which was his way of getting around the suggestion that the Liberal Party had a policy of bringing in a sales tax in the province of Alberta. The Liberal Party practises the same game. They pretend that it's really a very simple matter to balance the budget. You just have to cut here, cut there, and things are going to be done. You know, people have to understand that cuts of this magnitude will very heavily impact their day-to-day lives. Many of the communities in the province of Alberta would be unrecognizable from today's vantage point if this plan went ahead.

So I think, Mr. Speaker, we cannot afford the luxury of considering this to be a bit of pre-election fluff. I think the plan that the Liberals and the Conservatives have to deal with the budget problems of this province has to be exposed for what it is. It's a step backward for most people in our society because in the end the brutal truth is this: most of the working families of this province pay more money into the system than they take out in their lifetime.

That doesn't apply to everybody, of course. There is a group of people who feed off government contracts, off subsidies, whether that's directly paid subsidies or tax expenditure subsidies. There is that group of people, and that's the group of people that's cheering the loudest today for this approach because they think it's just fine if kids in some areas lose their opportunity for quality education. What the heck. You know, the children of the rich will always have the Harvards and the MITs of this world to go to. Even if the opportunity is not there at the University of Alberta, the University of Calgary, or the University of Lethbridge, they're not too worried about it. They think this is great stuff.

Really the only complaint that the Liberals have about this is that it doesn't have their name on it. What argument are they giving publicly? Only that it can't be believed. They want people to think that this is nothing, that this is not going to happen, that you have to vote for them if you want it to happen, that if you really want to have a fast-track plan to a balanced budget, you've got to vote Liberal, because you can't believe the Conservative plan.

Well, I believe the both of you; okay? I believe both the Liberals and the Conservatives are serious when they say they're going to balance our budget through deep expenditure cuts, and I think it's tragic. I think it's absolutely tragic. If nothing else happens in the 28 days of the campaign, we have to find a way. It's going to be up to the New Democrat opposition, Mr. Speaker, to find a way to explain to people in terms of how this will impact them in their daily lives if they're so unfortunate as to return this government or the Liberals to office for the years coming up.

**9:00**

What's the alternative, Mr. Speaker? I think an alternative should be put forward because it's not sufficient to merely criticize a plan like this. In this Assembly when we indicate our concern over government proposals, we should put forward alternatives. I think a rational plan will emphasize the savings that are possible

through reorganization of government and through the application of a new value system, a new set of priorities. That is a far different thing than across-the-board cuts. Savings and cuts are two entirely different things.

In years past, and including this year, the New Democrats have published detailed policy proposals on how savings could be made in government by changing priorities, by changing the delivery model or mechanism for delivering programs. That's not the same thing as just saying: okay, education system, you lose 25 percent in real dollars over the next four years; you figure it out. It's working in partnership with the providers of services and the recipients of services to make sure the service is provided when a reorganization and a savings takes place. That's a true savings, Mr. Speaker. That's not a cutback. A cutback is a much different thing. It's very clear to me that the application of this fiscal dogma over the next four years would cost tens of thousands of Albertans their jobs, and there is no easy way to replace that employment in the Alberta economy. You certainly won't be able to do it by closing down business enterprises such as Gainers, which one of the parties in this Legislature is committed to do publicly. The other one will only say they'll make that decision after the election, so I guess there's that much difference between the two of them.

So this Bill is decidedly a dangerously wrong approach to the problems of deficit spending. Deficit spending is a real problem, and it's a problem that will have to be solved through some mechanism that recognizes in the province that we are a political family. In a political family you don't have one family member who chooses to set and dominate the agenda for the others without having a means of arriving at the truth of how things are to be done, because how things are done is every bit as important as what is being done.

There has been discussion in this Legislature recently about the province of Ontario, which has suffered devastating economic news in the past three years or so on a scale as bad, I would say, as what happened in the mid-1980s and the early 1980s in the province of Alberta. They've undergone their change. They're also attempting to deal with a bloated public sector. One of the things happening there is that there are ongoing negotiations around these things, and the decisions are not made in this way, rammed through the Legislature under closure before negotiations commence. I think it has to be remembered by everyone who understands the history of this period that when the government dreamed up these targets and tabled them in the form of a budget plan and brought legislation to give legislative sanction to them, they rammed these things through under closure. They rammed these things through under closure.

You know, a government that has no stomach for parliamentary debate over its program ought to consider what the fate of that program will be when it takes it on the hustings, because you can't ram things through the voters under closure. If you want to close them down, they'll close you down, and I think that may very well be what happens in the final analysis. But we'll see. I mean, this is clearly part of the government's program, and it's something they intend to argue. But when you argue it, just keep in mind that you haven't been able to answer questions about it. You haven't even been willing to provide spending estimates for this year. Even for year number one in the program there are no detailed spending estimates. We have the minister of the environment who contradicts the printed word of the budget publicly in terms of what is being cut and what isn't being cut and the Treasurer who says he doesn't really know the truth of that matter. How could he? There are no spending estimates. If there are no spending estimates in year one, what can you possibly say about

year two, year three, and year four? You could say it's a pipe dream. You could say it's pie in the sky. You could say all kinds of things about it. I prefer the term "dangerous," because I think it is dangerous that a government would point the ship of state in this direction without having a chart to follow.

There are other things about this legislation that are troubling, and I would refer members specifically to section 7 of the Bill regarding supply votes. Why is it that every time the government comes up with a spending control program, they slip in something that entitles them to hide information from the public? It happened in the Spending Control Act, and it's happening again in the so-called Deficit Elimination Act. Section 7 says that every department's estimates, when they do come, will have three and only three votes, if I am reading it correctly: one which is for operating, one which is for capital, and the other which is for nonbudgetary transactions. Well, I think we all know in this Assembly that the government has authority to transfer money within legislative votes under the Financial Administration Act. So what it means is that for every department of government, the operating funds are reduced to one and only one vote within the Assembly. Whatever information might be put forward to justify that number is totally meaningless in the final analysis. You can have a department like Health which last year had an operating budget of \$3.5 billion, but once it leaves this Assembly, no one on earth has any assurance as to how in reality that money will be spent. It would have to be somehow broadly within the purposes of health, I suppose, but it means that the government can transfer willy-nilly within a 3 and a half billion dollar budget. So in fact when it comes to public disclosure, it would be equivalent to what is the table of contents page for the estimates book, which would be the only significant figure that would be voted upon by this Assembly.

