

Legislative Assembly of Alberta

Title: **Tuesday, September 21, 1993**

1:30 p.m.

Date: 93/09/21

[Mr. Speaker in the Chair]

head: **Prayers**

MR. SPEAKER: Let us pray.

Dear God, author of all wisdom, knowledge, and understanding, we ask Thy guidance in order that truth and justice may prevail in all our judgments.

Amen.

head: **Presenting Petitions**

MR. SEVERTSON: Mr. Speaker, it is my pleasure to table for the benefit of this Assembly a petition with over 11,000 names on it. The signatures are in support of a Bill that I introduced in this Assembly last May, then known as Bill 365. Bill 365 proposed to improve the access to adoption records for adult adoptees, birth parents, and their families while providing for the establishment of a contact veto for people who do not wish to be reunited. I've introduced a similar Bill this session, Bill 208, which will be tabled in this Assembly in the coming weeks. The petition was circulated throughout the province by members of Parent Finders, TriAd, and other adoptee and birth parent groups from around the province. I would like to thank them for their hard work in getting over 11,000 signatures in support of my Bill.

Thank you.

head: **Notices of Motions**

MR. DAY: Mr. Speaker, I'm moving that the written questions appearing on today's Order Paper stand and retain their places with the exception of the following: written questions 146, 158, 200, and 201.

Mr. Speaker, I'm also moving that motions for returns appearing on today's Order Paper stand and retain their places with the exception of the following: motions for returns 164, 165, 166, 181, 192, 195, and 204.

head: **Introduction of Guests**

MR. SPEAKER: The hon. minister without portfolio responsible for the Health Planning Secretariat.

MRS. MIROSH: Thank you, Mr. Speaker. I'd like to introduce to you and through you to members of the Assembly a group of wonderful seniors: the Centennial seniors group, who are members of the 285 Legion. This group of seniors has a number of voluntary fund-raisers for our community. They're seated in the members' gallery. I would like the group, who number 45, to rise and receive the warm welcome of this Assembly.

MR. SEVERTSON: Mr. Speaker, it's my pleasure to introduce to you and through you to the members of the Assembly two representatives of the Parent Finders organization. They were instrumental in circulating a petition that I tabled earlier this afternoon before this Assembly. Their names are Joan Barth and Richard Miller. They are seated in the members' gallery. I would ask them to rise and receive the warm welcome of the Assembly.

MR. KIRKLAND: Mr. Speaker, it gives me pleasure to introduce to you and through you to the Assembly two residents of Beaumont, members of the Edmonton Real Estate Board, that are

constituents of mine and are in the members' gallery this afternoon to watch the proceedings: Randy and Sheila Vissers. I would ask them to rise and receive the warm welcome of the Assembly.

head: **Ministerial Statements**

MR. SPEAKER: The hon. Minister of Family and Social Services.

Access to Adoption Information

MR. CARDINAL: Thank you, Mr. Speaker. In my new direction for child welfare I stated my commitment to change. In keeping with that commitment, I am announcing that my department will conduct a broad-based public consultation on the postadoption registry. This is in response to issues raised by private member's Bill 208 and to thousands of requests from Albertans directly involved in postadoption search and reunion.

In order to ensure that the best services are available, we will be asking Albertans for their views on what information people involved in postadoption searches should have access to. Bill 208 proposes a number of changes to the way we share adoption information. These changes will be a focal point of the consultations, as will changes to adoption information systems made in other jurisdictions such as Australia and New Zealand.

Mr. Speaker, officials from my department will be holding 21 public meetings at various sites around the province. The first of these will be in Grande Prairie on October 7, with a final one in Fort McMurray on November 29. Albertans may also make written submissions to the postadoption registry between now and December 10.

Mr. Speaker, this consultation is the first step in a process of change that I am initiating for our child welfare system. I am open to input from Albertans throughout the whole process.

Thank you.

MR. SPEAKER: The hon. deputy leader.

MRS. HEWES: Thank you, Mr. Speaker. I want to thank the minister and welcome this initiative that we have been waiting for for some time. I recognize that it's in response to the demonstrated desires of many Albertans and certainly to the Bill that has been put forward from the Member for Innisfail-Sylvan Lake and the Member for Edmonton-Manning. These Bills are very similar. I also want to thank Parent Finders and the other organizations and associations that have worked very hard in this regard over the years.

It's time we had legislation that will allow for the reunion of adoptive parents and adoptees and natural parents, legislation that will protect the confidentiality where there has been agreement of the parties. Mr. Speaker, as I am an adoptive parent and an adoptive grandparent, as I expect many in this House are, and having gone through that at the stage when the information was not available, I know firsthand the joy and excitement that I have, that our son has, and his natural mother has at being able to effect a reunion.

Mr. Speaker, finally, I hope that the government will see fit either to take Bill 208 or Bill 224 as a government Bill and put this legislation in place as soon as possible.

head: **Oral Question Period**

Children's Advocate

MRS. HEWES: Mr. Speaker, for some time now we on this side of the House have questioned and expressed concern over the lack

of authority, respect, and reporting mechanisms given to the office of the Children's Advocate. This has been emphasized by the recent very frightening indictment of this government in the advocate's report regarding children in need in Alberta. The fact that the advocate has now publicly expressed his frustration and anger over the government's refusal to print additional copies illustrates the lack of clout the advocate has with the government. My questions are to the Premier. Mr. Premier, Albertans clearly want and need to see the report and are willing to pay for it. Will the Premier now instruct the Minister of Family and Social Services to order a second printing as was promised in this House on September 8?

1:40

MR. KLEIN: Mr. Speaker, I think that is a question that more appropriately should be directed to the Minister of Family and Social Services, and I'll ask him to respond.

MR. SPEAKER: The hon. Minister of Family and Social Services.

MR. CARDINAL: Thank you very much, Mr. Speaker. I just want to advise the hon. member that we did print 1,200 copies. The whole process of the review cost over a quarter million dollars. The terms of reference of course that were in place were developed prior to my appointment as minister. We have to also advise the member that the Children's Advocate had full authority to determine how many copies were required in Alberta. With his experience and knowledge in the area of child welfare and their needs I believe that I would have supported the printing of 2,000 copies originally if that was the recommendation of the Children's Advocate.

MRS. HEWES: Mr. Speaker, that's a cop-out. People want the report and are willing to pay for it. We might even make some money on it. They need the information.

Mr. Speaker, in both his annual report and the child welfare review that I just illustrated, the advocate points out very real problems and resistance in the reporting mechanisms between his office and the minister's. Will the Premier now agree to amend the legislation of this House so that the advocate will report directly to the Legislative Assembly, not through the minister?

MR. KLEIN: Well, Mr. Speaker, it's well known that all agencies, boards, commissions, authorities, and so on are under review now. Part of that review is indeed the mandate for reporting to government, and I'll take the hon. member's suggestion under advisement.

Thank you.

MR. SPEAKER: Final supplemental.

MRS. HEWES: Thank you, Mr. Speaker. I think that would be an excellent move on the part of the Premier.

Will the Premier, then, not only ensure that the recommendations of this report are implemented but that the independence and authority of this office are secure? It's clear, Mr. Premier, that this very essential office and function, to protect children, is in danger.

MR. KLEIN: Mr. Speaker, this government believes completely in the mandate of the Children's Advocate. Indeed we had no fear of the advocate launching the report or doing his investigation, coming out with the recommendations he came out with. I

think that the hon. minister has indicated previously that we are willing to accept and act upon his recommendations, and I will have him supplement.

MR. SPEAKER: Hon. minister.

MR. CARDINAL: Thank you very much, Mr. Speaker. Yes, we have met. In fact, prior to the completion of the report I did meet with the Children's Advocate a number of times advising him to make sure that when the recommendations are provided for change, we prioritize those recommendations, and that will happen in the very near future.

I want to advise the hon. member, though, that Alberta is a province that cares for children, Mr. Speaker. We spend \$249 million in child welfare services. I feel this government cares for children, and we will continue to do so.

MR. SPEAKER: The hon. Member for Edmonton-McClung, the Opposition House Leader.

Health Care System

MR. MITCHELL: Thank you, Mr. Speaker. Over the past weekend both the Premier and his minister without portfolio commented publicly that health care user fees are under serious consideration by this government. Can the Premier tell us what research, what studies, or what plain old hunches he is using to justify his support for health care user fees?

MR. KLEIN: Mr. Speaker, I've stated on many occasions that user fees, a simple fee of \$2 or \$5 or \$7, perhaps might be one of a number of countless solutions that might be found to resolve the rising cost of health care. What I'm saying is that we should perhaps in concert with the federal government and Premiers throughout this country look at economic instruments that might be used to cut down on abuse and overuse of the system.

MR. MITCHELL: Can the Premier explain how health care user fees could possibly be construed to be anything more than an insidious sales tax on health care services?

MR. KLEIN: I have to reiterate again, Mr. Speaker, that we're not talking about user fees per se. I'm saying that there should be an examination of economic instruments that might be available. By the way, I have talked to Liberal Premiers from New Brunswick, from Nova Scotia, from Prince Edward Island, from Newfoundland, and from Quebec . . .

AN HON. MEMBER: Liberals everywhere.

MR. KLEIN: Liberals everywhere, right.

. . . who all agree that some kind of an economic instrument has to be developed, that there have to be reasonable amendments to the Canada Health Act to allow the provinces to deal with abuse and overuse of the system.

MR. MITCHELL: So now we have a new euphemism: taxes aren't taxes any longer; they're economic instruments. Very interesting, Mr. Speaker.

Why will the Premier not lay this issue to rest once and for all by acknowledging that health care user fees discriminate against the elderly, they discriminate against families with children, and they discriminate directly against the chronically ill?

MR. KLEIN: Mr. Speaker, the hon. member had every opportunity to participate in the roundtable on health. Virtually everything is on the table for consideration. That's what the roundtable process is all about. I would invite him to participate as future roundtables take place throughout the province to find out what the people think is proper in terms of cutting down on abuse and overuse of the system.

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

MR. SAPERS: Thank you, Mr. Speaker. People are losing their jobs while this government is hiding behind its roundtables. The directionless, across-the-board cuts mandated by this government have caused the panicked closure of hospital beds, the reduction of services, and the laying off of hundreds of health care workers. My question for the Minister of Health: now that the minister has forced these extensive bed closures and so many layoffs, what assurances can the minister give this Assembly that the remnants of our provincial health care system will be able to meet the demands of sick and injured Albertans?

MRS. McCLELLAN: Mr. Speaker, there is absolutely no indication that sick and injured Albertans are not receiving health care in this province today. Now, I have, I think, taken great pains to explain the changes that are occurring in our system. We are going through a process of roundtables in this province to talk about the long-term restructuring, but it is clear that the acute care system is changing. We have people on day surgeries, ambulatory care. Procedures have changed. Procedures that at one time would require two to three weeks in a hospital now are being done on a day service. So the requirements have changed in the acute system. As I said earlier, the indications that I have are that waiting lists are indeed decreasing, not increasing, and that people in this province have access today to quality health services in Alberta.

MR. SAPERS: Mr. Speaker, why has the minister failed to implement a proper labour force adjustment plan that might well see nurses and other workers redeployed in a way that would actually save jobs and help contain health care costs?

MRS. McCLELLAN: Mr. Speaker, part of the discussion in roundtables is on the restructuring and the opportunities for retraining. I think the question would be quite properly put to the Minister of Labour. I'm sure that he would want to comment on work force strategies.

MR. SPEAKER: Does the Minister of Labour wish to augment the answer?

MR. DAY: Just quickly, Mr. Speaker. I can say with some optimism and enthusiasm that we've had some good discussions with different representatives of labour and of employers in terms of sitting down and looking at work force adjustment programs. We're doing that, and we're hoping for good things to come from that.

MR. SAPERS: We're all hoping.

To the Premier: why are nurses and other health care workers being forced to personally bear the brunt of the cost of years and years of bad decisions and overspending by Conservative governments?

1:50

MR. KLEIN: Mr. Speaker . . .

MR. MITCHELL: Come on, Ralph; give us an answer.

MR. KLEIN: No. How do you provide an answer? It is very, very difficult, Mr. Speaker, to provide intelligent answers to stupid questions.

MR. SPEAKER: The Chair feels that a better characterization of the question could possibly be an ill-thought-out question or something of that nature.

MR. KLEIN: Mr. Speaker, silly questions.

MR. SPEAKER: The hon. Member for Highwood.

Family and Community Support Services

MR. TANNAS: Thank you, Mr. Speaker. My questions today are to the Minister of Family and Social Services. The Alberta family and community support services program is a model for preventative social services and is recognized as such all across North America. The minister's department provides modest but vital funds to communities large and small in urban and rural Alberta. So my question is: as we are now in the ninth month of the annual budget of local programs, would the minister advise this Assembly of the projected program funding levels for the FCSS program in the 1993-94 year?

MR. SPEAKER: Hon. minister.

MR. CARDINAL: Thank you, Mr. Speaker. I just want to advise this Assembly that I think we're the only jurisdiction in Canada that has a program such as FCSS, family and community support services.

Our budget for that particular program during the '93-94 budget year is \$37 million. Funding is provided to over 300 communities, and funding since 1981-82 has increased by 300 percent. The funding criteria for cost sharing has not changed. The province still provides 80 percent of the dollars, while local jurisdictions provide 20 percent, Mr. Speaker. The authority is at the local level as far as design and implementation of programs.

MR. SPEAKER: Supplemental question.

MR. TANNAS: Thank you, Mr. Speaker. Well, what does the minister intend to do with the communities who've been on the wait list for a considerable time now? When will they be able to join the program?

MR. CARDINAL: Mr. Speaker, it's part of the plan of the three-year welfare strategy to look at additional dollars in the high-needs area. I advised this Assembly before that the high-needs area in this particular budget year has been increased by \$28 million, and a portion of that of course is providing the opportunity for the additional 28 new communities to participate in this process. Of course, it is going to take a bit of time to go through the process of initiating a number of these communities because the 20 percent portion is at the local level, and the local municipalities will have to have the opportunity to review the proposed packages for their municipalities because there is a cost to them.

MR. SPEAKER: Final supplemental.

MR. TANNAS: Thank you, Mr. Speaker. Well, this begs the question then: what is the minister and his department doing with

the 1991 family and community support services review? They had a number of recommendations. What recommendations are you prepared to act on?

MR. CARDINAL: Mr. Speaker, part of the overall process of providing additional programs and services to the high-needs area of Albertans I have implemented; in fact, most of the 34 or so recommendations by the Tannas review. Only a few, I believe four, of the recommendations from that review created financial implications for municipalities. Those few areas will be taken back to the municipalities for review, and they will prioritize as to which programs they need in their areas.

Thank you.

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

Municipal Financing Corporation

MR. WICKMAN: Thank you, Mr. Speaker. In the provincial budget the Premier talks up a storm about a working relationship with municipalities. To the Premier: given this new approach, why did the Premier allow his government to reduce the municipal debenture interest rate program by 40 percent without even consulting with the affected municipalities?

MR. KLEIN: Well, Mr. Speaker, we have a perfectly capable minister who would be delighted to answer that question.

DR. WEST: The municipal interest rebate program is one where we took the force of the province's borrowing power and put it in place for municipalities across the province who were borrowing at high interest rates. We put the force of the borrowing power to buy down their loans, so if they borrowed at 14 percent, we'd buy them down to 12 and a half percent. We did make a decision that because we were spending \$44 million out of the general revenue fund, that would have to contribute to fiscal management also.

We have had extensive consultation since we announced the 40 percent decrease and have come to an equitable formula, albeit not all parties are in agreement, as of about four days ago as to the disbursement of a hundred million dollars of surplus that was accumulated over the period of time and is now distributed back to those municipalities to offset the impact of that 40 percent reduction in this year and give them time to make their plans and their policies for the next year, because we will be looking again to the fiscal responsibility in our budgets of that program.