I think that clearly fits with the overall structure of the Bill, which is that we don't have a plan; we just want you to get in, fasten your seat belt, and shut up. That really is not good enough for our leaders to say to our society. Of course Albertans are vitally concerned about eliminating the deficit. They know that fundamentally deficit spending is an effort by one generation to steal the future income of the next generation, so they know the problem has to be addressed. They're looking for somebody who will come along and provide some leadership and some indication that, yes, it can be done but it can also be done without having a devastating economic impact. This Act does not give anyone assurance that the government has any sort of plan to achieve that without a devastating impact. In fact, for the reasons I've indicated, the reverse is actually the case, and now is the time to produce detailed action plans for Albertans.

You know, if there was any rationale for the Premier waiting this long to go to the people for a mandate, the rationale would have to be that he and the government are working on just such a plan so that Albertans will have some idea what future they have in this province. I think this is a great province. It's a province that has enormous promise for the future, but we just don't see it. We don't see it in this budget plan. We don't see it in all the policy reviews that have been undertaken. In fact, they ought to have a cabinet minister in charge of reviews over there just to track all the reviews to make sure they keep on reviewing as long as they have to review so they don't report on the reviews too early. Maybe somebody could report to the Assembly on an annual basis, "Well, we've got 25 reviews under way, no progress was made on any of them, and they'll be back next year," something like that. Questions like what's happening with the review on government assets, the review of the heritage fund,

or the review of the use of technology in distributing government programs could be addressed to one minister.

#### 9:10

In summation, Mr. Speaker, what I'm saying is that the government has thrown some targets on the table and has no idea – no idea – how it could possibly achieve those targets short of one. The one notion they have put forward is that they will cut spending across the board in order to do it. That one idea happens to be the most dangerous idea they could possibly put forward, which is not surprising given that they stole it from the Liberal Party. I think the Liberal Party does deserve full credit or shame, as the case may be, for having brought forward the idea of deep spending cuts as the solution to our budgetary problems, and I guess the government gets full credit and shame for having stolen that idea. I think they're both wrong and this legislation is the proof.

MR. SPEAKER: The Member for Fort McMurray.

MR. WEISS: Thank you, Mr. Speaker. I find it very interesting this evening. I made no preparation with regard to notes on Bill 67, the Deficit Elimination Act, but I listened with intent to the hon. Member for Edmonton-Jasper Place. While I respect the member, I just wish sometimes *Hansard* would be in the way of a tape so the hon. member could listen to himself again. I'm sure he'd find it most interesting, as I have this evening.

I made a few comments as I listened to him. I'd like to start by saying he talked about the Premier and his implementation review, the consultative process. He used the word "review." Well, if anybody should know and be condemned for using the word "review," it should be us, the Conservative government. I think we plagiarised it, because when we present something, we always hear from the hon. member and the members of the opposition: "Please give it more time. Let's review it. Let's look at it. Let's understand it." What we're trying to do here is exactly that, and Bill 67 outlines everything with regard to that.

He talks about no target, no plan. Well, specifically that is what the government has laid out in the framework. It's there; it's clear. The Premier has said there are no sacred cows; we'll review all programs. Those are the exact words. He stood in this Assembly and repeated it. Where were the hon. member and other members who dispute that? Can they argue with *Hansard*?

So often we've heard comments with regard to expenditures. They say without review, Mr. Speaker, and he went on to say about nine different reviews. Well, thank goodness there are, because here's what happened: with the implementation of the four specific committees, the Premier has sought public input on the budgetary process. The strange part about it, Mr. Speaker: I never once saw the hon. member attend any of those meetings. I could be wrong and stand to be corrected.

AN HON. MEMBER: Were you?

MR. WEISS: Yes, I was. I was at all meetings of the committee I sit on, sir. I say that only because I thought it was a fair opportunity for the public to be there, to be part of it, to be part of that program and process.

The Deficit Elimination Act commits to doing what it specifically says it will do. It is a plan. I'd emphasize that when you say "a plan," it's plan your work and work your plan, and that's what it lays out.

I certainly wish I was running for election again when I hear comments made by the hon. member. It certainly would be easy

to defend to the general public from his rhetoric response, because it's weak in substance if he wants to talk about weakness. He talked about blanks. The only blanks I can think of are the ones the hon. member had in his submission, because he was certainly weak in his arguments. He referred to a little off the top. I don't think Albertans think 700 million is a little off the top to specifically, progressively for four years address the budget, bring it into line as the Deficit Elimination Act, Bill 67, will do, bring it into a balanced budget: that's the program. It's nonsense the member mentions – specific garbage, I might say, and maybe fear mongering – when he refers to the fact that there will be 7,000 teachers out of work. Sheer, utter nonsense, Mr. Speaker. I challenge him on that remark, and I'd love to be here in the Assembly four years later to prove that it wouldn't be this case. Regrettably, I won't be, and I'm not so sure about the hon. member.

It's ironic how the member is able to put in perspective what he saw from his side, and yet when we presented it, it's interpreted in a different manner. I refer, for example, to the rural debate as it relates to hospitals and schools, how both the opposition forces, the New Democrats and the Liberals, have first not supported the position as it related to rural hospitals and other such issues, and now he talks about the closure. I don't think that's what rural Albertans will see and what they want to see. They want to have the opportunity to have the amenities and facilities we're laying out for them in this framework and in the budget that's there in the process and to ensure that their children and our children will have their future secured by such an Act as Bill 67, the Deficit Elimination Act.

Yes, there is a 20 percent cap in place. As the hon. Minister of Advanced Education and Career Development spoke out today, he said it's at a 13 percent average. There is room to move. But let's not misunderstand that it's there also to make sure that when we talk about programs we avoid duplication. The hon. member referred to the courage and guts. Well, I don't like to say it, but I think this took courage and guts to implement this Bill, because it's the first one of its kind.

I've never heard from the hon. member or members of the opposition of any specific reduction, only increased expenditures from the New Democratic party specifically. You can sit day after day and listen to them in question period. They talk about: why are you reducing that? Why are you looking at that? Because their views are: increase, increase, and spend and spend. Interesting, as well, as the hon. Provincial Treasurer would indicate, about the increased taxation position they would love to place on the backs of Albertans. And who can afford it and pay more taxes? I certainly don't want to, my constituents don't want to, and nobody on this side wants to see increased taxation.

Also interesting, Mr. Speaker, how he talked about Gainers. Isn't it nice to think that they believe they're the salvation of Gainers? I can remember how they spoke specific about: why would you give Mr. Pocklington any assistance to keep that plant open? Isn't that interesting how it can be changed to their views as it goes today? They realize that 1,200-plus-odd jobs are secure now and the economic benefits as laid out by the minister of agriculture to the community. [interjections]

To the member in the Liberal Party, I wouldn't speak, sir, because I know your leader's position. I'm sure that you support him as a member of your caucus, that you would love to see the plant closed, because that's what it says. Am I wrong? If I'm wrong, get up and challenge me on that remark.

So, Mr. Speaker, yes, the Deputy Premier has said that Bill 67 will go to closure. Yes, because it took the courage and guts that the hon. member referred to in his remarks, that they didn't have

and will stand and speak against it, and because they're not prepared to accept the consequences. This government is, and I'm sure the Premier will address that in his remarks as we progress into this summer sitting.

I'm very pleased with what has happened. I can understand and I can see why the hon. member stood and says he doesn't see it. I can understand why he said that, because he doesn't share the vision that our Premier and this government does for Albertans. That's going to be the interesting one, because there's nothing stolen, nothing plagiarized, other than sheer, solid wisdom in the planning and foresight laid out in Bill 67, the Deficit Elimination Act, which I'd encourage all members to support.

In view of that, I would adjourn debate at this time, Mr. Speaker.

MR. SPEAKER: Having heard the motion to adjourn debate, those in favour, please say aye.

SOME HON. MEMBERS: Aye.

MR. SPEAKER: Opposed, please say no.

SOME HON. MEMBERS: No.

MR. SPEAKER: The matter carries.

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

9:20

[Mr. Schumacher in the Chair]

MR. CHAIRMAN: The committee will come to order. Committee of the Whole is resuming consideration of Bill 66 from yesterday evening.

MR. KOWALSKI: Mr. Chairman, no. We would like to call Bill 68 to committee first of all. There's a simple amendment.

MR. CHAIRMAN: Oh, sorry.

MR. KOWALSKI: And then we'll go.

MR. CHAIRMAN: Thank you, Mr. Deputy Premier.

### **Bill 68** **Public Sector Pension Plans Act (No. 2)**

MR. CHAIRMAN: The government has an amendment to propose.

MR. DINNING: I am pleased that we are able to consider Bill 68 this evening in Committee of the Whole House. I would offer one small amendment, Mr. Chairman, an eight-word amendment on page 17 in section 14(1) of schedule 1. I have filed with you, sir, and members of the Assembly an amendment to strike out the words, "or by the Board on behalf of employers," so that in this case we're talking about "established by the withdrawing employer and to which the Employment Pension Plans Act applies." That is the amendment I would offer.

May I, sir, simply add a couple of comments to respond to my hon. colleagues across the way who heaped considerable praise. I must note that again for a brochure. One question that arose was the distribution of excess assets, Mr. Chairman, and there was some question as to the whys and wherefores of that distribu-

tion. Clearly, there was some estimated \$318 million worth of excess assets, and requests were made to each of the boards as to suggestions on how those assets ought to be distributed. The five of them came back split. Two of the boards suggested they be distributed on the basis of their assets, while the other three boards requested that the assets be distributed on the basis of their fundedness, if I may use that word. So the decision was made to divide the pool in half and split half of the funds on the basis of assets and the remaining half on the basis of their state of fundedness, and that was deemed to be fair and reasonable to all five boards.

My colleague from Edmonton-Jasper Place asked a question on page 7. What this provision does, Mr. Chairman, is reconfirm the decision in Bill 66 to stop, "double-dipping" and to reconfirm that, such that if the hon. member were to have a pension, he would continue to receive that MLA pension under the previous MLA plan. But if he were to go into the employ of the government, five years down the road perhaps, he would be able to accrue pension benefits under another, say the public service pension plan or the public service management pension plan. There would be no commingling of the assets, but he would be able to accrue benefits under that plan for which he is a government or a management employee. What this does is simply confirm that the two will not be mingled – they're separate – but doesn't reduce their eligibility if they become a management employee down the road.

Mr. Chairman, those are questions that came up during second reading, and I would ask for all members' support at committee study.

MR. CHAIRMAN: Any further comments or questions with regard to the amendment before the committee?

HON. MEMBERS: Question.

[Motion on amendment carried]

MR. CHAIRMAN: Are there any further questions, comments, or amendments to be proposed with regard to this Bill?

[Title and preamble agreed to]

[The sections of Bill 68 agreed to]

MR. DINNING: Mr. Chairman, I move the Bill as amended be reported.

[Motion carried]

**Bill 66**  
**Members of the Legislative Assembly**  
**Pension Plan Amendment Act, 1993 (No. 2)**

MR. KOWALSKI: Mr. Chairman, yes. We now ask to move to Bill 66, but there is a motion I would like to address at this point. I would like to move:

Be it resolved that further consideration of any or all of the resolutions, clauses, sections, or titles now before the committee shall be the first business of the committee and shall not be further postponed.

[Motion carried]

MR. PASHAK: I have a question I'd like to put to the person that introduced this legislation. It really has to do with what I think is the heart of the Bill, part 5, which says that

Section 11 is repealed and the following is substituted:

There is no active participation in the Plan.