MR. WICKMAN: Mr. Speaker, let me try this then. To the Provincial Treasurer. The decision that the Minister of Municipal Affairs refers to of September 14, the AMFC board of directors making a decision to distribute the \$100 million and retain surpluses: is the Provincial Treasurer prepared to share with this House and with the municipalities the full details of that decision?

MR. DINNING: Yes, Mr. Speaker, I am. The Municipal Financing Corporation, remember, was established quite some time ago in order to use the province's fiscal might to be able to support schools, universities, municipalities, hospitals, MDs, and IDs across this province, to use that fiscal might to borrow at a lower cost than they might if they went out onto the market by themselves. So over that period of time, in the last number of years, \$100 million in surplus has been generated because of good, efficient, responsible borrowing and lending by that corporation. As a result, it declared a dividend of some \$100 million this year. The board of directors of that corporation decided this past week

that some \$38 million would be paid out on a cash basis, and another \$62 million would be used to write down the cost of debt above 12 percent down to the level of 12 percent so as to assist those municipalities and others in the days ahead so that they will have reduced borrowing costs as a result of this action. So I believe a \$100 million benefit flowing not just back to cities or schools or hospitals but flowing back directly to taxpayers in this province is a responsible action that this government and this Municipal Financing Corporation has taken in the last few days.

MR. WICKMAN: Mr. Speaker, again to the Provincial Treasurer: given the experience in last year's budget when we saw a hundred million dollars from the Alberta Municipal Financing Corporation surplus siphoned into general revenues, what assurances do the municipalities have that they will benefit by the full \$100 million surplus this year, including that \$62 million write-down in the interest that you referred to?

MR. DINNING: Mr. Speaker, I know my colleague the Minister of Municipal Affairs will want to supplement, but let me make it perfectly clear that all \$100 million will flow to the benefit of Alberta's municipalities, our hospitals, our universities and colleges, and our schools. Let me be more specific. A total of \$73.7 million will flow to Alberta cities, 5 and a half million dollars to our towns, and the rest to the counties, MDs, IDs, special areas: almost a total \$85 million benefit to municipal taxpayers. For the hospital side it's nearly \$120,000, for universities and colleges it's nearly \$160,000, and for schools it's over \$15 million in benefits that will flow directly back to the taxpayers who support those municipalities, school boards, and universities across this province, a considerable benefit, using the Municipal Financing Corporation, using the assets of this province, that flows directly to taxpayers in this province.

2:00

DR. WEST: Mr. Speaker, supplemental information. The \$200 million that was previously disbursed from the surpluses of this program was given out to stimulate local construction and development within the municipalities, but I know as I stand here today that several of the major municipalities in this province made large sum deposits, hundreds of millions if you add them up, payments against their Municipal Financing Corporation debentures to buy down their debt. That money was used this year. So if I was to go and add up the \$200 million and start taking it across this province, many of the municipalities rather than putting it into what we had said, job creation or that, bought the debt down.

MR. SPEAKER: The hon. Member for Vegreville-Viking.

Electric Utility Rates

MR. STELMACH: Thank you, Mr. Speaker. My question is to the Minister of Energy. My constituents are concerned over the impact on electrical rates from adding new facilities to the Alberta electrical grid. One such facility is the second unit of Genesee 1, which I understand is currently being considered for inclusion in the rate base. Could the minister assure me that Albertans will not be required to foot the bill for facilities which are built before – and I say “before” – they are needed?

MRS. BLACK: Mr. Speaker, the Public Utilities Board in the province of Alberta is responsible for overseeing the costs of both the private utilities in setting rates and Edmonton Power for its

costs, which are included in the EEMA formula. In 1988 the EEMA regulations were amended to ensure that the Public Utilities Board could have full hearings before any costs could be included in the EEMA shared costs, which were then passed on to the consumers. The purpose of the hearing is to ensure the appropriateness of the cost.

It would be inappropriate for me to comment on a hearing that is taking place, or actually started yesterday, as the Genesee costs are before the Public Utilities Board starting this week. I would like to say, Mr. Speaker, that the process is designed to ensure that the costs are justified and that the facilities are required before they are in fact included in the EEMA rate base.

MR. SPEAKER: Supplemental question?

MR. STELMACH: No, thank you.

MR. SPEAKER: The hon. Member for Fort McMurray.

Fort McMurray Gravel Pit

MR. GERMAIN: Thank you again, Mr. Speaker. [some applause] I never get as much applause as some of the members from Calgary, but I am doing my best. [applause] It proves again what I've known all along: I'm struggling for survival in a hostile land. [interjections] I want to know if this anecdote time cuts into my question time.

Mr. Speaker, thank you again for all your assistance in refereeing my questions.

The government, Mr. Speaker, runs a successful gravel pit near Fort McMurray, Alberta. It earns millions and millions of dollars for the provincial government. My question today to the minister of environment: can he tell the House why his department moved over the weekend to privatize this gravel pit?

MR. EVANS: I'm sure I won't be as eloquent as the member opposite in my response to his question or in my preamble to my response, Mr. Speaker.

As the hon. member is certainly aware, the gravel pit that he is talking about has been operated by our department for a pretty substantial period of time. We have tried in the past to privatize it on the basis that there are economic opportunities available for Albertans all over this province, including in the hon. member's constituency. We want to privatize as much as possible, Mr. Speaker. That's in keeping with government philosophy, with government policy, and in point of fact that's exactly what is happening in that gravel pit.

MR. SPEAKER: Supplemental question.

MR. GERMAIN: Thank you, Mr. Speaker. As you know, a butcher in a butcher shop won't let a customer weigh their own hamburger. My question to the minister of environment, then, is: why would you allow the gravel customers, honourable as they are, to weigh their own gravel for the calculation of royalties?

MR. EVANS: Well, the hon. member and all members of this House are well aware that Environmental Protection does have a very substantial regulatory requirement or regulatory opportunity in the province of Alberta. We don't feel in Environmental Protection that we have to have a policeman on every corner. We certainly understand that industries and free enterprise in Alberta want to do the right thing. We have to be there, Mr. Speaker, to ensure that industry does the right thing. We will continue to

regulate. We will continue to review what is going on at that gravel pit to ensure that industry and the hon. member's constituents are operating in an aboveboard, bona fide manner.

MR. SPEAKER: Final supplemental.

MR. GERMAIN: Thank you, Mr. Speaker. I hung on the minister's words "economic opportunities" in his first answer. This change will increase by about 50 percent the royalty and scale fees for this operation. Is this 50 percent simply a sales tax on Fort McMurray gravel users?

MR. EVANS: Briefly, Mr. Speaker, I'd have to review the figures the hon. member is referring to. I certainly don't have in front of me the specifics of the amount of royalties that will be garnered. We certainly operate in a reasonable manner, and we want to encourage private enterprise by our royalty regime, not discourage.

MR. SPEAKER: The hon. Member for Calgary-Varsity, followed by Edmonton-Strathcona.

Disclosure of Executive Salaries

MR. SMITH: Thank you, Mr. Speaker. To the Premier. Mr. Premier, public scrutiny is to government what competition is to the marketplace. In light of the Premier's recent statements regarding the need for public disclosure of executive salaries of agencies, boards, and commissions, what mechanism will the Premier use to ensure that this disclosure occurs quickly and widely throughout these boards and agencies?

MR. SPEAKER: The hon. the Premier.

MR. KLEIN: Thank you, Mr. Speaker. It's my understanding that the hon. Provincial Treasurer will be introducing an amendment this afternoon, I believe, to the Financial Administration Act that will put into law a requirement that these salaries be made public and reported to government.

MR. SPEAKER: Supplemental question.

MR. SMITH: Thank you, Mr. Speaker. Can the Premier, then, give us a time frame for compliance by these agencies, boards, and commissions?

MR. KLEIN: Certainly, Mr. Speaker, it will be in this fiscal year, and it will come into effect and into force as soon as the amendments are passed.

MR. SPEAKER: Final supplemental?

The hon. Member for Edmonton-Strathcona.

Vencap Equities Alberta Ltd.

MR. ZARIWNY: Thank you, Mr. Speaker. In May 1992 Pacific Linen of Seattle, Washington, purchased a hundred percent controlling interest in Folkstone linen, a Calgary-based company. Pacific Linen opened up two stores in Edmonton, and further stores are on the drawing board for the rest of Alberta. Vencap purchased shares in Pacific Linen, once again forcing our small businesses to compete against tax-funded American business ventures. My question is to the Minister of Economic Development and Tourism. Can he explain to the Legislative Assembly why Vencap in May of 1992 purchased \$850,000 worth of shares in Pacific Linen?

2:10

MR. KOWALSKI: Mr. Speaker, no, I cannot answer that question because I simply don't know. Vencap is an agency that is created hands off from the government of Alberta. It can appear before the Alberta heritage savings trust fund standing select committee of this particular Assembly. I would very much encourage the chairman of the Select Standing Committee on the Alberta Heritage Savings Trust Fund Act to subpoena before it the president and the chairman of the board of Vencap, and the hon. member will be in a good position to directly ask that hands-off organization why it's done it. Please remember, as well, that there are shareholders associated with Vencap, and it's run hands off from the government of Alberta.

MR. ZARIWNY: I have another question for the minister in the same vein. Can he explain to this House why Vencap would purchase an additional \$1.5 million worth of shares in Pacific Linen in October of 1992?

MR. KOWALSKI: Mr. Speaker, the answer to the second question is exactly the same as the first. There is an Act of this parliament which sets up Vencap. Vencap is an independent organization that operates under its own legislation. There is provision for the select standing committee of this Assembly to subpoena the president and the chairman of the board of Vencap to appear before it. I would welcome such a subpoena, and I would welcome this all-party committee of this Legislature to ask any and all questions of the principals associated with this company.

MR. ZARIWNY: Perhaps the minister, then, can answer this question regarding policy. Can the minister explain how the government can claim it supports small businesses in Alberta when Vencap's \$2.35 million investment in Pacific Linen is undercutting small business, a family-owned towel business in my own constituency of Edmonton-Strathcona?

MR. KOWALSKI: Mr. Speaker, I want to repeat again just so that there's absolutely no misunderstanding in the mind of the hon. member or anyone else. Legislation dealing with Vencap was passed in this parliament, in this Legislative Assembly. Modifications have been made in terms of how the legislation dealing with Vencap has been dealt with, including allowing Vencap to invest in businesses not only in the province of Alberta but outside the province. I know the hon. member is new to this Assembly, but in the past modifications have been made to that legislation. The hon. member, in doing some research, may very well find out that members of his own party were supportive of changes in the amendments to the legislation that allowed Vencap to do what it is doing in 1993.

Now, I repeat again: I would welcome Vencap appearing in this Assembly before the select standing committee of the Alberta heritage savings trust fund. It's a committee made up of not only Conservative members but Liberal members, Mr. Speaker, and I would welcome them to discuss Vencap with the greatest degree of intensity and scrutiny that they can possibly find.

MR. SPEAKER: The hon. Member for Innisfail-Sylvan Lake, followed by Calgary-North West.

Access to Adoption Information

MR. SEVERTSON: Thank you, Mr. Speaker. I've been working with a number of groups across the province to change the laws

governing access to adoption records in Alberta. On behalf of them, I would like to applaud the announcement by the Minister of Family and Social Services of the upcoming public hearings on the reforms of the adoption record legislation. This issue touches Albertans in all corners of this province. In that spirit, I hope that every Albertan will have a fair opportunity to present at these hearings. Could the minister inform myself and this Assembly of the dates and locations of all the public hearings?

MR. SPEAKER: The hon. Minister of Family and Social Services.

MR. CARDINAL: Thank you, Mr. Speaker. I won't take the time to announce all the 20 or so locations, but I am pleased to say that this formal process will commence immediately. The first meeting is scheduled for Grande Prairie on October 7, followed by Barrhead on October 12, and Edmonton on October 13. The rest of the dates and times and schedules will be advertised in newspapers, and I would hope that Albertans would keep their eyes open and attend these meetings.

MR. SPEAKER: Supplemental question.

MR. SEVERTSON: Thank you, Mr. Speaker. My second question involves the outcome of this meeting. What are the terms for immediate change in the rules governing access to adoptions? What will they do from the outcome of this?

MR. CARDINAL: Thank you. Mr. Speaker, I can advise the hon. member that all aspects of the adoption registry are open to discussion at these meetings. Currently both adoptive parents, for example, and the child are registered. Then both parties are put in touch with each other. That is the existing process we have in place. At the moment 20 to 25 reunions are arranged each month through the registry, with over 18,000 active applications on file. We want to hear from citizens affected by adoption as to what change they would like to see us make in this government. We also need to deal with legal issues of changing this registry.

MR. SPEAKER: Final supplemental.

MR. SEVERTSON: Yes, Mr. Speaker. Could the minister inform the House of the makeup of this committee?

MR. WHITE: Point of order, Mr. Speaker.

MR. CARDINAL: Mr. Speaker, the committee will be made up of course of members from the community and my departmental officials and also organizations such as TriAd, which is the society for truth in adoptions.

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

Consumers Paper Corp.

MR. BRUSEKER: Thank you, Mr. Speaker. In May of 1990 this government offered a \$15 million loan guarantee to Consumers Paper Corp. to facilitate the building of a tissue recycling plant and in addition a \$500,000 grant. This year's budget allocates that that \$500,000 grant will be issued this year. My question is to the Minister of Economic Development and Tourism. Since the government claims they want to get out of the business of being in business, can the minister please inform the House why they are still going ahead with this loan guarantee and grant?

MR. KOWALSKI: Mr. Speaker, what the hon. member has said is all correct in the premise of his question, but I would like to inform the hon. member and all members of the House that this whole commitment – and I would use the word commitment in quotation marks – is currently under review by this minister, and no dollars have been advanced to Consumers Paper Corp.

MR. BRUSEKER: I'm pleased to hear it's under review, Mr. Speaker.

My supplementary question to the minister is this: is the minister aware that the parent corporation, according to documents filed with the Securities and Exchange Commission in Washington, D.C. – and I'll have four copies for the House – has at June 30, 1993, a 4 and a quarter million dollar deficit and cannot provide assurance that a commercially viable manufacturing facility would be the result?

MR. KOWALSKI: Mr. Speaker, I could not and would never be in a position to confirm the authenticity of the statements provided by the hon. member, but I would repeat what I said a little earlier: this whole project and this whole, quote, commitment is currently under review.

MR. SPEAKER: Final supplemental.

MR. BRUSEKER: Thank you. My final supplemental then: since it's under review is the minister aware – and why is he doing it if he is aware? – that the equity being put forward by the corporation is only \$4 million, and the government's proposing to put in almost four times that amount themselves?

MR. KOWALSKI: Mr. Speaker, for the third time: this minister has this project under review.

MR. KLEIN: I wouldn't mind supplementing this answer if I can, if you'll allow me. I just find it very strange that the Liberals would be questioning this particular project since the leader of the Liberal Party is quoted in the *Medicine Hat News*:

A Decore Liberal government will honor a \$15 million provincial loan guarantee to Consumers Paper, he said during a stop in Redcliff.

What is your concern? [interjections]

MR. SPEAKER: Order. Order please. [interjections] Time is flying, hon. members. [interjections] Order please. The time is flying for question period.

The hon. Member for Wainwright.

Day Care System

MR. FISCHER: Thank you, Mr. Speaker. My question is to the Minister of Family and Social Services. Alberta has a very large, well-funded, and well-regulated day care system. Some provinces have very expensive day cares with long waiting lists. Our private babysitters and parents in many rural areas in Alberta are frustrated with what they feel is overregulation that is driving up the costs. Could the minister inform the House of the current funding policy of our day care here in Alberta?

MR. SPEAKER: The hon. Minister of Family and Social Services.