Mr. Chairman, I think what we have here is a Bill that really throws the baby out with the bathwater. I don't think there's any problem with members of the Legislature having a pension plan. I think it's desirable. If there isn't a pension plan in place, then I think it could lead to some pretty negative consequences in the future. Who would run for the Legislature, for example? Certainly self-employed professionals. [interjection] Maybe I had already made my commitment before you introduced the Bill. Make your own comments. In my case, though, I'm relatively immune from that. I'm not really speaking for myself. I heard the hon. Member for Calgary-Currie speak in second reading of this Bill, and I thought his argument, in large part, was relatively persuasive.

If you recall, Mr. Chairman . . .

AN HON. MEMBER: Where was he when the vote came?

MR. PASHAK: I don't know where the member was when the vote came. In any event the member did suggest that some of the reasons for having a pension plan are to allow younger members of the population to run for political office. As a matter of fact, Mr. Chairman, I participated in a discussion on the topic of pension plans with the hon. David Russell.

AN HON. MEMBER: Honourable?

MR. PASHAK: Well, ex-hon., then. I don't know if you retain your hon. title. I'm sure members opposite know the gentleman very well, much better than I would ever know him.

In the course of the discussion on this radio program he said quite clearly that when he entered politics, he entered it not with a view to remuneration or whatever. He did it because he thought public service was important. He had no intention of staying in public life for more than five to 10 years at the outside. He wound up having a 20-year career in politics. As many of you know, he was an architect before he entered politics. Well, what happens to somebody who's an architect that leaves his profession and goes into politics? What are his or her chances of getting back in the field and practising architecture after 20 years, with all of the changes that have gone on involving computer technology and new design techniques and all the rest of it? That's similar to the argument that the Member for Calgary-Currie put forward. There really is a need to provide some protection, if you will, for people who leave careers in other walks of life and enter politics.

It's easy to build a case. I'm not going to go into all the arguments for this, Mr. Chairman. I'm dealing with, as I said, part 5 of the Bill. The point is that I think it's easy to make a case that pensions should be extended to MLAs just as they are extended to other people who work in society, whether they're in the private sector or the public sector. I think it's a goal that we would want on our side of the House to advocate for everyone who lives in society, that there should be decent and reasonable pension plans available to people. The problem – and this is the question I'd like the Deputy Premier to address – is: why didn't the government side consider other alternatives? There are certainly lots of things that are wrong with the existing pension plan, so why not get rid of those things that are wrong with the existing plan?

9:30

There are measures that by anyone's standards are far too generous. I don't want to deal with all of them, but one of the

things that comes to mind is the fact that members can draw full benefits before the age of 55. Now, I happen to have spent 22 years working for a public college, and at age 55 I'm able to draw a benefit from a local authorities pension plan. Now, I can't draw a full benefit from that plan unless my age plus the number of years that I've worked add up to 85, but I can draw a pension at age 55. That's the earliest that I can draw a pension, and it's reduced proportionately for every year that my age plus years of service don't add up to 85. Now, our pension plan was made excessively generous in 1988. Prior to 1988, if you wanted to draw a pension as an MLA, your age had to be 55 in order for it not to be reduced. Now, that's far in excess of what's available under the local authorities pension plan. In '88 they changed that. They permitted a member of the Legislature to draw a pension if his years of experience plus age added up to 55. By any standard that's far too generous, so the government at least could have considered rolling back the age at which one could draw an unreduced pension to the pre-1988 level, which is 55.

I just want to make an aside here. I don't think we should be caving in to these taxpayer groups out there and running afraid of them. I know that it's become a major political issue, but nevertheless I would hope that common sense would prevail.

The thing that made our pension plan, I think, too generous and has created some of the problem, though, is the fact that just after the '89 election Members' Services Committee increased our salary levels, which increased the amount of percentage of dollars that we can draw on our pension plan. I just want to say that I personally never had any opportunity to debate that increase. What happened, as all members recall, is that after the '89 election a measure came through the House, and we transferred authority for making determination about our remuneration package from the House itself, where I think it should have rested, to members of the Members' Services Committee. I can full well remember our Member for Edmonton-Jasper Place getting up during that debate and saying: look, I'm going to support that legislation on the basis that I have an agreement with other people on the committee that any decisions that are made about remuneration would go to an outside committee. Well, Mr. Chairman, that didn't happen. So what I'm saying is that if our pensions were based on the pre-1989 salary level, there really wouldn't be a problem. If they were rolled back to that level, I think it's probably a measure that all members could agree with.

Finally, Mr. Chairman, there's another issue that affects me personally. I happen to be the chairman of the Public Accounts Committee, and I draw a stipend. Prior to that Members' Services Committee I never drew a stipend for serving as chairman of the Public Accounts Committee. I don't think earning a stipend has affected my performance, but if the stipend is available and other people are going to accept the stipend, I'm certainly not going to turn it down. I'm just as valuable a member of this Assembly as anyone else is, so I'll avail myself of whatever is an entitlement. However, my pension calculation includes what I get as a stipend as the chairman of the Public Accounts Committee. I'm not sure whether that's right. I could live with having my pension determined solely on what I'm paid as a member of the Legislature, my basic taxable salary.

In fact, Mr. Chairman, we have a plan right now in place that I think is admirable from all respects: the schedule A plan that's registered, that's a two-year plan, that's totally funded. It's a defined contribution plan. There's nothing the matter with it.

I wish that the person who's going to address my comments and respond to me would not go for a walk right now, because I'd be very glad to sit down and listen to his response to whatever it is that I'm saying with respect to this.

My fundamental objection, then, Mr. Chairman, is to that clause 5 that's in the Bill that the government has brought forward.

MR. DAY: Well, Mr. Chairman, let's keep it simple. To you and to the members of the Legislature I'll say again that the MLA pension plan is too generous, too rich, and does allow people to collect at too early an age, and it must come to an end. Simple. Period.

It's interesting to know that 70 percent of the working people of this province – and this party does represent the working people of this province – do not have a pension plan, and the 30 percent that do comment on the MLA plan that it's far too generous. I agree. I know that certainly on the government side members of the Legislature work very hard and they work very long hours. It's a very demanding job. We don't talk about that a lot because people think we're either complaining or bragging or exaggerating. So we don't talk about it a lot. It's just part of what we do: 18-hour days are absolutely commonplace; they are not the exception. They can run six and seven days a week. The fact is we aren't the only people in the province who do work hard, and I think we need to recognize that.

It wasn't long ago that I was talking to a single mother in my constituency office who works during the day and takes in babysitting at night. She's putting in 14- and 16-hour days. She has no pension. I talked at the door not long ago, going door to door, with a father who works a 10-hour day, and then he works part-time in the evenings at a local restaurant to augment the income. He has no pension. I was at a community fund-raising event not too long ago and talked to a number of parents there who volunteer in the community three nights a week sometimes, on a fairly regular basis, just as we sit here three nights a week. None of them had pensions. I talked on Saturday afternoon, as a matter of fact, in my booth in the mall to a woman who's in her mid-50s and whose husband has been afflicted with multiple sclerosis. He's now in an extended-care facility. Neither of them has a pension. These people are Albertans. These people are the people that we live beside and walk and talk with everyday.

[Mr. Main in the Chair]

I've heard from across the way that we need a pension because we're interrupting our careers and we need something to acknowledge that. I can tell you that we acknowledge, all of us in Alberta and especially in Labour and career development, where we look at the trends, we acknowledge very clearly and we tell people that they're going to have to change their occupations or their trade maybe seven or eight times in a lifetime. So there's nothing new to that. We aren't faced with any pressures that others aren't faced with.

I am absolutely amazed, and I just find it staggering to hear the Liberals and the NDP opposing the fact that we want to end the plan, opposing the fact that we want to get the government off the backs of the taxpayers. The members opposite are actively opposing that plan. They rise in their place and they say: we've got to keep a plan going; let's cut it down a little bit, but let's keep a plan going; let's continue to make the taxpayers responsible for this. Again, when 70 percent of the working people of this province do not have a pension plan, then I don't know how we can go to them and argue that we should have one. It's the same argument that the members of the Liberals and the NDP use in the area of taxation. They just continue to think that the backs of the working people of this province are bigger than they are, because they say that we should raise taxes. It's the very same argument and the very same principle.

Mr. Chairman, if we put the plan back in place, you know what will happen: it will start to grow again. The NDP will be pushing and the Liberals will be pushing to raise the benefits – to raise the benefits. So I think it's abundantly clear that we should do the right thing, which is to end this plan. I know that the members opposite are opposed to that, and they want to continue to have the taxpayers take care of us, but I think that this is a very appropriate thing to be doing. Let's get on with it. Let's stop the foolishness, stop the game playing. Let's get on with it and end this plan and deal with it.

I know that we're going to hear comments, because I hear them when I'm talking with people about benefits to retiring members. Those are being rolled back retroactively and being reduced, and the important thing is that from then on, from that day forward there's no more plan. There's no more putting this on the backs of Albertans. It's over. It's done with. I would say to the members opposite: stop with these phony arguments and phony protestations about retiring members. Their benefits are being reduced retroactively; that's already happening. Let's get on with this, get it over with, and get it off the backs of the taxpayers of Alberta.

9:40

MR. PASHAK: One supplementary.

MR. DEPUTY CHAIRMAN: Calgary-Forest Lawn.

MR. PASHAK: Thank you. Just one supplementary. I think the hon. Member for Red Deer-North has just made this into a political discussion. My question was sincere. I was just trying to ask him why they didn't consider other measures. Our point on this side of the House is that everybody should have access to a reasonable pension plan in society. We should extend those benefits to everybody.

Setting that aside, my major concern here is that the fact that you don't have a pension plan is going to preclude a lot of good people from running for political office, I think. You're going to wind up getting a lot of self-employed professionals or only those who are very, very wealthy running for political office. People just aren't going to take the risk to their future livelihood or whatever in terms of running.

AN HON. MEMBER: You're running again.

MR. PASHAK: Yeah, I'm running, but I'm secure. I'm one of those people that can afford to do it, frankly, but I know a lot of other people that can't and will be shut out of the political process – good, deserving people.

MR. DEPUTY CHAIRMAN: Edmonton-Avonmore.

MS M. LAING: Thank you, Mr. Chairman. I'd like to just respond to the comments by the Member for Red Deer-North. He went on at length about the number of people who do not have pensions. Well, I'd like to draw to his attention the fact that more than 50 percent of seniors in this province live below the poverty line, live in poverty, that a disproportionate number of those people are women. The reason they live in poverty is because there have been no pension plans available to them. Simply because they live with hard times does not make that a virtue or something desirable.

I have not heard people say that they don't want pensions. They want fair pensions. We worked hard in this party to make pensions a part of the social safety net so that people don't spend

their last years struggling to put food on the table and a roof over their heads. I think the member may talk about all of the people without pensions, and that's a cause for shame and concern for people and the kind of future that they will have to live with.

The opposition to the pension plan that was in place is that it's too rich. In fact, the Bill does not make it reasonable. It still means that for the next 20 or 30 years people will be paying high pensions for people that retire or fail to be re-elected this year, and that's what people object to. They don't object to a reasonable, self-funding plan. They object to the kind of make-rich plan that is now in place that will be a benefit to those people who are retiring or not elected in this present election. That is the burden that the people of Alberta deeply resent.

MR. McINNIS: Well, the Member for Red Deer-North made his comments and then slunk away into the night so that we can't rebut him. In fact, what he's doing is classic Tory doublespeak on this issue. He's arguing for a proposition that's not before the Assembly, which is essentially just doing away with the MLA pension plan.

The reason that this is not a two-clause Bill – one clause being the plan is abolished; the other clause being you get your money back – is because it does a whole lot more than that. What it does is guarantee lifetime pensions for a group of retiring members of this Assembly. That's what it does, and it forces the bending backs of the taxpayers to make those payments in perpetuity. My children and the children of people who may come to be elected to this Assembly later on will have to pay lifetime payments to some people under this plan, whereas they themselves would never ever be eligible.

I think the Member for Calgary-Forest Lawn did raise a question that has never been answered: why this combination of measures? Why protect the pensions of the lucky few while taking them away from the next generation? The Member for Calgary-Currie, the members for Taber-Warner, Pincher Creek-Crowsnest, Whitecourt, Macleod, the two Lethbridges, and a whole lot of other members – I mean, the Lethbridge economy is going to get a big boost in the future out of this pension plan.