2:20

MR. CARDINAL: Thank you, Mr. Speaker. I'd just like to advise this Assembly that in Alberta my budget for the day care program is over \$70 million. We are providing allowances to 644

licensed centres, providing over 32,000 spaces. One half of the budget goes towards operating allowances, and the other 50 percent goes towards subsidizing lower income Albertans that want to utilize day care services. I'd like to also advise the Assembly that in Alberta we have the most available spaces per capita and also the second lowest rates for day care in Canada.

MR. FISCHER: Could the minister advise the House, then, about the impact of the new day care manual he's got out?

MR. SPEAKER: The hon. minister.

MR. CARDINAL: Yes, Mr. Speaker. The manual came into force in January of this year. Of course, most of you are no doubt aware that it is a manual that was reviewed by a parent committee. To date we have received 289 complaints, which are investigated under the new policy. If a parent submits a written complaint about a licensed day care, information is provided in writing back to the person that complained.

MR. FISCHER: What happens to private babysitters when they are reported to be caring for a large number of children and they need a licence for that number?

MR. CARDINAL: Mr. Speaker, under the provisions of the Social Care Facilities Licensing Act and day care regulations any person who cares for more than three children in addition to their own requires a licence. In the case of a family day home a contract is required. They must be a regular babysitting resource that operates for over four hours a day for a week at a time. We are not talking casual babysitting arrangements but about child care businesses. There are over 2,800 approved day homes in Alberta, which provide child care in a family environment.

MR. SPEAKER: The hon. Member for St. Albert.

Mobile-home Financing

MR. BRACKO: Thank you, Mr. Speaker. The mobile-home insurance program provided Albertans with an affordable alternative to conventional homes by providing a 15 percent down payment and a 15-year mortgage for the purchase of manufactured homes. The cancellation of the program effective September 30 this year will leave manufactured-home owners with little chance to resell their homes. To the minister responsible for Municipal Affairs: how do you expect owners of manufactured homes to sell their homes when the banks, who have enjoyed the security of the program, are unlikely to make any changes of policy on such short notice?

DR. WEST: Mr. Speaker, I'll take the question backwards. We have been in discussion on this for nearly two years, so the banks had indication as early as a year and a half ago that perhaps a change might come, although the decision wasn't made. It was put off and then started again to have a discussion.

Let's make no mistake here. This is a loan guarantee. We have guaranteed some \$134 million worth of mobile-home properties in this province, and that's in force today. It's consistent with where we're going in the future, and we don't want to increase the contingent liability to the province any further. As well, we have made commitments that I've heard from the other side: that we shouldn't be in the loan guarantee industry. Consistent with that policy, we are moving on into the future.

To supplement that again, we have 6 to 10 percent interest. I'm sure they can get certain variances in there. If you analyze that low interest rate against the cost of the mobile homes, I'm sure the banks will mitigate something between 15 percent down deposit and upwards of 25. The purchaser will still be better off with paying less for the mobile home, less interest, and a shorter term to pay it off.

MR. BRACKO: Has the government considered what it's going to do when the claims start coming in for the 6,000 homes currently insured under the program because their value has dropped?

DR. WEST: Mr. Speaker, I think that the hon. member has an economist in his midst over there, that perhaps he could explain some economics. With the low interest rates and, as I say, the type of loan that the banks are looking at in mortgages today, I'm sure the individuals involved in this program that still have the loan guarantee against those 6,000 properties – we are not removing that; we are just not making new ones – will fare fairly well. We haven't had any recall to this date on this program.

MR. SPEAKER: Final supplemental.

MR. BRACKO: Thank you, Mr. Speaker. Will the minister extend the program for at least six months so that an alternative program can be found in the private sector?

DR. WEST: Mr. Speaker, we don't make decisions like this just off the cuff. We have done some exhaustive research into this program, and the individual stands here and asks if I would make a decision here on the floor of the Legislative Assembly. That would be irresponsible, and I ask the individual if that's the way they're going to make decisions in their caucus. Then, God help us if they ever took power in this province.

MR. SPEAKER: The hon. Member for Calgary-Egmont.

Senior Citizens Roundtable

MR. HERARD: Thank you, Mr. Speaker. A number of seniors in my constituency are asking for information with respect to the seniors' roundtable held last weekend in Red Deer. Apparently the media provided little, in fact very little, in the way of coverage for that important seniors' event. My question to the hon. Minister of Community Development is: would you update this House and the seniors of this province as to the consensus that was achieved at the seniors' roundtable in Red Deer last weekend?

MR. SPEAKER: The hon. Minister of Community Development.

MR. MAR: Thank you, Mr. Speaker. I'm pleased to report that the chairman of the roundtable on seniors' programs, Mrs. Bowker, declared that the roundtable was a success, and I must concur with her opinion and her declaration. The results of that roundtable are currently being tabulated by Mrs. Bowker, and a report is being prepared by her. I must say that I was very favourably impressed with the flexibility and the creativity demonstrated by seniors with respect to an examination of their programs, and I'll be looking forward to receipt of Mrs. Bowker's report.

MR. SPEAKER: Supplemental question.

MR. HERARD: Yes. To the minister: how will you communicate the contents of this report to all seniors in this province once you get it, sir?

MR. MAR: Mr. Speaker, as the hon. member indicated earlier, there was not a great deal of media coverage on this, and I would hope that there should be further media coverage regarding the results that were achieved at the roundtable. In my opinion, the media relies on controversy to report on, and there being no controversy, I must come to the conclusion that we've done a very quiet and competent job.

MR. SPEAKER: The hon. Member for Edmonton-Centre.

Student Fees

MR. HENRY: Thank you, Mr. Speaker. Schools in this province are having to take on more and more responsibility for services provided for children that have historically in our province been provided by other agencies. This has placed an increasing financial burden on those school boards who are looking for more and more dollars to address these needs. A recent example, of course, is the Calgary school division and their review of the busing fees for students. I'd like to ask the Minister of Education what specific steps he's going to take to make sure that children from low-income, working-parent families are not adversely affected by the increase in busing fees in Calgary.

MR. JONSON: Mr. Speaker, as I have indicated previously in answer to similar questions, the school boards of this province set their policies with respect to busing and with respect to school fees. Those policies, to my knowledge and in the cases that have come to my attention, provide for exemptions or allowances for students in this type of situation. I would like to emphasize, Mr. Speaker, that no student in the province who is eligible to go to school is being denied an education.

2:30

MR. HENRY: Mr. Speaker, there are several school boards – and the minister is aware of one in southern Alberta – that have refused any fee waivers for parents. I'd like to know if the minister is willing to provide extra funds to that school board so indeed they can afford to provide school waivers for their children who can't afford the fees.

MR. JONSON: Mr. Speaker, the school boards of this province through Alberta Education's budget, which as I have indicated before is one of three departments of the government which has received an increase this year, have received a considerable amount of money, something in the neighbourhood of \$1.9 billion. Part of that Education budget is about \$1.6 billion which flows directly to school boards. As I said before, there's been an increase there. We have provided an additional \$30 million in equity funding for the school boards of the province which have less than average per pupil assessment. It is my view that the school boards of the province have been very reasonably treated this year.

MR. HENRY: Mr. Speaker, the minister knows very well the per pupil grant has not increased in this province in the last year, and in fact there have been cutbacks in some special grants. I'd like to ask the minister: in light of the fact that they're increasing fees around the province for busing and for school fees and for books, et cetera, is the minister willing to adopt some sort of policy that would place a limit on these fees, or are we just going to see the fees rise and rise and rise?

MR. JONSON: Mr. Speaker, school fees have been part of the school system in Alberta for some time, and I'm sure that the

school boards of the province will be considering their policies and their fee schedules with an eye on the needs of their local populace and their students when they're setting this range of fees.

head: **Members' Statements**

MR. SPEAKER: The hon. Member for Edmonton-Centre.

Condominium Conversions

MR. HENRY: Again, thank you, Mr. Speaker. My riding is very unique in this province because a majority of residents in my riding live in rental accommodation. Of the people living in Edmonton-Centre, 88 percent live in rental accommodation, mostly in walk-ups and high rises. This compares to 62 percent for the provincial average.

There have been many new developments in downtown Edmonton over the past few years, including the city centre campus of Grant MacEwan College. In addition, there has been little new construction in the rental market in my riding. However, in my riding there have been a number of conversions of rental accommodation into condominiums. Most often when a developer condominiumizes an apartment building, the existing tenants are given the right of first refusal on purchasing their unit.

This sounds fine in theory, but in reality many of those who live in such suites have limited income and have difficulty raising the down payment and obtaining financing. If the renter doesn't exercise the option to purchase, they have the unit sold from underneath them. This has resulted in many long-term renters, sometimes over 20 years or more, receiving 90 days' notice to vacate. Some of those affected are senior citizens. We need to look at the situation and look at options that provide some protection for people but at the same time recognize the rights of the developer.

In addition, with the CMHC program of 5 percent down payment there are some concerns that we have a lot of new condominiums coming on the market and we're overmortgaging and we have an oversupply situation. This could have implications on federal government guarantees in the future.

There is no easy solution, Mr. Speaker, but by raising the matter in the Assembly I hope that I've raised the government's awareness that we do have a problem of rapid condominiumization in Edmonton-Centre and, I suspect, in other jurisdictions as well. I'd ask the government to review the situation and consider how we as legislators can address this problem that faces many of Alberta's pioneers.

Thank you.

MR. SPEAKER: The hon. Member for Red Deer-South.

Student Loans

MR. DOERKSEN: Thank you, Mr. Speaker. Twenty-three percent of students default on their student loans. The '93-94 budget estimates expect \$19.3 million in loan losses. That's an increase of \$10 million, double that of the previous year's estimates. This is a reflection of an attitude which clamours for rights and privileges but accepts little responsibility or obligation. As I said in my response to the throne speech, we simply must shift the focus from individual rights to individual responsibility.

Mr. Speaker, students enter into postsecondary education with no guarantee of success. That is the risk the student takes. Repayment of any loan obligation incurred during that time is not optional. Let me suggest that we begin asking students for a bigger investment on their part up front with more of our assistance provided at the end upon completion. It does not take

a superb grasp of the obvious to understand that the more one puts into something, the more he or she will work in order to ensure a return. Until you have something at stake, you have little motivation to succeed.

Mr. Speaker, the majority of students in Alberta work extremely hard at their studies. They work diligently to finance their education, often living frugally to make ends meet. They accept that challenge because they know that education is an investment in their future. Let's not let the minority who are along for the free ride cheapen that investment.

MR. SPEAKER: The hon. Member for Fort McMurray.

Foreclosures

MR. GERMAIN: Thank you very much, Mr. Speaker. [interjections] Thank you.

MR. SPEAKER: Order please. You don't want to impose on the member's time too much here.

MR. GERMAIN: Yes. I appreciate that advice to the House, Mr. Speaker.

There is a serious area of concern in rural Alberta that affects residents in Fort McMurray and affects farmers in Grande Prairie and in Peace River, and that is the issue of the tragedy that befalls some people in our society when due to economic reasons they are forced to go to court because they are going to lose their home or their farm in a foreclosure. Now, years ago during the Depression the legislators of this province in their infinite wisdom made it clear that a man's home or his farm is his castle, and they put in a series of rules that would allow people to go to court and take their cap in hand and beg for the relief of the court, beg for the opportunity to stay on their farm to get this year's crop off, beg for the opportunity to stay in their home until the school year was finished to assist their children.

Now, we have a network of courthouses and court systems and judicial districts that flow through this province all the way from the furthest north to the deepest south. However, Mr. Speaker, because the plaintiff, the person who is trying to evict the farmer, the person who is trying to throw the mother out on the street, because that person has the right to choose where that court case starts, it is possible for a homeowner in Fort McMurray to lose their home in a proceeding occurring in Lethbridge, and it is possible for a farmer in Lethbridge to be foreclosed in Peace River.

I feel very strongly that we should move as an Assembly, Mr. Speaker, to protect those in our province who are less fortunate than perhaps we are and to encourage, if we can, wherever we can, this House to try and level that playing field.

Thank you, Mr. Speaker.

Point of Order

Oral Question Period Rules

MR. SPEAKER: The hon. Member for Edmonton-Mayfield on a point of order.

MR. WHITE: Thank you, Mr. Speaker. I rise under *Beauchesne* 409. The citing is paragraph 5 speaking of oral questions.

The matter ought to be of some urgency. There must be some present value in seeking the information during the Question Period rather than through the Order Paper or through correspondence with the Minister or the department.

Mr. Speaker, it's my submission to you that more than one of the questions put opposite would be commonly termed puffballs

or could be easily answered by a simple call to the ministry or the minister. Failing that, sir, that kind of information could be certainly passed on, if it was information that the House required, in a ministerial statement.

Thank you, sir.

MR. KOWALSKI: Mr. Speaker, 409(5) is very clear about the importance of question period, and the same would apply in all questions in the Assembly. Unfortunately, the hon. member in his attempt to raise a point of order has not cited any examples. It is clearly just expressing an opinion. That's all it is. There are no specific examples cited, no evidence provided to support his point of order. He's simply risen and quoted a section from *Beauchesne* 409(5). And by the way, he's quoted it very well but has provided no evidence to really support it. In much the same way I viewed the questions addressed to me this afternoon by two members from the Liberal opposition as being puffball questions. I'm sure the Member for Calgary-North West probably thought he did a great deal of research on it, but quite frankly there wasn't anything to it. [interjections]

2:40

MR. SPEAKER: Order please. [interjections] Order please. The procedure is for a person to make their point. The Chair respects what the hon. Government House Leader has said, but that only illustrates that we're all here to learn. The Chair would suggest to the hon. member that he will have an ample opportunity to make this point again, because people being people, there will be that opportunity.

The Chair appreciates the hon. Member for Edmonton-Mayfield for raising this general subject because the Chair wanted an opportunity to congratulate hon. members for processing 15 questions, leaving only three members on deck. So we did make progress today. By way of the Chair's observation of today's proceedings, we would have made 16 or 17 if some preambles on both sides of the House . . . The Chair was somewhat amused by the hon. Minister of Environmental Protection, who said that he was going to have a preamble to his answer. The Chair would observe that that really is not proper. I know hon. members are making a sincere effort to get their questions shorter, because it's obvious. I think there has to be a little more work done on the answers to be crisp and rippling. That's not said in any grouchy way. It's been an observation here that we should be trying to complete these lists, and it does take the co-operation of members on both sides to do that.

Some of the questions asked by government members today were a little discursive. The Chair appreciates what has been said, and the hon. member I'm sure will get another chance at this point of order.

Thank you.

head: **Orders of the Day**
 head: **Public Bills and Orders Other than**
 head: **Government Bills and Orders**
 head: **Second Reading**
Bill 203
Recall Act

[Adjourned debate September 15: Mrs. Burgener]

MR. SPEAKER: The hon. Member for Calgary-Currie.

MRS. BURGNER: Thank you, Mr. Speaker. I'm pleased to continue the debate on this issue. There is a perception out there that the elected representatives in Alberta and across Canada are

not listening to people and that people want accountability from their elected members. They haven't been able to trust their MLAs or their MPs to do the right thing. In fact, I believe one of the reasons many of us are sitting in this House today is because we want to change that negative perception. I think the people of Alberta did see a level of trust and accountability in us as we went around door-to-door last spring, but I believe that recall is an idea that does not fit into our parliamentary system, and indeed the legislation that has been brought before us does not fit into our parliamentary system.

Mr. Speaker, representative democracy utilizes a shopping cart method these days. There are so many factors facing each elector that it's nearly impossible for one candidate to perfectly represent all of one's views. You may, for example, like a PC idea on budget and tax reforms but disagree with some of their educational reforms. Our system allows you to select a package of policies and principles that best suits your interests. You vote for the person you feel will listen to you and represent your ideas and interests the best. I daresay that representative democracy is not perfect either, but it is the best system we have under the conditions we live in.