This sounds like something that would be dreamt up by somebody who won a hundred thousand dollar prize in a lottery and who doesn't have to drive his own car and always lives on an expense account. That sounds like the kind of person who would have thought up this piece of legislation, and that doesn't describe the average person. So I believe a question has been put forward by the Member for Calgary-Forest Lawn but not answered by the government. What you're saying to people is: oh yeah, we're doing away with the plan. In fact, the biggest part of this is to grandfather payments which are going to take place almost entirely from the government.

As I understand the detailed research done by the Member for West Yellowhead, most of these plan participants will have withdrawn all of their contributions inside the first year or two of their retirement. All of the years after that, they are in effect superannuated; they are to be paid entirely out of tax revenue. So I really would like the Deputy Premier, since he's now in his seat, to indicate why the government chose the approach of making these lifetime payments to certain members while denying any possibility of any kind of a pension to others. That's the proposition that has to be defended, not the one that was made up by the Member for Red Deer-North. Why should taxpayers have to pay these payments when they are not in any way, shape, or form ever entitled to participate in them? That really is creating winners and losers, and it's using taxpayers' money as the device that's going to allocate winning and losing.

MR. DEPUTY CHAIRMAN: West Yellowhead.

MR. DOYLE: Thank you, Mr. Chairman. We've debated this in second reading and here at great length, but it's been well explained by the Member for Edmonton-Jasper Place and by my colleague from Calgary-Forest Lawn that the people were not upset about MLAs having pensions. Everybody in the work force today that has a reasonable job should have a reasonable salary and a reasonable pension.

Having worked in the private sector and in my own private business for some years in a general store – while working at the power company I was able to pay into a pension plan. When I came to the Legislature, Mr. Chairman, of course that pension plan was in abeyance. I could have it or they would keep it or whatever arrangement could best be worked out. So with a five-year leave of absence from the power company, I was able to negotiate that I get the pension plan plus the company share, and I can self-administer that plan. It was much easier than them handling it because they had no way that I could keep paying into it. Having a pension plan with the Legislature, I felt it was the best way to administer it.

I introduced a Bill, Mr. Chairman, in 1990, 1991, and in 1992 when I found it incredibly out of line for taxpayers to have to pay backbenchers of the government of the day pensions while they're at the same time working on committees and drawing their salaries. I would point to the Member for Whitecourt, who in 1986-87 drew \$11,734 and in 1987-1988 drew \$14,093. In '88-89 that same member drew \$14,297 and in 1989-90, the year he went back into cabinet, drew \$550. That's according to the public accounts of the Alberta Legislature. That was a total of \$40,679. That same member held a cheque for the seniors of Grande Cache for some \$26,000 for two months while they had to get an overdraft to pay the bills in that community and then flew up in a government plane with staff to deliver it some months later. I've heard from the seniors what they think about this member and his sticking his nose into another riding.

**9:50**

Mr. Chairman, in the 1992 Budget Address on April 13, one year and 28 days ago, on page 24 it was read that changes [will also be] made to the MLA pension plan. Pension contributions by MLAs will be increased by 33%. Former Cabinet Ministers and other elected officials will not be allowed, in the future, to receive Alberta pensions while still sitting in the Legislative Assembly or holding a government appointment.

Well, that hasn't stopped, Mr. Chairman. Almost \$100,000 of taxpayers' money has slipped into the pockets of back-bench MLAs. It's an incredible thing, something that does not happen in other provinces and something that should never have happened in this province.

Last week we released a figure showing . . .

#### **Point of Order Improper Inferences**

MR. GOGO: A point of order, Mr. Chairman.

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

MR. GOGO: Mr. Chairman, I'm extremely reluctant to rise in my place with the hon. Member for West Yellowhead speaking, but he's made several allegations, one by inference, to the hon. Member for Whitecourt. He just made another about government backbenchers, if I'm quoting him accurately – if not, I can wait

for the Blues – slipping \$100,000 into their pockets. Mr. Chairman, that's clearly not the language that . . .

MR. McINNIS: Citation?

MR. GOGO: Well, 23(i), hon. Member for Edmonton-Jasper Place, if you'd care to look. We don't need that kind of stuff. If the cabinet or this government has authorized certain payments, then surely, Mr. Chairman, the Auditor General sits in judgment of that, and to have that kind of language coming from that member about another hon. member clearly – clearly – is unacceptable.

MR. DOYLE: Mr. Chairman, if the truth hurts, it's too bad. It's just too bad that the truth hurts some of you guys that have ripped off the taxpayers in this province.

MR. DEPUTY CHAIRMAN: Order. [interjections] Order. [interjections] Order, hon. member. Do you have any comments with respect to the purported point of order?

MR. DOYLE: That's it, Mr. Chairman. Those are the truths. Those are the records from the library and from the public accounts of this province.

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

MR. DEPUTY CHAIRMAN: Thank you, hon. member. Order please. I was about to interrupt you myself to cite a different Standing Order. That would be Standing Order 62(1), with regard to debate and speeches in the Committee of the Whole, and I would draw your attention to Standing Order 62(2): "Speeches in committees of the whole Assembly must be strictly relevant to the item or section under consideration." While you have cited a number of examples to reinforce your argument, they are really not "strictly relevant to the item or section under consideration." I would urge you, for the benefit of all members and for the quality of debate, to subscribe to the Standing Order I just referenced.

#### **Debate Continued**

MR. DOYLE: Thank you, Mr. Chairman. In order to become relevant to this debate, then, I would like to move the following amendment. I would like this Bill hereby amended as follows.

#### **Point of Order Amendments**

MR. GOGO: Mr. Chairman, a point of order, please.

MR. DEPUTY CHAIRMAN: Yes. Lethbridge-West on a point of order.

MR. GOGO: Mr. Chairman, I wonder if hon. members could be in receipt of a proposed amendment before the hon. member speaks to it.

MR. DEPUTY CHAIRMAN: Thank you, hon. member. The amendments are being distributed.

MR. DOYLE: Thank you, Mr. Chairman.

MR. DEPUTY CHAIRMAN: If you wouldn't mind just giving the pages time to distribute the amendments, then we'll have you carry on. This will just take a second.

All right; I think we're 99 percent there, and as you draw breath, I'm sure it will be 100 percent there. West Yellowhead.

### Debate Continued

MR. DOYLE: Thank you, Mr. Chairman. I'd like to move the following amendment. The Bill is hereby amended as follows: A, section 32 as it amends section 17, is amended by adding before proposed subsection (3) the following:

(3.1) Where the application of subsection (3) has resulted in payments having been made between March 20, 1989 and plan closure, the recipient is liable to and shall repay to the plan a sum equal to the amount of such payments plus interest.

MR. DEPUTY CHAIRMAN: Hon. member, I would now again, just to make it easier on all concerned, re-reference Standing Order 62(2) and then remind you that your comments from here on in must be strictly relevant to the amendment you've just proposed.

MR. DOYLE: I intend my comments to be with this amendment, because this amendment deals with the double-dipping, Mr. Chairman. It deals strictly with double-dipping, because it's a point that the taxpayers around this province are fed up with, sick and tired of, and wanted to end many years ago. But the government, even though it had promised to do it, did not do it.

Mr. Chairman, I was about to say that the New Democrats recently released some papers on pensions and double-dipping, reporting that 93 percent or more of the \$33 million of the pension benefits that will be paid to retiring MLAs will have to be paid directly by the taxpayers. On double-dipping, I would like to remind the Assembly that the Member for Taber-Warner has already drawn some \$96,600 out of the pension plan since 1987. This means that all his contributions will be drawn out within the next seven months. That particular member, according to figures recently produced, has paid in \$137,852 and will go on a pension of \$71,270 a year. He'll be using the pension money that he has put into that plan, plus interest, within seven months, and he'll be on the dole of the taxpayers from now until eternity for him. There are many other members that are on the same practice, and I just wanted to bring that to the attention of the Legislature. I would wait to see what other members have to say about this amendment.

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

HON. MEMBERS: Question.

MR. DEPUTY CHAIRMAN: All those in favour of the amendment proposed by the hon. Member for West Yellowhead, please say aye.

SOME HON. MEMBERS: Aye.

MR. DEPUTY CHAIRMAN: Those opposed, say no.

SOME HON. MEMBERS: No.

MR. DEPUTY CHAIRMAN: The amendment is defeated.

[Several members rose calling for a division. The division bell was rung]

10:00

[Eight minutes having elapsed, the Assembly divided]

For the motion:

Dickson	Hawkesworth	McInnis
Doyle	Laing, M.	Mitchell
Fox	MacDonald	Pashak
Gibeault		

Against the motion:

Black	Hyland	Severtson
Brassard	Kowalski	Shrake
Calahasen	Laing, B.	Stewart
Cardinal	Lund	Tannas
Clegg	McFarland	Thurber
Dinning	Mirosh	Trynchy
Drobot	Moore	Weiss
Elliott	Musgrove	Woloshyn
Fischer	Schumacher	

Totals:	For - 10	Against - 26
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[Motion on amendment lost]

MR. FOX: Sir, on a procedural motion.

MR. DEPUTY CHAIRMAN: Vegreville.

MR. FOX: I would move, Mr. Chairman, that on any subsequent standing votes held in committee this evening, the period of time between the bell ringing be shortened from eight minutes to one.

MR. DEPUTY CHAIRMAN: Those in favour?

HON. MEMBERS: Agreed.

MR. DEPUTY CHAIRMAN: Carried. So ordered.  
The Member for Calgary-Mountain View.

MR. HAWKESWORTH: Well, thank you, Mr. Chairman. I'd like to move an amendment to Bill 66: parts A, B, and C. I believe all hon. members have received a copy of it at their desk.

Part A amends section 8 of Bill 66, and in so doing, it eliminates a loophole that would allow members to make a last-minute purchase of prior service under a previous pension plan. As the Bill is currently written, if members are eligible to purchase prior service, they have up until before the "plan closure." It would be changed by adding in its place instead the date "April 30th, 1993," a date past, so it would mean that had a member not made an application before April 30, they would now be ineligible. This would prevent a member now as we're in the final days, the final moments perhaps, final week of this Legislature. Members may, in fact, as we speak be making arrangements to purchase prior service under another plan and bring thereby themselves greater years of service under the MLA pension plan and boost the amount they would be eligible for upon their retirement or defeat. So amendment A to section 8 is being proposed to be changed in order to close that loophole.

10:10

The B section of the amendment is to change the age and service factor from age "55," which it is now, to "65," which means that members would have to have their age plus years of service as MLA add up to 65 rather than the current 55. This, Mr. Chairman, would make it more difficult for members to qualify immediately. They would have to wait a longer period of time before they would qualify under this legislation.

Thirdly, Mr. Chairman, clause C is to amend section 35. It addresses the cost of living adjustment clause in the MLA pension plan to bring the MLA pension plan more in line with Revenue Canada and the Income Tax Act and other legislation. My understanding is that the COLA clause, the cost of living adjustment clause, in other pension plans – 60 percent of the rate of inflation on an annual basis would be the adjustment made in other pension plans. What is proposed for the MLAs pension plan, as I understand it, is that the COLA percentage would be 75 percent of inflation. It's a much more generous rate for MLAs than exists for other pension plans, and it's my contention and the contention of the New Democrat caucus that this loophole ought to be closed as well and that the MLA pension plan be brought more in line with other pension plans in the public service.

HON. MEMBERS: Question.

MR. DEPUTY CHAIRMAN: I hear the call for the question on the amendment as proposed by the Member for Calgary-Mountain View on behalf of the Member for Edmonton-Strathcona. All those in favour of the amendment, please say aye.

SOME HON. MEMBERS: Aye.

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

SOME HON. MEMBERS: No.

MR. DEPUTY CHAIRMAN: The amendment is defeated. A division, and the one-minute rule is in effect, as previously agreed to by the committee.