However, Mr. Speaker, this very selective approach underscores one of the significant flaws in this Bill. I speak to the issue of substance. This Bill consists of a number of details to develop the how-to of recall. It never comes close to identifying the why of recall. This is a significant omission. For example, each constituency may reflect a number of varying opinions on any given issue, let alone reaction to a critical one. This Bill fails to reflect the role of a constituency board of directors, even on partisan levels, which maintains an active role within the community and advises the member. It fails to recognize the importance of the nomination process in the selection of candidates in every party.

In addition, I take exception to the diminishing role this Bill places on the electorate. I believe this is a substantive flaw. I fear that failing to acknowledge the role of the active voter in the process of recall and leaving the balance of control of a duly elected member with the citizen who signs the petition is the tip of the iceberg with respect to the deterioration of the electoral process. I see a very similar analogy with respect to recall with that of the fourth-year student returning to high school. Allow me to explain. A fourth-year student, in spite of an appropriate opportunity at the taxpayers' expense to complete their grade 12 diploma due to any number of reasons, gets a further crack at high school without any penalty. With this legislation we are basically saying to the voters: "You don't have to worry about getting out to vote. If you don't like the results, you can always come back and do it again." I find it personally abhorrent that we are prepared to penalize a committed member of this Assembly duly elected by active, responsible citizens, but no thought has been given to penalizing those who fail to exercise their right to vote and, in fact, reward them for neglecting this precious right and obligation by giving them, at whim, a second kick at the cat. Such thinking is misplaced and in my opinion lacks moral leadership at this critical time in our history.

When we examine the issue of recall as we are doing today, each of us in this Legislature must reflect on what we consider our role as an MLA should be. I think it is important that I outline what my philosophy is as I contemplate my role as the MLA for Calgary-Currie. Mr. Speaker, I represent the views of the residents of Calgary-Currie. I listen, I discuss the issues with as many constituents as I can, and I take the results of these deliberations to the Legislature. This is what I was elected to do. As Members of the Legislative Assembly we must also take into account a more global view of issues. We are here to make decisions that will

affect all Alberta both in the short term and the long term. Just because I was elected within the lines drawn on a map does not limit my responsibility to making every decision based on that small area. I must also consider the effects of my decisions on the future of the entire province.

Mr. Speaker, our party system allows us to bring together views from our entire province. Our government caucus is a true representation of Alberta. We have representation from every region in the province – well, with exceptions – northern, southern, and central Alberta, plus a strong mix of urban and rural members. We have rookies such as myself, and we have experienced members who have a wealth of knowledge about governing the entire province and how issues may affect that region. There are minorities and native people within our caucus, and I believe this diversity within our caucus gives each of us a special insight into the needs of other regions and other groups of peoples.

Mr. Speaker, it is in caucus that I fight for the people of Calgary-Currie. I debate the needs of my constituents against the needs of other Calgarians. I discuss the effects of government policies with colleagues struggling under very different situations. On occasion the Calgary MLAs will band together and present a united front for issues that we know will affect Calgary. I listen to a united rural voice on issues of importance to that community. If the public could witness the informed caucus discussions that take place before issues come to this Assembly, I believe that many who are critical of their MLA would earn a new respect for how hardworking and dedicated the people are on both sides of this House. However, once our caucus makes a decision based on the best interests of the entire province, it is our responsibility as government to ensure that our decision is passed, just as it is the Liberal Party's role to offer alternatives based on the views of their constituents. After we debate the issues, which are public information through *Hansard*, the decision is ratified or defeated.

2:50

Mr. Speaker, my role as an MLA for Calgary-Currie then changes. It is my job to return to Calgary and to explain to my constituents why I supported each initiative and what the implications are for Calgary-Currie and the rest of the province. If a decision has a negative impact on my constituency, I must explain why it had to be done and then search for a way to minimize the impact. It seems to me that my role comes down to a single issue: effective communication. I effectively communicate the needs of Calgary-Currie to the Legislature and then explain the government affairs to my constituents so they understand the implications of these decisions. People become upset when they feel that their voice is not being heard and that government is not listening. I want to work hard so that my constituency will say that the voters of Calgary-Currie were heard and that although I may not have won every battle, I did listen and I took our case to the Legislature every time they asked me to. I must be free to do that with confidence, confidence in victory and confidence in defeat.

Mr. Speaker, we must find ways to eliminate the perception that government is the isolated entity that shields itself from reality all the time. Private citizens must see that government and opposition can work together on issues. I believe that many of the procedural changes implemented in this past few weeks will go a long way to accomplish this. There will be free votes on certain issues allowing MLAs to break with strict party discipline that we work under. The voting records of this House will show when an MLA votes for or against the government to represent the needs of the constituent.

Proponents of recall often look at the American system where votes are free of party discipline. They claim this is the reason

that recall is not often used. Our system is a long way from the American system of free votes, but now we do have the opportunity to register our disagreement officially in this House. It is a small step, but it is an important one.

I also know that the use of members' statements will allow the MLAs to register our constituents' views in this House. This is done in the House of Commons already, and I hope – actually I urge – that these two-minute statements will be used in a meaningful way by members on both sides of the House. Mr. Speaker, I believe it is initiatives such as these procedural changes that eliminate the need of recall. People must understand the system better and learn how to work with it.

One of the aspects of recall that concerns me is the potential abuse by powerful lobby groups and single-interest groups. As I mentioned earlier, I am here to govern effectively based on the needs of the entire province. If a well-organized, well-funded provincial group wants to harass me or force me to vote against the government, the threat of facing a recall petition could be used against me, and this has nothing to do with the views of my constituents. Mr. Speaker, I am concerned about the vulnerability of our Premier, our cabinet ministers, and the Leader of the Opposition as these people are under intense public scrutiny. As an MLA I may be unpopular for supporting a certain policy, but it is the Premier and the cabinet that are directly responsible for implementing these policies. Acting on our political will, special interest groups could use the threat of recall against these people and to a greater degree just because of their position, and this would be to the detriment of this Assembly.

The recall of hardworking MLAs should not be relegated to nothing more than a referendum on the current government's performance. That is the role for a general election. Mr. Speaker, there are other reforms in the parliamentary system that would be more effective than recall. I look at citizen initiative, where the government is bound to implement certain policies if supported by a petition of citizens. We've seen an example of that today. I know that if the residents of Calgary-Currie came to me with a petition of half the residents supporting a given policy, I would be hard pressed to ignore this type of support. Referendum is another reform like recall and citizens' initiative, and we have witnessed the strength of referendums across Canada on a number of issues.

Mr. Speaker, it is for these reasons that I do not support Bill 203. I do not agree with the implementation of recall because of the potential abuse of it. The reforms to our system, that people see recall as being the answer, can be achieved in a less costly, less disruptive way. We have started the reform process in this Assembly, and we should continue on those lines before any recall initiative is considered. Most importantly, I regret that this Bill is tied up with mechanics but offers no substance as to why an MLA should be recalled. This Bill diminishes the strength of the active citizen who takes their responsibility seriously and comes out to vote. I believe the people of Alberta are better served if each of us within this Assembly makes a commitment to communicate better with our constituents and be more effective in their role as an MLA. Being an MLA must be paramount to being a member of a political organization.

I thank you.

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

DR. MASSEY: Thank you, Mr. Speaker. I rise to speak in favour of the motion. The proposed recall Bill is worthy of the support of all the members of this Assembly, all those members interested in adding to the small steps that we've already taken in parliamentary reform.

This spring in a constituency door drop we surveyed 16,000 households in Edmonton-Mill Woods. The question we asked after an explanatory preamble was quite simple: do you favour being able to recall members of the Alberta Legislature? Amazingly, we received one, only one ballot that opposed such a move. The citizens of Edmonton-Mill Woods support recall.

Subsequent doorstep conversations following our survey reinforced just how popular the notion of having some control over elected representatives between elections really is. Of all the topics discussed, few besides health care and the budget drew as much interest as the subject of recall. People want changes in the way government operates. They are tired of feeling powerless. They resent the cynicism that they have been driven into. They see recall as a move that makes them an active part of the political process. Elector after elector praised the notion of recall, and a number of them asked to be kept informed of efforts to put recall legislation in place. Our action on this Bill is being closely watched in at least one constituency.

Admittedly, Mr. Speaker, our poll was not scientifically defensible, but researchably sound polls have been conducted by other organizations such as Gallup. The results are consistently in favour of recall by a 2 to 1 margin.

Recall has been called the gun at the head of politicians. It keeps them in tune with the public will. It is aimed at incumbents who are arrogant, disdainful of voters, and ignore the voters they serve. It is designed to ensure that those officeholders who would flagrantly abuse public office remain vulnerable between elections. Recall is based on the notion that voters should have control of elected officials at all times.

The notion of recall has its roots in ancient Athens. Citizens could vote to ostracize a politician, banishing that individual from a city-state for 10 years. The Swiss have long provided for removal of canton officials before their terms ended. Recall then as now is a measure designed to restore representative democracy and to render powerless those who would abuse the trust that the voters have placed in them. Our experience in Canada with recall is extremely limited; not so south of the border. In 1908 Oregon applied recall to all its elected officials. This was followed in 1911 by California and a number of other states. Today at least 21 states permit recall of all or most all of their elected officials. Another 15 states permit local recalls under certain conditions. It is estimated that over 4,000 to 5,000 local recall elections have been held, while several thousand more have failed to gain the needed signatures.

3:00

Recall has been used infrequently against state legislators. Only a few at that level have been removed from office. In 1987 the governor of Arizona would likely have been recalled if he had not been impeached. He was facing complaints that he had embarrassed his constituents with unacceptable statements about women and minorities. There were additional complaints concerning his lack of integrity and lack of leadership. There have been numerous attempts to recall governors and state officials. Most failed to gain the required number of electors' signatures. At least one governor has been recalled, and there have been recalls of state legislators in California, in Michigan, and in Oregon.

In our province we had a brief encounter with recall legislation under the Social Credit government. In 1935 Alberta became the first and the last Legislature to put recall into law. Recall had been a major plank in the election platform of William Aberhart, and the first use of the new Act was against Aberhart himself. Due to the manner in which he had been acclaimed to his seat rather than elected, he was subjected to a recall petition. Circum-

stances conspired against Aberhart, and if the Act had not been repealed in 1937, he likely would have been recalled.

There are some reservations about recall that have been used to try to prevent this kind of legislation from being enacted. It's charged that recall accents and increases political conflict. Certainly this is a weak argument. A more informed electorate is surely the result of the intense public debate around recall issues. It is also charged that it can be used in a reckless way to harm individuals and office holders' rights. Indeed, in 1979 it was used in Los Angeles to remove a school board president who had become identified with school busing for desegregation purposes. In another case in 1983 two Michigan state legislators were recalled because they had voted for a controversial tax hike. It is further charged that recall discourages talented people from seeking public office, and this is another dubious argument. Most talented individuals are not the meek candidates this proposition would portray them to be. It's alleged that recall turns independent legislators into weak legislators, afraid to make unpopular decisions. This is a very cynical argument, and the view of the politicians embedded in it really is an insult to those who serve in the best interests of their community.

[Mr. Deputy Speaker in the Chair]

I'm sure that these shortcomings will be dwelt upon by other speakers. However, it is generally concluded that the passing of recall legislation does not open the door to a rash of recall. Nearly 50 percent of started recalls never get to the ballot box stage. Voters have spurned trivial or mischievous recall efforts.

Past assessments of recall generally conclude that it leads to more responsible and more responsive government. The reasons for this include: recall makes elected officials accountable to the public between elections; it ensures that those who would be dishonest, renege on promises, or in any way abuse power are immediately subject to voter action. It's this immediacy that makes it so attractive to voters. Recall makes it more difficult for special interest groups to sponsor or capture an elected official. Politicians would pursue limited-support agendas at the risk of offending a majority and being removed from office. Groups on both sides of the abortion question, for example, would find it difficult to field a one-issue representative.

It is interesting to note that recall plays no favourites. It has not been adopted by any particular political philosophy. As many Liberals as Conservatives have been subjected to the process. Recall provides a relief of tensions that may arise. In the long run it helps keep the political system stable, diverting voters from taking more drastic actions. This notion of recall casts it as a safety valve. Recall encourages greater involvement in public affairs. Often frustrated by the actions of politicians, voters turn away from politics in disgust and a sense of powerlessness to control events in their lives. Knowing they can take action before the next election keeps them more attuned to political affairs.

An indication of how popular recall is with electors is given in the numbers that turn out at recall elections. Experience has been that higher numbers turn out for these special votes than for general elections. The reasons seem obvious. Recall generates vigorous debate and demands the attention of the entire community. Those who favour the recall and those opposed carry on heated campaigns, and there is a tapping into community emotions. The second reason is that the person subjected to recall works extremely hard to avoid the embarrassment and public humiliation that recall involves. No one wants to be removed from office prior to the normal election pattern. The result of all this activity is a high voter turnout at the polls.

Doorstep conversations during the election campaign left no doubt in my mind that the public yearns for a more responsive political system. Numbd by disappointment after disappointment in elected government, they have grown suspicious and alienated from their representatives. This recall Bill is an important step in restoring confidence in our political system, and I strongly urge its passage.

Thank you, Mr. Speaker.

MR. DEPUTY SPEAKER: Medicine Hat.

MR. RENNEN: Thank you, Mr. Speaker. I rise this afternoon to speak against Bill 203, the Recall Act, sponsored by the Member for Calgary-Buffalo. [interjection] I can speak against it; can't I?

Mr. Speaker, I'm well aware of the Liberal Party's support for implementation of some sort of procedure. They outlined it very well in their pre-election campaign, and I think the people of Alberta had an opportunity to judge what they thought of the Liberal pre-election campaign platform, and they stated it very well on June 15. Quite honestly, some of the parliamentary reforms that the Liberals have proposed have been quite good, some of them not so good.

It's easy to support a recall initiative when you're an opposition member. You can portray yourself as the champion for the little guy, fighting the mean, insensitive government. It's easy to get on the news and be visible to your constituents.

Mr. Speaker, the comments of the Member for Calgary-Currie are quite appropriate in this debate. We all must look at our role as an MLA and work to do the best we can for our constituency, but sometimes we are also stewards for the province of Alberta. Sometimes to sacrifice the needs of a single region for the benefit of the entire province, we must agree with proposals brought forward by the government. I do not agree that it's fair for a dedicated MLA to be punished over a single issue or decision.

Mr. Speaker, I would like to discuss some of the particulars of this Bill. I commend the Member for Calgary-Buffalo on the writing of the Bill. He has tried to prevent many pitfalls that exist in other attempts at recall legislation, but there are still concerns I have with Bill 203 as written. For example, I notice that as an MLA I could be subject to recall after only six months in my term but not after 42. Six months is not a long time, especially after the turmoil created by a general election. The challenges of setting up constituency offices and networks of communication can be difficult, especially where there are drastic changes in boundaries, as some of the members have experienced in this past election. I'm afraid that a six-month period is not long enough to allow an MLA to become comfortable in the role we take on. Life here at the Legislature is different from anything we have ever done before. I hope that one would not be punished for being a first-time MLA trying to learn as much as possible, as he or she can about the process of this House.

Another concern about the six-month period is the use of it by the opposition parties that lost an election. There is potential for abuse by the losing side, trying to force a second election before the organization drifts apart. I remember the days of the old, huge Lougheed majorities. Some people who supported Premier Lougheed would actually vote for the other parties just because they hoped for some form of opposition in the Legislature. Hindsight is 20/20, Mr. Speaker, and I'm afraid that if the recall procedure was taken over by partisan politics, the result would be worse than no recall being allowed at all.