[Several members rose calling for a division. The division bell was rung]

[One minute having elapsed, the Assembly divided]

For the motion:

Dickson	Hawkesworth	McInnis
Fox	Laing, M.	Mitchell
Gibeault	MacDonald	Pashak

Against the motion:

Black	Hyland	Severtson
Bogle	Kowalski	Shrake
Brassard	Laing, B.	Stewart
Calahasen	Lund	Tannas
Cardinal	McFarland	Thurber
Clegg	Mirosh	Trynchy
Dinning	Moore	Weiss
Drobot	Musgrove	Woloshyn
Fischer	Schumacher	

Totals:	For – 9	Against – 26
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[Motion on amendment lost]

MR. DEPUTY CHAIRMAN: The Member for Vegreville.

MR. FOX: Thank you, Mr. Chairman. I would just observe in this adjourned debate in committee that we on this side have done our very best to amend this Bill, to make some significant changes. In the first instance an amendment was proposed by the hon. Member for Edmonton-Strathcona that would have dealt very

effectively with the issue of retroactivity. It would have ensured that the benefits that accrued to members under the existing MLAs Pension Plan Act, that is extinguished by Bill 66, would be fair and reasonable and based on terms and conditions in place when all of us were elected in 1989. I regret that that amendment didn't pass. There was a subsequent amendment by the Member for West Yellowhead, dealing with the specific issue of double-dipping. That also failed to receive the endorsement of government members of the House. Then a very important series of amendments was placed before the House by the hon. Member for Calgary-Mountain View on behalf of the Member for Edmonton-Strathcona, dealing with the issue of prior service and the age at which pension eligibility occurs, whether it be 55 in the existing Act or 65 as we were recommending, as well as an important section dealing with the cost of living allowance that has been applied traditionally to the MLAs pension plan to make it line up with the rules that are in place for the public-sector pension plan Acts.

Mr. Chairman, I regret that these amendments didn't pass, but let the record show that we did our best to convince the government of the merits of our position and arguments, and they in the majority voted us down.

MR. DEPUTY CHAIRMAN: Any further discussion on Bill 66? The Member for Highwood.

10:20

MR. TANNAS: Thank you, Mr. Chairman. I've enjoyed the simulation of virtue and goodness as offered by nether regions on this topic and the putting forth of amendments, some of them not dissimilar to a Bill that was in this House not so very long ago which, question after question during question period, they assailed from every angle. We have been treated to attacks on the notion of living allowance for people who live at some distance from this building. That came under great attack. The idea of severance pay and so on and pensions . . . Now that a very clear and decisive action has been taken on the pension plans, we see all kinds of movement in a backward way. The question is: what do you really want?

MR. DEPUTY CHAIRMAN: The Member for Calgary-Buffalo.

MR. DICKSON: Thank you, Mr. Chairman. I want to express my concern and regret on behalf of the Liberal caucus that after the stages this Assembly has gone through in dealing with Bill 66, (No. 2), we're still left with a Bill that is fundamentally badly flawed, a Bill that still does not address the demands and the concerns that Albertans have, a Bill that in effect addresses straw men and bogus issues, issues that aren't of tremendous concern to ordinary Albertans. It inadequately deals with retiring members who are getting pensions which by any standard are excessive. At the other end, by eliminating all pensions for members in the future, it represents a kind of ineffective and unresponsive kind of action, sir, that we've come to expect from this government.

I simply indicate, Mr. Chairman, on behalf of the Liberal caucus our disappointment that members opposite have not listened to what Albertans have been saying loudly and clearly and consistently. They want fair treatment for MLAs in the future in terms of a modest pension. They want dramatic action in terms of scaling back excessive pension benefits which retiring members will still receive under Bill 66. I still assert, sir, that what Albertans want to see is a self-funded, defined contribution plan similar to that set out in the Liberal Bill introduced some days back.

Thank you, Mr. Chairman.

MR. KOWALSKI: Mr. Chairman, now that we've dealt with the Bill, I would like to thank all members in all parts of the House for the contributions and the forceful arguments they have made with respect to this matter. It's been a most interesting debate and a most worthwhile debate.

MR. DEPUTY CHAIRMAN: Is the committee ready, then, for the question as to the title and preamble of the Bill?

[Title and preamble agreed to]

MR. DEPUTY CHAIRMAN: On the Bill as amended, does the committee agree?

SOME HON. MEMBERS: Agreed.

MR. DEPUTY CHAIRMAN: Opposed?

SOME HON. MEMBERS: No.

[Several members rose calling for a division. The division bell was rung]

[One minute having elapsed, the Assembly divided]

For the motion:

Black	Fischer	Musgrove
Bogle	Hyland	Schumacher
Brassard	Kowalski	Shrake
Calahasen	Laing, B.	Stewart
Cardinal	Lund	Tannas
Clegg	McFarland	Thurber
Dinning	Mirosh	Trynchy
Drobot	Moore	Woloshyn

Against the motion:

Dickson	Hawkesworth	McInnis
Fox	Laing, M.	Mitchell
Gibeault	MacDonald	Pashak

Totals: For - 24 Against - 9

[The sections of Bill 66 as amended agreed to]

MR. KOWALSKI: Mr. Chairman, I move that Bill 66 as amended be reported. May I thank you, sir, for the judicious manner in which you have conducted the activities of the committee this evening.

MR. DEPUTY CHAIRMAN: Thank you, kind sir.

[Motion carried]

MR. KOWALSKI: I believe, Mr. Chairman, it's probably in order that we move that the committee do now rise and report progress.

[Motion carried]

[Mr. Speaker in the Chair]

MR. MAIN: Mr. Speaker, the Committee of the Whole has had under consideration certain Bills. The committee reports Bill 68 with some amendments, and we report Bill 66. I will table copies of all the amendments considered by the Committee of the Whole on this date for the official records of the Assembly.

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

HON. MEMBERS: Agreed.

MR. SPEAKER: Opposed? Carried.

**10:30**

MR. KOWALSKI: Mr. Speaker, the Assembly has conducted a significant amount of public business today.

Mr. Speaker, I might point out that the business of the government tomorrow afternoon will be, first of all, to deal with third reading of Bill 66, some time on second reading of Bill 67, and if there's time, we would be going into Committee of Supply to begin discussion of capital fund estimates.

[At 10:31 p.m. the Assembly adjourned to Wednesday at 2:30 p.m.]