3:10

The results of a by-election can often be influenced by the fact that the voters are well aware that their protest vote will not affect which party will be sitting on the government side following that by-election. Perhaps if this Bill goes beyond second reading into committee, this Assembly will debate the merits of a six-month amnesty against a slightly longer period. There are alternatives. Perhaps a year after the election or six months after the end of the first sitting are more appropriate times, Mr. Speaker. I trust that the Member for Calgary-Buffalo is open to such scrutiny if this Bill is debated at committee stage.

Mr. Speaker, I also have concern about the 42-month limit. It's impractical to attempt such a limit in Canada's system of floating election dates. Normally an election is called shortly after the fourth year of the term, but there are circumstances that change that. In 1989, for example, the election was called in just after three years. If there had been a recall vote held in 1988, it would have been at tremendous expense to the taxpayers of Alberta but with little effect. They would have had a general election less than a year later. If recall is to be considered in Alberta, it must be accompanied by key reforms to the entire Alberta parliamentary system. Fixed election dates would have to be considered to offer some consistency in the use of recall. Fixed elections do have their pitfalls also, but if citizens wish to recall their member, they should know the date of the next election and give it consideration before they proceed.

I would also question why there is no mention of a filing fee or deposit with the recall petition. The Chief Electoral Officer is obligated at great cost if a recall petition is approved, but there is no financial obligation to the electors calling for the petition, other than the cost of printing the petition itself. I do not expect that the committee of electors would be expected to pay the entire cost of the petition process, but there should be some financial commitment on their part. In the United States both Alaska and Kansas require a modest filing fee of \$100. I think that a nonrefundable deposit of at least \$250 would be appropriate given the possible ramifications of this process. It would show commitment by the group calling for the petition and offset at least some of the administrative costs of the petition. Mr. Speaker, Alberta's first attempt at recall in 1936 required a nonrefundable deposit of \$250. That was an enormous amount of money back then, but a group trying to recall Premier Aberhart was able to raise it. I'm sure that any group that has the support for a recall petition could easily raise this modest filing fee without being a burden on its supporters. If they can't, how can the application for a petition be considered legitimate?

Mr. Speaker, one of the biggest problems with Bill 203 is the petition of recall itself. It is the fundamental ingredient in the whole package, and it's flawed in itself. The Bill requires 40 percent of electors to sign the petition for recall. I understand this is the highest number required in all the United States. Some states are as low as 10 percent, with the average being about 25 percent. This number should be at least 50 percent in my opinion. Much of our system is based upon the premise that the majority rules. If we implement recall, we are going to judge a person's performance after he has made a four-year commitment to representing these people, after the people have given him a four-year-term commitment to represent them. If this commitment is to be broken by a simple yes or no question, then I feel it must be with the support of at least the majority of the people. Anything less has to be considered an insult to the democratic process.

One clause in Bill 203 is almost laughable. Section 16(2) states that once the petition is filed with the Chief Electoral Officer and

the signatures are counted, the people circulating the petition can get a second chance. If they only obtained 85 percent of the required signatures, they are given an additional five days to gain enough signatures to put them over the top. This is ridiculous, Mr. Speaker. The Bill requires the Chief Electoral Officer to inform the group of the number of signatures needed when the application is approved. Once again the Liberals want to take the responsibility away from the people and place it in the hands of the government. We must remember that this process does not simply change a policy in a book somewhere. It can drastically affect one person's life. To trivialize this process by giving the petitioners an extra five days only works in favour of well-funded interest groups brought in to organize such a signature drive.

Mr. Speaker, I must also question the methods of obtaining signatures. We have all walked into a restaurant or store and witnessed a petition sitting on a counter to attract support. Many people sign these petitions without any regard for what they're signing. This Bill requires any person who circulates the petition to sign an affidavit deposing that the signature was signed in their presence, that the signature is genuine, that the elector resides in the constituency and is eligible to vote, and that the date is correct.

The Bill states that there is no limit to the number of copies of the petition that may be circulated, so there is no limit to the number of people accountable for their signatures on the petition. I must ask the following question: does every citizen who takes this petition to his workplace and to his neighbours have to include an affidavit? That's how the Bill reads. Every person is responsible for every signature on that piece of paper. Again there is no accountability for the people circulating the petition. If the affidavit is signed and included with each page of signatures, then any false statements should be considered as fraudulent. If this process is to be followed, then the Bill must include specific penalties to deal with such fraudulent acts.

As you can see, Mr. Speaker, there are a great number of concerns I have with Bill 203. I have touched on the ones that I feel are most dangerous but I see many more in the Bill. If there were one or two concerns that could be amended at a later stage, it might be possible for me to support this Bill, but this Bill has too many holes in it to be considered, and other changes to the parliamentary system must accompany this initiative. It is for these reasons that I do not support Bill 203, and I trust that members of the Assembly also will not give their support.

Thank you.

MR. DEPUTY SPEAKER: Lethbridge-East.

DR. NICOL: Thank you, Mr. Speaker. I rise to speak in favour of Bill 203 concerning recall. When one speaks of introducing recall to our parliamentary system, we must begin with the question: why consider recall? Members are elected to this Legislature to represent their constituents. They are here to carry their constituents' views into the policy process of the legislative system. Elected men and women begin with high hopes: they begin with the desire to represent their community, and they begin with the desire to improve the position of the province.

Once within the system the elected individuals sometimes become subject to new pressures. These pressures include party loyalty, they include special interest groups, and they include other publics which begin to reflect on their choice and their reactions. This influences their ability to respond to their constituents' views. In those instances when the views of the elected members deviate from the fundamental beliefs of the constituents, the likelihood exists that these will increase the strain on friendships, understandings, and associations of trust that were developed during the

election process. In those instances when the pressures cause the focus and attention of the elected member to diverge from the constituent's views and values, some mechanism or method must be available to return the focus of the member to the community.

During my campaigning in Lethbridge-East the most frequently brought up policy issue at the door was accountability. The constituents constantly referred to the opportunity of recall. They consistently referred to the opportunity to make their member accountable. We constantly heard that once elected, the member forgets the community. They only remember the community in the year prior to the next election, and then they begin to react and try to cover up their faults during the previous years. Accountability to the fundamental beliefs of the constituency must be basic. Accountability to the fundamental beliefs of the relationship between the individual and the community must be our top priority. The ever-increasing pace of activity, the ever-increasing change and development of our society has created an environment in which great pressures can be placed on the MLAs as they operate within the legislative system. It can put on great pressure and deviations to change and react to outside views.

3:20

With all of these influences and potentials for change some interim system must be put in place to ensure the continued focus of the member on local issues. Currently, we have only one mechanism within our system for formal accountability to the constituents; that is, the general election. In many cases the four- or five-year interval between these general elections is too long to ensure and maintain accountability. A more frequent system of accountability must be identified. More frequent elections can serve this function, but this process also increases cost and confusion in the legislative process. Recall provides us with this mechanism. The possibility of a continued evaluation of the performance of individuals encourages them to remain aware of their constituents' views; it encourages them to remain aware of their constituents' interests and to vote with those views and interests when they participate in the legislative system.

Having available a recall mechanism is one more of the direct ways of rebuilding trust in the constituents. Recall will transfer the elected member's accountability from the party to outside views and back to the legislative platform expressed by the MLA during the election process. This will return accountability to the constituency, as it should be.

One must always be careful when introducing mechanisms for constituent-driven accountability. The elected member must be protected from undue harassment, from threats of recall. This Bill provides those protections through selectivity and frequency restrictions and petition verification practices.

To be effective, recall must be supported with other mechanisms. In our changes to the Standing Orders we have introduced the idea of a free vote. Free votes reduce and eliminate pressure from the party to fall in line. Free votes allow members to respond to their constituents' views. This is necessary and is required for effective performance of constituent responsibilities.

The second associated mechanism is freedom of information. We have such legislation before this Legislature. Freedom of information keeps the constituents aware of the issues, the content of the discussion, and the total scope of the impact and implications of the issue and its side effects. Without full knowledge and access to government information, constituents can be misled by special interest groups. Full knowledge will reduce the potential incidents of unwarranted or nuisance recall threats.

When we combine these three possible changes in legislative activity, we basically create an environment where the constituents

can reclaim their trust in their MLA. They will not be in a position where they want to talk to the separation of responsibility between the constituent and the legislative process. I would like to ask all of the MLAs to work with us, to support this Bill, and to allow us an opportunity to maintain accountability to our electors.

Thank you.

MR. DEPUTY SPEAKER: Calgary-Shaw.

MR. HAVELOCK: Thank you, Mr. Speaker. [some applause] We'll see how you feel at the end.

Like my colleagues, Mr. Speaker, I recognize there are a number of difficulties associated with the principle of recall. It is perhaps a provision better suited to the American style of government. Nevertheless, it is important that we not simply dismiss the concept because it poses unique challenges to the parliamentary system of representative democracy. Further, through the implementation of free votes this House has dramatically altered the procedures under which its business is to be conducted. Such an initiative is consistent with the less restrictive party discipline exercised in the U.S. Congress. It is in this context that I believe recall in Alberta has been legitimized. The arguments against recall, while persuasive, are undermined by the U.S. experience. Members when voting on matters of national or state interest have not been subjected to numerous instances of recall. The situation seems to be the reverse where recall is the exception and a very rare one at that.

Conversely, Mr. Speaker, there are a number of benefits which accrue through the implementation of recall. It provides an alternative vehicle for the removal of members who fail to reflect the views of the electorate on major issues. Continual accountability is provided, thereby enhancing public participation and reducing voter alienation. Further, recall may serve to counter the influence of special interest groups by allowing the electorate to react when such groups exert political pressure. I have every confidence the electorate will utilize the recall provision sparingly and only when warranted.

[Mr. Speaker in the Chair]

Consequently and for the reasons previously given, I am prepared to support Bill 203 at second reading subject to a number of amendments being incorporated in committee. Briefly addressing some of my concerns, I find the six-month period set forth in section 21(2) to be inappropriate. It does not allow sufficient time for new members to familiarize themselves with House procedures. I believe it is fair to afford elected members sufficient opportunity to perform their responsibilities without threat of immediate recall. In addition and having regard to the pattern of elections being called approximately every four years, the 42-month provision is not workable. I would therefore suggest amending section 21(2) to reflect a period of 18 to 36 months.

I also find the 40 percent requirement for recall in section 2 to be unacceptable. It does not take into account the diversity and demographics and election results throughout the province. I suggest consideration be given to including a set percentage in excess of the total vote received for all candidates, excepting the percentage of votes garnered by the successful candidate. This would result in the threshold for recall better reflecting and varying with the results in each constituency. For example and assuming a 20 percent add-on percentage, in the riding of the hon. Member for Calgary-Buffalo where all the losing candidates accounted for 54 percent of the votes, signatures of 74 percent of

the electors would be required for recall. To emphasize, Mr. Speaker, the formula ensures that people are directly accountable and involved in the process.

To enhance the application of recall, there is one final amendment I would suggest. Only those electors who voted in the last general election should be entitled to exercise the right of recall. Quite simply, Mr. Speaker, if a voter didn't hire the MLA, that voter should not be entitled to fire the MLA. Such a restriction would encourage voters to participate in the general election and recognize such participation.

In conclusion, Mr. Speaker, I believe recall will enhance elected official accountability and reduce voter frustration. The U.S. experience has demonstrated that recall is primarily utilized where elected officials have ignored public opinion on controversial issues or are out of touch with issues of great importance to their constituents. While I do not anticipate a member of this House adopting such a foolish path, I believe recall will act as a disincentive to ensure such is not the case.

Thank you, Mr. Speaker.

MR. SPEAKER: Standing Order 8(2)(b) requires that we now move to Motions Other than Government Motions.

head: **Motions Other than Government Motions**

3:30 **Rural Development**

203. On behalf of Mr. Decore, Mrs. Hewes moved:

Be it resolved that the Legislative Assembly urge the government to demonstrate its commitment to promoting a revitalized rural Alberta economy through the following initiatives:

- (1) the immediate implementation of the recommendations of the local development initiative report produced by the Minister's Council on Local Development,
- (2) placing greater focus on the importance of small businesses in rural Alberta, including the removal of government interference in the private sector,
- (3) the creation of a coalition of western Premiers to work with the Prime Minister and leaders of farm organizations and agribusiness to find a solution to the international subsidy wars, and
- (4) the creation of a roundtable of stakeholders in the agricultural industry.

MR. SPEAKER: The hon. deputy opposition leader on behalf of the hon. Leader of the Opposition.

MRS. HEWES: Thank you, Mr. Speaker. Certainly that is the major goal of this particular motion: to revitalize rural Alberta, to stem the flow of rural depopulation. Another goal or a subgoal is to allow rural Alberta the opportunity to expand beyond traditional agriculture into manufacturing, processing, and service industries. It's clear that the infrastructure exists in rural Alberta to accomplish this and that rural Alberta has the potential to accommodate small business.

Mr. Speaker, if I may be permitted just a few comments about the history of this province. This province was settled based on a rural community structure that was consistent with the technologies and market structures of that day, but over the past 100 years adjustments have been made in many of these rural communities in line with swings in both economic and social changes ongoing. For the most part, these changes occurred very slowly, and adjustment was gradual in the sense of being reasonably compat-

ible with the majority of community members' plans and visions. However, during the past few years things have speeded up considerably. A series of events have occurred which have caused a major acceleration of this transition, an acceleration that has caused major problems. That adjustment is now no longer consistent with individual and community planning needs. We're seeing simultaneous changes take place in all of our communities: new technology in food production, in information transfer, in electronic highways, in computers, in fax machines, new technology in transportation and the movement of goods and services. We're seeing, in addition, incredible societal changes, changes in family life that have made a great deal of difference in our rural communities: changes in the role of women, changes in our acculturation, our life-style, our nutrition, our belief in different marketing techniques.

Economic conditions haven't facilitated this transition either, as the markets have turned against the individual agricultural producers and caused many to exit the business of farming. We have lost 9 percent of Alberta farms over the past 20 years alone, and that's left a serious situation of accumulated decline in rural communities. The disappearance of community business and other activities has eliminated or at least greatly reduced the opportunity and supplementary income sources for small farmers and the diversified or multi-skilled community residents. The end result, of course, is a major movement of persons out of the rural community and a severe strain on the financial and social resources of the remaining community members. The agricultural sector revolves around market-driven decisions and on agricultural technology changes. So the communities must begin to focus on opportunities that are not solely based on current agricultural production opportunities but must consider them in a much wider context.

Mr. Speaker, it is not the role of our provincial government, in my opinion, to enter the community to attempt to direct development initiatives, but the province indeed can work with communities to enhance their attractiveness as places which reinforce business and community initiatives. The objective here is to facilitate individuals or groups in establishing in these communities by making an attractive business environment, not maintaining or creating policies and programs which are detrimental to active development strategies. We need to mobilize the movers and shakers in our rural communities.

The local development initiatives report outlines a series of steps which follow this indirect support focus. The actions recommended include changing the government; facilitating information transfer; promoting development initiatives; support for the location of new industries and business; the development of neutral infrastructure, one that doesn't alter the competitive position of various community interests in a discriminatory way; technology adoption such as computer networking, fax and cellular telephone networking for contracting and project monitoring; the adoption of communication networks for meeting administration which support distance participation, the acceptance and use of teleconferences, discussions, establishing new methods of video and computer interfacing for information; and promotion of the concepts of decentralized services and support access, to say nothing of accessing new transportation networks and initiatives that are available.

Some of these programs have been adopted on a trial or ongoing basis, and successes vary. But the rural entrepreneur and the collective of entrepreneurs can only make their projects work if there is an acceptance of the changed structure from the centralized community. Home-based employment is increasing throughout Alberta and Canada, and the idea of daily commuting

to central offices may in fact be over for an increasing number of Albertans. All we need to do, I submit, is expand these options to include Albertans another tier away from the central, or core, work centres.

Financing for such activities need not be central either if legislation to allow for local development bonds or local venture capital pools can be expanded and soon. I acknowledge that this initiative was contained in the throne speech from His Honour the Honourable the Lieutenant Governor. I'm hopeful that it will be acted upon in the very near future.

Also, Mr. Speaker, the education systems can be adapted to encourage localized training and knowledge sharing, to encourage the promotion of ideas, and to develop local leadership and role model identification.

Mr. Speaker, through this motion from the Leader of the Official Opposition the government will be urged to take positive steps to create an environment that encourages local initiatives to develop local communities. In the end we may be able to maintain some of the communities in rural areas and reduce the migration of people to the regional cities, where employment and social problems such as safety and housing are already reaching crisis proportions.

Mr. Speaker, through actions such as those proposed by the local development initiatives plan, rural communities may increase their own chances of survival, and we may not then be faced with the massive income transfers used by many European countries as they try to support a rural infrastructure and a rural character which are not consistent with the technologies of our time.

Mostly, Alberta will have the opportunity to develop a system with the focus of Albertans to live a life which is productive, self-controlled, that has choices, Mr. Speaker – choices must not be limited or removed – and a life that is not supported by direct government income transfers.

Mr. Speaker, technology has created a system of change which we must adjust to. Let's make it work for us in rural communities with diversity and food production, cottage industries, and so on. Let's put in place initiatives that will use our technology, make use of the technology and the ingenuity of Albertans to create a revitalized rural Alberta. Let's get the government out of competing with the agricultural sector. Let's encourage value-added initiatives and higher employment and value-added agricultural enterprises built around livestock and specialty crops. Let's help rural Alberta to support its own communities and its people.

Mr. Speaker, I'm certainly aware of many of the fine and aggressive initiatives that have been taken in our rural communities to reform health care and human services. Many of these have been very successful, and we have to acknowledge them and hope that the same kinds of initiatives will work in the agricultural sector.

Mr. Speaker, I ask the members to consider these possibilities and, based on them, to support Motion 203 requesting the government to quickly implement the recommendations of the local development initiatives report and to continue their good work at breaking down the constraints of agricultural trade restrictions.

Thank you, Mr. Speaker.

MR. SPEAKER: The hon. Member for Taber-Warner.

3:40

MR. HIERATH: Thank you, Mr. Speaker. It is with pride that I rise today in this Assembly to address this House for the first time. Before I begin my discussion on Motion 203, I have a few brief comments to make. I would like to extend my congratulations to

you, Mr. Speaker, on your election to the Chair, and I wish you well as you attempt to direct the affairs of this at times unruly House. I must also thank the constituents of Taber-Warner for their confidence in me to represent them in this Assembly. I will work hard to be a voice for their concerns and a representative of their needs.

I am pleased to have an opportunity to speak to Motion 203 today because it relates to the reasons that I am here at all. I have a personal interest in the agriculture industry and strong convictions about the way in which the industry should be moving to be more responsive to the producer. The people in Taber-Warner share my convictions and have put me here so that I may share them with you today. As you know, Mr. Speaker, the constituency of Taber-Warner is primarily composed of rural communities, so anything that advocates promoting a revitalized rural economy is good for the constituency of Taber-Warner.

With that in mind, I must say that I am disappointed in Motion 203 put forward by the Member for Edmonton-Glengarry, because as much as it seems to be concerned with revitalizing the economies of rural Alberta communities, it really offers no new ideas or substantial efforts to achieve this. Motion 203 calls for the government to place greater focus on the importance of small businesses in rural Alberta. I would like to advise the members opposite that this is exactly what the government had in mind when it developed the pilot project for Alberta local opportunity bonds. This community bond program was created to encourage and enable local investment in local projects while promoting economic development in rural Alberta. This project has the added advantage of moving government out of the private sector and helping communities to take control of their own economic futures. Local opportunity bonds will help local entrepreneurs to raise the equity needed to expand their existing businesses, create a new business, attract a business to a community, or privatize municipal or other government services. Alberta residents with money to invest in rural business can purchase bonds and become involved in monitoring and making decisions about the investment.

Other requirements of this program are that the project must provide a benefit to rural Alberta and that the project business must conduct a significant portion of its activities within the community. The amalgamated Alberta Agricultural Development Corporation/Alberta Opportunity Company will be involved in the program to assist in negotiations between the bond purchaser and the project owner and to guarantee bonds for a viable project for 80 to 100 percent of the bond principal invested. In this way, the government is promoting small business in rural communities by providing bond purchasers with relatively safe investment opportunities and providing entrepreneurs with a means of raising capital. Involving the community in its own development can only serve to strengthen rural economies. The government recognized this fact and is committed to seeing it happen.

Motion 203 also calls for the removal of government interference in the private sector in rural Alberta. In its words and its actions this government is committed to privatizing and deregulation. The Member for Edmonton-Glengarry can read about this in the Speech from the Throne and in the provincial budget. He can also see it in the ventures like the privatization of ALCB stores and the review of all government regulations now under way.

[Mr. Deputy Speaker in the Chair]

Looking to the largest industry in rural Alberta, agriculture, we can see the effects of the Alberta government's commitment to deregulation and greater autonomy for the private businessman. The ongoing negotiation for a continental barley market is a prime

example of this, Mr. Speaker. The province of Alberta was extremely instrumental in achieving the continental barley market that was announced on June 1 and implemented on August 1. This gave individual farmers the option of marketing their feed and malt barley on North American markets either directly or through the Canadian Wheat Board. Although this achievement is now on hold, as I'm sure we're all aware, in the six weeks or so that it was in operation the continental barley market proved to be a huge success. Allowing farmers direct access to U.S. barley markets has been advocated by the government of Alberta for several years, and it has taken us a lot of hard work to reach the goal that we did on August 1.

Alberta's involvement in the push for a continental market for barley began in 1980 with the Alberta Grain Commission, when the Alberta Grain Commission recommended to the Canadian Wheat Board review panel that a continental barley market for wheat and barley should be established. This recommendation was rejected, and after further efforts by the Alberta Grain Commission met with the same response, the minister of agriculture at that time, Mr. Ernie Isley, took up the cause. Not taking no for an answer, Ernie Isley met with the Canadian Wheat Board officials and the federal Minister of Agriculture to promote Alberta's position on this issue. After this pressure from the Alberta government the regulatory review steering committee was set up. This committee found that the continental barley market would provide the incentives for the industry to become more efficient and would benefit producers and the country as a whole. We have definitely found this to be true, Mr. Speaker. In the first six weeks that the continental barley market was in place, over half a million bushels were marketed to the United States. The effect of this is obvious when we compare that only 200,000 bushels were traded for the whole of last year. It is unfortunate that those who have a vested interest in the status quo of grain marketing, like the Alberta Wheat Pool, have opposed the continental barley market. This is a temporary setback, though. This program is too valuable to be undermined.

I would like to publicly thank the former minister of agriculture, Ernie Isley, for all of his work on the continental barley market, and I would also like to encourage the current minister to continue his work with the industry and the federal government in this important matter. The creation of the continental barley market is one of many examples, Mr. Speaker, of this government's commitment to the principles of privatization and deregulation of the agriculture industry. You can see that it is not always an easy thing to do, but if something is important enough, it's worth preserving.

The Member for Edmonton-Glengarry also suggests in Motion 203:

the creation of a coalition of western Premiers to work with the Prime Minister and leaders of farm organizations and agribusiness to find a solution to the international subsidy wars.

This government is very involved in working towards an agreement on international subsidies. There is no doubt that export subsidies cause significant downward pressure and instability in world grain prices. If these subsidies must be phased out, let us not pretend, though, that this is the way to promote the revitalization of the rural economy. Right now Alberta and the rest of Canada are competing with the U.S. – it spends over a billion dollars on direct export subsidies – and the European Community, which exports wheat at \$30 a tonne below the world market price. Obviously, Alberta agriculture would benefit from the reduction and eventual elimination of export subsidies, and the Alberta government has been a vocal advocate in asking for reductions of these subsidies under international trade agreements such as

GATT. However, these negotiations are very complex, and we have been working towards these reductions for years. Even after an agreement acceptable to Alberta is reached, it will take many more years for the subsidies to be completely phased out.

In the meantime, we must focus on other ways of remaining competitive on the world scene. We must be able to adapt our industry to stay in the game. We must focus our attention in other ways to prepare Alberta agriculture and the food industry to take advantage of export as well as domestic opportunities. The government's role in this area is to do what it can to further the industry's competitive advantage. This is being accomplished by incentives such as providing contact between governments and by working to increase public and private support for research and technology development in the industry.

3:50

None of the initiatives presented in Motion 203 are new ways of promoting a revitalized rural Alberta economy. I challenge the Member for Edmonton-Glengarry and members of the opposition to look beyond the advances that the Alberta government has made in these areas to address new ways of benefiting rural communities and the agricultural industry in Alberta. It is by talking to Albertans that the opposition would get a better idea of the work that needs to be done to revitalize the economy in rural Alberta. I know, Mr. Speaker, that both consumers and producers in the constituency of Taber-Warner would like to see some reforms made to supply-managed marketing boards to make them more competitive and the system more efficient.

The original legislation for supply-management systems was developed over 50 years ago. Although the legislation has evolved since then, it is evident that the future trade environment will be less restrictive and will therefore require revisions to current supply-management rules. For sectors like the dairy, poultry, and egg industries in Alberta to compete successfully in future markets, changes in the current regulatory environment will be necessary. It is a commitment of this government to work with the supply-management sector to develop a reformed regulatory framework that will provide for increased growth in Alberta agriculture and the food industry. It is initiatives like these, Mr. Speaker, based on the desires of Albertans, that will truly lead to a revitalized rural economy. We cannot progress by just rehashing the things that have already been done, and we cannot hope to promote revitalization in the economy of rural Alberta by acting on initiatives that have already been discussed and accomplished.

Unfortunately, Motion 203 offers no real incentives that would offer new ways of promoting a revitalized rural Alberta economy, and it is for this reason that I probably cannot support the motion.

Thank you.

MR. DEPUTY SPEAKER: The Member for Lethbridge-East.

DR. NICOL: Thank you, Mr. Speaker. Motion 203 is presented in four parts dealing with strategies to promote and encourage rural development based on local initiatives. What Motion 203 is proposing is a government commitment to actions which will support these local initiatives.

We have seen a rural sector where decline and abandonment are the norm. The decline can be slowed, stopped, and even reversed in those communities where the residents have motivation, initiative, and, most of all, the opportunity to move on their dreams. While the provincial population has increased by 38 percent since 1976, the rural population has only increased at half this rate. The rural population figures include the residents established around major cities and those commuting to work.

These commuting residents mask the true decline in rural-based populations. This is more adequately reflected by the 50 percent decline in farms since 1981.

Rural Alberta has potential, potential represented by its 514,000 people who are skilled, educated, entrepreneurial, and are supported by a community infrastructure of roads, schools, and basic community systems. Rural Alberta needs opportunity, opportunity to compete for ventures on a well-informed and current basis. The authors of the local development initiatives report recommended a change in government function to support, enhance, and promote local development initiatives. They recommended a program to create locally-based financing, a program for information dissemination. These actions will enhance opportunities for local development initiatives and provide a greater, fairer, and more just opportunity for some of the over 500,000 Albertans living in rural Alberta.

The second part of this motion addresses the need for support for equal opportunity for small businesses, those who wish to establish in local communities. The government can facilitate these initiatives by encouraging incubation-type support services, by encouraging local initiatives in value-added and cottage industry opportunities. The focus of support of this group is creating equitable opportunities. Don't disadvantage local initiatives through exclusion or default. The government has begun this process with its computer-assisted procurement activities. This is a step in the right direction, especially the option for co-operative access to assist in focusing on cost recovery. Additional efforts need to be made in facilitating and recognizing fax, telephone, and other distance communication options. These have to be recognized as formal techniques and useful instruments.

The third aspect of the motion focuses on improving the prospects for agricultural prices and exports. The international market controls most of Alberta's agricultural prices and exports. Only by aggressively negotiating with other countries can Canadian farmers receive their fair world market return. Similarly, only by negotiating firmly with other provinces can Alberta get its fair share of the Canadian market. This is especially true for those commodities currently marketed under the marketing board and supply control procedures. Alberta producers are being locked out of markets for poultry and milk by aggressive, defensive historic production patterns by the existing producers and their provincial governments. The government is likewise destroying the pork industry by maintaining an antiquated, high-cost plant, which serves as a signal to the commercial sector not to enter Alberta with an efficient plant. Why is it that Manitoba has doubled its hog production while Alberta has stayed at the same level since the Gainers takeover? Uncertainty of market must play a major role here.

The final aspect of the motion focuses on the need for community-driven initiatives to be discussed and developed. The government should work immediately to develop a roundtable of stakeholders in the rural area, which is a mandate that goes beyond the limited agriculture scope of that industry's roundtable. This roundtable should focus on the development environment of the rural community and be given the mandate to interpret and implement the local development initiatives strategies.

Mr. Speaker, rural Alberta has a lot of potential. The people residing here have the desire and the skills to expand their income-earning capacity. What they need is the knowledge base and the infrastructure support to carry out their initiatives. What they need is a government that has facilities and a government that cares.

MR. DEPUTY SPEAKER: Lacombe-Stettler.

MRS. GORDON: Thank you, Mr. Speaker. I, too, am pleased to have the opportunity to speak to Motion 203, discussing the revitalization of economies in rural Alberta. Alberta has one of the world's most productive agricultural economies, totaling \$9.8 billion in direct commodities and food processing revenues. As well, rural communities are recognized by this government as the backbone of the province, providing the rest of Alberta with a variety of products and services. One out of every three jobs in Alberta is directly related to agriculture. This government is very aware of the importance of the agricultural industry and rural communities to the province. I am happy to be able to enlighten the members opposite on the commitment of this government to promote a revitalized rural economy.

Motion 203 deals with a number of diverse initiatives. Because of the broad nature of this motion, I will limit my comments to just a few of these initiatives, beginning with the creation of a roundtable of stakeholders in the agricultural industry. This government believes in the process of public consultation. This commitment is seen in exercises like the health roundtables that are being held throughout the province and the tax reform commission that will be set up by the end of the month. These exercises provide people not only from the urban centres but also from the rural communities the opportunity to tell the government what they want.

Motion 203 suggests that public consultation is also very important in the agriculture industry. This is a fact recognized and agreed to by our government. Public consultation in the agriculture industry has been going on for years. In fact, the equivalent of a roundtable of stakeholders in the agriculture industry was established by the Alberta government in 1992. In case the opposition missed it, this process was called *Creating Tomorrow*, and it involved approximately 2,000 people working together to best determine the future and goals of our province's agriculture and food industry. This process was directed by the *Creating Tomorrow Industry Advisory Group* that consisted of representatives from 14 agriculture and food organizations in the province. Beginning in August 1992, the industry advisory group held 14 public meetings across Alberta from Vulcan to Fort Vermilion, from Wainwright to Fairview. At these meetings, Albertans were invited to express their concerns and give suggestions. These concerns and suggestions were then compiled into a statement of visions and goals for *Creating Tomorrow*.

4:00

The next step was to provide participants with an opportunity to respond to the proposed visions and goals of *Creating Tomorrow* at a conference held in January of this year in Red Deer. This conference attracted close to 500 people with varied expertise. There were farmers, food processors, people involved in the supply and service of agricultural products, scientists, educators, government representatives, provincial politicians, and the general public. These people came from all over the province and had one thing in common: an interest in the future of our province's agriculture and food industry. At this conference the input gathered from public consultation meetings was categorized into three main goals. These goals were:

To improve our competitive position in domestic and international markets, to sustain our natural resource base and the environment, to enhance the strengths of our people, families, and communities.

Participants at the conference also developed strategies to achieve these goals. This government has reviewed these strategies and outlined in the paper *Breaking New Ground* how it will best use them to direct its agriculture and rural development policies and programs.

The Agriculture and Food Industry Council has been established to guide the implementation of *Creating Tomorrow* strategies. This nongovernmental food industry council will facilitate communication between government and stakeholders in the agriculture and food industry to ensure they continue to work together toward the common goal set out by *Creating Tomorrow*. As well, the Agriculture and Food Industry Council will be responsible for testing provincial legislation, regulations, programs, and federal/provincial agreements for their ability to enhance or inhibit competitiveness in the agriculture and food industry.

Thus, Mr. Speaker, as the Member for Edmonton-Gold Bar no doubt will be pleased to learn, the government has already gone way beyond the suggestion to create a roundtable of stakeholders in the agricultural industry. We not only have carried out a public consultation process in the form of *Creating Tomorrow* but also have already acted on the strategies and action plans that have come out of *Creating Tomorrow*. On the advice of Albertans we have begun to reshape government agriculture and food policies and to re-evaluate program priorities. The government has committed to working with the Agriculture and Food Industry Council to further develop government actions that were identified in *Creating Tomorrow* and to develop program plans to introduce changes in the 1994-95 budgets.

Motion 203 also involves another successful exercise in public consultation embarked upon by this government, and that was the local development initiative. The local development initiative was created as a focal point for a partnership in revitalization between Alberta's communities, its people, and the provincial government. The objectives of the local development initiative in developing this partnership were to define the role government should be playing in community revitalization, to highlight actions government should be taking to best serve that role, to develop and deliver initiatives that will fulfill government's role and meet the needs of the people in Alberta's smaller communities.

As part of the local development initiative, in April 1990 the government began a review of its policies, procedures, and programs to evaluate their effectiveness in promoting rural development. At the same time, the Minister's Council on Local Development was appointed and given a mandate to gather ideas and concerns about revitalization from Alberta communities. The council consisted of eight people from all areas of the province with experience in community development and rural Alberta economies. To carry out its mandate, the council conducted public forums across the province and invited submissions from the public. The process proved to be a very successful undertaking in public consultation, Mr. Speaker. Approximately two dozen public forums were held, with about 800 community leaders present to present their views and ideas, representing over 250 communities and special interest groups. In many cases the ideas and opinions brought forward in these council-driven forums were developed locally at town hall meetings. I was fortunate enough to be able to participate in these forums in my former position as mayor of Lacombe. As a municipal politician, I was very impressed with the process, and I feel many valuable suggestions have come out of the local development initiative.

The input presented to the council during the public forums was then compiled into a report. To make sure the findings of this report accurately reflected the opinions and ideas of the participants, four feedback forums were held and all Alberta communities were invited to conduct their own forums and submit reports to the council on their findings. The feedback indicated that the report of the council did present an accurate picture of the concerns and ideas of the participants, although there were also some criticisms of the report. One was the lack of direct representation of the

native population of the province in this process. This was highlighted by the council, and a recommendation was made that during the implementation stage of the local development initiative more consideration be given to native issues.

The report also identified five goals that will help guide the way for future revitalization in Alberta's communities. These goals are: to preserve the life-style provided in a small community environment; to provide quality-of-life amenities that meet the needs of the people; to foster continuous yet controlled growth; to build a stable long-term financial future; and to preserve and care for the environment. These goals express very clearly, Mr. Speaker, what it is that Alberta communities are striving to achieve. By making the government aware of these goals, we can all work together toward achieving them.

Communities in Alberta are asking the government to be accessible and responsive, to provide quality-of-life services, to support rather than dictate community activity, to stimulate economic growth, and to provide leadership by example. As a government we recognize that economic development is best generated from within the community or from several communities pooling their expertise and working together. As a vehicle for Albertans to get directly involved in creating economic growth in their local area, we have recently embarked on three pilot projects for local development bonds. The province of Saskatchewan has a similar program. The most successful project in their program was undertaken by the community of Rosetown. The 2,600 residents of Rosetown were able to raise \$800,000 in five weeks to bring a manufacturing company to their area. A measure of this accomplishment is that it took Saskatoon, a city of over 180,000 people, roughly eleven months longer to raise only \$200,000 more. I'm excited about this initiative and welcome the opportunity for residents to invest in businesses that build on the strengths of the people and the resources within their own communities.

4:10

In conclusion, I can appreciate Motion 203. It is an affirmation of the government's commitment to promote a revitalized rural Alberta. This government said that we were changing the way we do business, and we are. This will be evident to our rural communities. I am happy to see that the opposition will work with us towards this goal. Because of this, Mr. Speaker, I would like to propose an amendment to Motion 203 by changing the words "urge the government to demonstrate" to "congratulating the government for committing."

Thank you, Mr. Speaker.

Speaker's Ruling Amendments

MR. DEPUTY SPEAKER: Hon. member, amendments must be written and distributed to us all before we can continue. The Chair has not yet received a copy of the amendment. Do you have such a . . .

MRS. GORDON: Yes, Mr. Speaker, I do, and thank you for your counsel.

Point of Order Amendments

MR. N. TAYLOR: Point of order, Mr. Speaker. You remember the last Speaker started a system that it not only has to be a written amendment but it has to be okayed by the Clerk, if the Clerk has the time, before it can be presented to you.

MR. DEPUTY SPEAKER: Hon. member, we're just waiting for the necessary documents to arrive. If we could just wait for a moment.

Hon. member, perhaps we can save the Assembly some time. The custom of the House is for the amendment to be typed and for copies to be sent here to have Parliamentary Counsel look at it and okay it. I assume by the scurry of activity that this has not occurred, and so it would appear that the amendment is not in order, unless you can contradict me.

MRS. GORDON: Mr. Speaker, may I address you, please?

It was during my reading of the motion in the debate that has taken place – it was with that that I brought the amendment forward. I feel very strongly – and I thank the House very much for allowing me this because I'm unfamiliar with what takes place here. I can tell you that the next time there's an amendment, you certainly will have a typed one. But I do have it written out.

MR. WOLOSHTYN: Mr. Speaker, I would certainly appreciate the indulgence of both sides of the House in that we are embarking on a new era now in these public Bills and motions. I think history is being set here today by the hon. member who has responded to the debate and in that response has decided to move an amendment. If we could have the indulgence of the House for a few minutes – and perhaps the House leader at some other point would like to address this particular event – I think as we proceed and as private members become more involved, this may in fact reoccur. Perhaps we should be looking at some sort of procedure, when this does happen, that can help members, especially new members, along with the process. We do apologize, but the member did get involved in the debate very strenuously, and I think we should commend her on having the desire to in fact move an amendment on this very important motion.

MR. DEPUTY SPEAKER: We'll now take a one and a half minute recess while the Speaker can confer with Parliamentary Counsel and the Clerk.

[The Assembly adjourned from 4:15 p.m. to 4:17 p.m.]

MR. DEPUTY SPEAKER: Would the House please come to order. The recess is complete.

After conferring with Parliamentary Counsel and the Clerk of the House, it is the Chair's opinion that the motion, however well intended, is out of order at this time. We would advise you to seek the counsel of the government House leaders and Whip to have any future amendments in the proper order, and then we won't have this kerfuffle.

We'll resume the debate.

MR. WOLOSHTYN: Mr. Speaker, I'd like to make a request to the House, since we set our own rules, that for this one time only the amendment be accepted by unanimous consent of the members present.

MR. N. TAYLOR: Point of order, Mr. Speaker. It wasn't whether it was handwritten. That would be all right. The legal counsel has said that it is not in order, so it would be silly to accept something that's illegal. If it were only the case of when it was presented or how it was handwritten, that would be fine, but the legal counsel and the Clerk have said that it's out of order. You can't accept something that's wrong.

MR. DEPUTY SPEAKER: The Chair has ruled. Let us continue debate.

Leduc.

Debate Continued

MR. KIRKLAND: Thank you very much, Mr. Speaker. I speak in favour of Motion 203. It's not that I'm very strong in the rural background. Believe me, I don't have a lot of strength in that, and I would admit it quite openly. There was a concern from the side opposite that in fact Motion 203 does not go far enough. Also, in my listening to the arguments, it was perceived that it was a criticism of their agricultural policy or their rural development policy. I don't think that was intended at any state. I think what we're looking at here really is the fact that the rural areas are in difficulty. In fact, they're having a difficult time surviving out there. Once again, all this is intended to do is to focus on the rural area. They clearly are in need of more assistance.

I would also suggest that, when I was listening, the side opposite seemed to focus on the agricultural aspect of it. This goes beyond the agricultural aspect. The intent really was to look more at the diverse agricultural area in the sense that we have to have such things as nonagricultural industries located in these communities to supplement and add to the agricultural area. Undoubtedly the underpinnings of the whole rural area are very, very reflective of and tied directly to agriculture. I think we can see clearly that when we have spoken of agricultural issues and when the agricultural world has flourished, our provinces, our towns, and our countries have flourished. So certainly we shouldn't overlook it.

I commend the government for some of their initiatives in the agricultural area such as the roundtable they held. I don't think there's any criticism of that particular aspect. I think Taber-Warner indicated we should be offering more innovative aspects here. The Liberals have in some instances. One that comes to mind, though the name escapes me, was the program designed to enable farmers to hang on to their land if in fact they had a difficult year, couldn't make the payments, or couldn't make the overhead costs. They could lease back until such time as it became profitable again and then buy it back at market value.

4:20

I think the other thing we deal with in the agricultural world and one of the things we have to overcome is the large gap we have between what the producer gets and what the consumer pays. To me, that is a mind-set we have to challenge. I think in North America we're probably paying 12 to 14 percent of our income to food basics. In Europe it's closer to the 25 percent mark. We have to find some innovative method to overcome that particular gap and change consumers' attitude. I have also found a large division within the agricultural district itself. I think if in fact we can overcome some of those challenges, we can focus on where we have to be, and we will flourish with those nonagricultural industries that are very important and necessary for the survival of particular areas.

In closing, I think the really important push here was not the agricultural push but more the development of the nonagricultural industries that have to appear in the rural areas. I understand – and I think I heard it from the side opposite – that we had to deal with agriculture as the pillar first and foremost. That's not open for argument, as far as I'm concerned, but we do have to put more focus and find some innovative ways. I wish I could offer to the side opposite as to how we do that. It's been a struggle for years and years to try to stimulate rural development beyond the agricultural aspect of it. So that's where the push is, and there's

nothing to be afraid of in this motion. Maybe I'm partisan, but I didn't read it as a criticism. I read it as only an attempt to focus government on making sure we don't forget this and seeing if we can't come up with more innovative ideas to assist with some of the shortfalls and pitfalls that have been identified here today.

With that, Mr. Speaker, I thank you very much.

MR. FRIEDEL: Do I understand correctly, Mr. Speaker, that there are now only about two minutes left in the debate and then the vote will be called?

MR. DEPUTY SPEAKER: No, that's not correct. Each motion has 55 minutes. The delay as a result of the amendment has moved that time forward.

MR. FRIEDEL: Thank you, Mr. Speaker. I'm pleased to participate today in this debate on Motion 203. I'm very pleased in fact to speak in support of this opposition motion. Actually, having said that, I feel like I should go out now and have my mouth washed with soap. I guess that's the way that we do things nowadays.

Mr. Speaker, Motion 203 recognizes some of the points on the issue of revitalizing rural Alberta. I think it recognizes that we must promote local initiative and avoid too much government intervention. In fact, the very fact that this motion was introduced indicates that the members opposite have been listening to some of the policies of this government. I'm glad the Leader of the Opposition has recognized the recommendations of the Minister's Council on Local Development. The people who put that document together were indeed our eyes and ears into the rural communities. To me, rural development is a very, very important issue. The concept is even more important than who of us in this House gets the credit for it.

Mr. Speaker, I don't think it will surprise anyone to hear that growth in rural communities is prompted by much the same things that promote larger urban centres. Rural Albertans are not asking for more government handouts. They accept the job of their own revitalization. What they need are the development tools the government can supply. Many of these tools that are required are visible and available, but they're not always within easy reach. These tools are things like more flexibility in programs and grant structures or the removal of excessive controls on local government. We must remain watchful that assistance and guidance does not become interference and meddling. We in government must respond to the communities' needs in a partnership sense and not in a paternal sense. I'm happy to see this government is recognizing that setting priorities on local issues is the responsibility of the local authorities.

[Mr. Speaker in the Chair]

Alberta's small business community is the backbone of this province. Over 90 percent of Alberta's businesses are small businesses, and more than 45 percent of all employment in this province, including 70 percent of all new jobs, is provided by small business. In addition, in 1992 close to 105,000 Albertans were employed in agriculture or a directly related industry. This government is committed to encouraging and promoting small business. A two-phase review of regulations is under way right now to determine if they are still required or can be simplified. Phase 1 is an internal process in which the departments are reviewing regulations and policies that are too complicated or perhaps outdated. Phase 2 is external and will look to input from businesses. It will address areas of regulations which could

possibly hinder economic development. Furthermore, it was outlined in the Speech from the Throne that any new regulations will contain sunset clauses. This should ensure that all regulations remain relevant.

The best role for government is to concentrate on providing services, information, and infrastructure. The government must create a climate in which businesses can grow and prosper, and that, Mr. Speaker, is exactly what we intend to do.

When we speak of small business in rural Alberta, we cannot ignore the agriculture industry. Agribusiness is a focal point of rural Alberta, and when we talk of removing government interference, we must talk of the efforts of this government regarding regulatory review in agriculture. The Department of Agriculture, Food and Rural Development is undertaking a massive review of its policies and programs. Areas to be reviewed include provincial programs, interprovincial trade barriers, and overlap and duplication.

Over the years, government has tried to accommodate the needs of too many interest groups, and that's why legislation and regulations and programs at times have come to actually interfere with agriculture and the food industry. At times they may even inhibit expansion and competition. Agriculture and the food industry will grow even if government reduces its involvement.

The Alberta government will continue to place a high priority on removing interprovincial trade barriers so we can better compete in the Canadian marketplace. Federal/provincial negotiations are ongoing, and Alberta is a very major player. As a result of economic summit meetings in March, a review is being done to find ways of reducing overlap and duplication between our two governments. Perhaps the most obvious evidence of this government's commitment to remove itself from interfering, Mr. Speaker, is the recent privatization of government business and services. Small business in rural Alberta surely will benefit from the privatization of the Alberta Liquor Control Board and government licensing services.

Mr. Speaker, Motion 203 sponsored by the Member for Edmonton-Glengarry has recognized some of the important issues dealing with the revitalization of rural Alberta. I'm pleased to see that he is concerned about these issues. I hope he has changed his mind about removing health care facilities from our small, rinky-dink rural communities. I come from rinky-dink rural Alberta, and I'm pretty darn proud of it.

MR. SPEAKER: The Chair regrets having to interrupt the hon. member but must point out that the clock says it is 4:30. Standing Order 8 requires that we move to Government Bills and Orders or government business.

head: **Government Bills and Orders**

head: **Committee of the Whole**

4:30

[Mr. Tannas in the Chair]

MR. CHAIRMAN: Would the committee come to order.

Point of Order
Member's Apology

MR. N. TAYLOR: Mr. Chairman, this is the first time I've been in committee since I let my temper get away with me – when was it? – on the evening of September 15 when you were also in the Chair and I accused you of running a kangaroo court because you had accepted a motion from the House leader at a time before 10 o'clock, which I thought shouldn't be done. I still stand by that, but there's no excuse for telling you that you are running a

kangaroo court complete with bags and ears. I withdraw that, and I'm sorry I said that.

MR. CHAIRMAN: Thank you, hon. member.

The Minister of Transportation and Utilities.

Point of Order
Imputing Motives

MR. TRYNCHY: Mr. Chairman, if the hon. member has apologized on that point, he might want to go on further and apologize for the middle of page 296. I quote Mr. Taylor, and he says, "Mr. Chairman, this is a sneaky way for [the] cabinet minister to run out and try to hide." The cabinet minister did not try to run out and hide, so I'd like him to apologize on that too.

MR. N. TAYLOR: If I may answer that one. There's only so much crow, of course, a guy can eat.

Mr. Chairman, I don't think I made a wrong statement there. If you will read the *Hansard* shortly before that – this was before any motion or anything to adjourn – the hon. minister said:

Could I interject just for a second? Now, I appreciate all the members wanting to ask questions, but my door is open . . . They can write a letter or come and see me in my office, and I'll probably give them better answers than I will tonight. I might even be more flexible if they come and visit me. So I'd ask if we could move on.

In other words, the hon. minister asked that he could get out, in other words quit, and all I said was that he was running for cover or whatever it was. I think I was speaking the truth, Mr. Minister. I said, "This is a sneaky way for a cabinet minister to run out and try to hide." Well, it is sneaky, Mr. Chairman, if the hon. cabinet minister says: Look, I don't want to talk anymore; I'll treat you nicer if you come to my office than if you stay and continue talking.

MR. CHAIRMAN: Thank you, Redwater.

Does that not conclude the exercise, hon. Minister of Transportation and Utilities?

MR. TRYNCHY: Mr. Chairman, I would say not. There was no way in there that I said I didn't want to answer any questions. You know, he can read what he wants into his own words, but there's nowhere in this *Hansard* that I said I would not stay here and answer questions. So for him to suggest that I'm sneaking out is wrong. Now, he should either apologize or the Chair should make a ruling, Mr. Chairman.

MR. CHAIRMAN: It's the Chair's opinion that a point of order is not sustained here. It's at best an unthoughtful choice of words, but there is no evidence to show that the Member for Redwater was saying that the minister was sneaky. He was saying that the action suggested could be considered a sneaky way to do things. As the hon. minister did not do that, then it could not be inferred as being a true insult.

MR. TRYNCHY: Do you want to leave it at that?

MR. CHAIRMAN: Yes, I'd like to leave this and go on.

All those in favour of continuing the debate by asking the Provincial Treasurer to continue?

MR. TRYNCHY: Well, Mr. Chairman, I can't accept your ruling. I'll let the House decide, but I would suggest that you call back the Speaker, and let's put it to the Assembly to see if the hon. member should apologize for making the statement, "This is a sneaky way for [the] cabinet minister to run out and try to hide." I don't think that's . . . If he won't apologize, let's have a ruling

of the House. I can't accept that he didn't do anything wrong and that I did something wrong. We can accept it?

MR. CHAIRMAN: If the Chair can interpret what you're saying, are you suggesting that the Chairman now leave the Chair and we call the Speaker back? Is that your suggestion, hon. minister?

MR. TRYNCHY: Well, that's my suggestion, Mr. Chairman, but of course the deputy House leader has to make that decision.

MR. CHAIRMAN: The committee will now adjourn, and we'll call back the Speaker.

MR. DAY: Mr. Chairman, may I suggest that the whole matter could easily be resolved by appealing to the good nature of the member opposite and using very recent precedent. It was only a couple of days ago that I was called to order because I suggested certain members were whining and acting like babies. It was only hours after that that the Opposition House Leader was called to order for disparaging remarks that he made towards one of our members. In both cases, myself and the Opposition House Leader recognized that we had carried it too far, and we withdrew and apologized.

Can we just appeal to the good graces of the member opposite to withdraw the remarks? It is far deeper to suggest somebody is sneaking than it is to say they're whining or a baby, which is what I did, and I withdrew those remarks. The remarks made by the Opposition House Leader were far less critical than the remarks purported to have been made here. The whole issue could be settled and we could move on with business in a spirit of good co-operation, such as we've had, if the member opposite would simply withdraw those remarks.

MR. CHAIRMAN: The Member for Redwater.

MR. N. TAYLOR: The hon. member does make a point, but I'd like to point out that what I said was, "This is a sneaky way for a cabinet minister to run out and try to hide." First of all, I didn't say, "the cabinet minister," which would be very definitely pointed.

Secondly, sneaky is – I don't know whether it's parliamentary or not, to be honest with you. But I'd say this: first of all, I was talking about the way, and I didn't infer that this minister was sneaky. It doesn't say it here, and right now if he thinks I thought he was sneaky, I take it back. He's anything but sneaky, but I said the system that we were using of the House leader jumping in was a sneaky way – of any cabinet minister, I could have said.

So I will take back any sort of idea that I said this particular minister was sneaky. The way that the House leader, and of course he was involved in it, was moving a quick adjournment was a sneaky way. So that's about all I can say, and I haven't examined *Beauchesne* to see whether sneaky is unparliamentary or not. Somebody's up to date. Is sneaky unparliamentary? If it is, I'll withdraw that. If it isn't, I'll still leave sneaky in, but I'm talking about the method and the way, which involved the hon. House leader as much as it did this minister.

MR. CHAIRMAN: We have several things before us. One is that the hon. Member for Redwater has indicated basically the extent that he might have offended the minister. He really wasn't referring to the minister, and he would even withdraw the word "sneaky." The minister has requested that we refer this to the Speaker, and so I'm quite content to have this referred to the Speaker.

I'll ask you once again, hon. Minister of Transportation and Utilities: do you wish this referred to the Speaker, or are you satisfied now?

4:40

MR. TRYNCHY: Mr. Chairman, no, I wish the House to continue in its work, but I can assure the hon. member across the way that he has lost any road program for the next four years.

MR. CHAIRMAN: Hopefully that does not extend to the Chair.

Point of Order Clarification

MR. CHAIRMAN: A point of order.

MRS. HEWES: Mr. Chairman, I'd just like to inquire if that last comment was made in jest. I'd like an answer.

MR. CHAIRMAN: Hon. Minister of Transportation and Utilities, the hon. Deputy Leader of the Opposition has asked you to clarify your last remark about withdrawing roads from Redwater or any other constituency. Would you clarify?

MR. TRYNCHY: Mr. Chairman, as we go year by year, we have to put in our priorities, and each year the hon. member will know whether I was jesting or not.

MR. CHAIRMAN: I don't know that that answers the question.

Bill 5

Financial Administration Amendment Act, 1993

MR. DINNING: Mr. Chairman, I stand before you in Committee of the Whole House this afternoon to debate Committee of the Whole study of Bill 5. We had a good debate in second reading of the Bill, and I would ask hon. members to look in front of them to the government House amendment on Bill 5, wherein we propose to strike out section 3 and substitute:

Section 2(5) is amended by striking out "sections 18.1, 76.1 and 81" and substituting "sections 5, 6, 7, 17(3), 21.1, 76.1, 77(2), 80.1 and 81".

Mr. Chairman, what this does is simply add further to the legislation that is before the House, which is primarily to enact and put in place the recommendations of the Auditor General and of the Financial Review Commission. It provides for a number of things, including implementation of a recommendation by the Auditor General to the deputy minister of Executive Council and, of course, to the Premier of the province with respect to disclosure of salaries and benefits and other matters that might relate to remuneration associated with our provincially controlled organizations – specifically colleges, universities, the likes of the institutes of technology – as well as the various provincially operated hospitals.

Mr. Chairman, I think that's an important step that the Premier has called on the Legislature to do in accepting the Auditor General's recommendation. So what we will do – this House amendment basically makes those sections, 5, 6, 7, 17, 21, 76, 77, 80.1, and 81, applicable to those provincially operated, Crown-controlled organizations so that there is provision for disclosure, so the Treasury Board and the Treasurer may have access to certain information, that the financial statements will be included in the public accounts, and that various aspects of disclosure will be expected and required.

In so moving this amendment, Mr. Chairman, I would ask all members to accept not only the amendment but Bill 5 as amended.

MR. CHAIRMAN: On the Bill 5 amendment, Edmonton-Whitemud.

DR. PERCY: As I understand it, I'm speaking solely to the amendment and not other details of the Bill. The amendment proposes, then, financial disclosure for those working for management in Crown-controlled organizations, provincial bodies, and agencies. That certainly is a laudable objective. It is time that it came forward, and certainly we'll speak in favour of it. However, in speaking in favour of this, I would like to make clear as well that if the issue is one of timely disclosure, one would also like the timely disclosure, for example, of the report on MLA perks and privileges.

The last report that we do have, pursuant to section 43(4) of the Legislative Assembly Act, is for the year ended March 31, 1991. That was released, I think, in March of this year. That includes all of the per diems, cars, et cetera. So while we'll set a standard, then, for management in these provincial agencies and Crown organizations, I think what is good for the goose is also good for the gander. I would think at exactly the same time, then, that we would release this information, we would like to see all the perks, privileges, et cetera for members of Executive Council and for MLAs released. So I think the issue is that of a level playing field, and in that regard I would certainly hope the Provincial Treasurer would provide an amendment, perhaps, in his Financial Administration Act.

Although this is regulated, it has been passed, in fact the government has been in violation of its own legislation with regard to the release of this information. I would think that if we're going to allow disclosure for members of these boards and agencies, for senior management, it is incumbent on the government to ensure that that rule is held equally and that all per diems, perks, and privileges that are drawn by MLAs are released at exactly the same time for exactly the same fiscal period. I think it's an issue of equity, it's an issue of fairness, and it takes this just from the realm of focusing on those bodies and agencies, removes it, and has government equally transparent.

So I would urge that the Provincial Treasurer assure us, in discussion of the amendment he proposes to Bill 5, that he, too, would ensure that the legislation that leads us, pursuant to section 43(4), is also met in a timely fashion and that this disclosure move in lockstep. What we release for the public sector, we release for ourselves. It's only fair, it's consistent, and it's equitable.

In speaking to this amendment as well, again I think disclosure is important. In British Columbia, for example, you can pick up the annual report of the University of British Columbia and the salary of every faculty member is set out. I think that's perfect. That's the way it ought to be. I see nothing in this amendment that we should be concerned with.

However, I am somewhat disappointed that the Treasurer has not, in the same spirit as embodied in this amendment, brought in legislation as well that puts a legislative framework to what the Premier said, that appointments to significant boards and agencies will be subject to a shortlist presented to the Public Service Commissioner. That has been stated now as an operating policy of the Premier, but it would be nice to see that formalized in legislation. Again, it would be a very simple matter. In fact, it may happen that an amendment will be brought forward to bring that into play as well, that there is shortlisting of these appointments. Clearly, the Provincial Treasurer views these appointments as being important, that their salary is of great interest to the population. The Auditor General has also pointed out that these appointments are important and that we do want accountability. I think accountability in this instance means not only do we

know what they're paid, but also we'd like to know that they were appointed on the basis of competence, that it was an arm's-length process, that a list went before the Public Service Commissioner, and that it was a transparent process. I think Albertans would demand no less of this type of activity.

So while I certainly am speaking in support of this amendment, I do not think it goes far enough. I would hope, then, he would amend it to ensure that the issue of patronage for significant agencies and Crown corporations is addressed by formalizing legislation, what the Premier has said he would do in terms of implementing the Auditor General Act. As I say, I hope the government would actually start living up to its own legislative requirements and issue the report on perks and privileges of Members of the Legislative Assembly on a timely basis. Again, I think it's an issue of a level playing field, an issue of equality, an issue of fairness. I suggest that we hold ourselves to the same standard as we hold others.

Thank you.

MR. CHAIRMAN: Calgary-Currie, on the amendment.

4:50

MRS. BURGNER: Thank you, Mr. Chairman. I would just like to make a few brief comments regarding the intent of this amendment and speak in favour of it. I think it's appropriate, as we look at legislation that comes before the House, that one of our responsibilities is to set not only specifically guidelines but also some sort of moral tone to what we're trying to accomplish as we change legislation within our province. A number of boards and commissions, a system that we endorse in order to bring a local insight to issues that involve all of the province, have in their mandate a responsibility for fiscal accountability. In days gone past, perhaps the wealth of the province or perhaps just the attitude of society indicated that such close scrutiny of issues was not necessarily required or expected of our citizens or our boards and commissions. That attitude, quite frankly, has changed. I'm not here to debate why it has changed, but I would suspect it has to do with the fact that we don't have the same resources we have had in the past.

My concern with bringing forward this motion and my support for it is that we have to start with those boards and agencies that we are responsible for in an organized and timely fashion. We have to show leadership and assist them in dealing with issues that may not necessarily be their number one agenda item at this point. In speaking to the motion, I believe it is important that we ask for this information to restore the confidence of the public in these organizations as they deliberate and deal with the issues that are before them. I think it's inappropriate to leave basically the consumers of these products – be it the students, be it the taxpayers – with the misconception that the decisions and monetary exchanges of these boards and commissions have been handled in a poor fashion.

What we're simply identifying to them is that we would like more information about the salaries that they pay and disclose that in a public way and in an orderly way. I suspect that in doing so, it will be found that a number of organizations have on their own complied with some of those areas of restraint that the Auditor General has directed, and in disclosing, it allows those boards and commissions who have addressed this issue in their fiscal policy to receive the accolades that rightly are their own.

I am not as consumed with the concern of it becoming overall government policy as of day one that we handle this disclosure for all and everybody. My concern is that right now, as we review this particular Bill, this amendment is appropriate. It allows us to

restore some public confidence to these boards and commissions. It continues to comply with the requests of the Auditor General, which is a mandate this government took to the people on June 15. I also believe it allows those organizations which have shown fiscal restraint with respect to their executives to take the accolades that are their due. Therefore, I will be supporting this amendment.

MR. CHAIRMAN: The Member for Clover Bar-Fort Saskatchewan.

MRS. ABDURAHMAN: Yes. Speaking very briefly to this amendment, I fully support it, but like my colleague, I think what is good for the goose should be good for the gander. Indeed, every Member of this Legislative Assembly should fall within the same legislation as all other provincial bodies that have been identified through this amendment. I'd also go as far as to say that while we're asking full accountability by provincial agencies, we should also be asking that they conduct their business in an open manner, whether it be a provincial hospital or whether indeed we go beyond that into publicly-funded bodies. We want full accountability of how provincial moneys are indeed spent.

This is a good beginning, but at the same time let's not speak out of both sides of our mouths, and make sure that in a timely fashion all expenditures by the members of this House are clearly brought before this House with full accountability to restore trust and integrity back to Albertans in the way we conduct our business. I would also say that we should show leadership within the civil service in fully declaring any contracts that have been made annually and what remuneration and benefits are tied to that and also within the senior bureaucracy.

Thank you, Mr. Chairman.

MR. CHAIRMAN: Calgary-Egmont.

MR. HERARD: Thank you, Mr. Chairman. With respect to the hon. members from the other side and the timely reporting of MLA perks and so on, I don't think that's a bad idea. But I think we should also include in *Hansard* the record of all the meetings of the committee that approved all the perks for the MLAs and actually find out who it was that moved all those motions and make sure that everybody knows where those perks came from.

HON. MEMBERS: Question.

MR. CHAIRMAN: The question has been called. Are you agreed to the amendment as moved by the Provincial Treasurer?

[Motion on amendment carried]

MR. CHAIRMAN: Edmonton-Whitemud.

DR. PERCY: Yes, Mr. Chairman. In looking at the Act, there are certain issues that come to mind that I think should be addressed, one of which is that the Act as presently constituted certainly gives considerable discretionary authority to the government, particularly in orders in council, to permit the sunset clauses to be offset until the session is prorogued. We feel that this executive authority really detracts from the authority of the Legislature, and if in fact we do bring forward sunset clauses on various Crown agencies and bodies, we would want it to be the House that assesses whether or not those sunset clauses are delayed or postponed rather than having this authority in the hands of Executive Council.

We feel that this is an important issue because increasingly the government seems to be relying upon executive government to provide an overview and context for the way government is being operated. We find this distressing. We hear comments that there will be an outside group of businessmen and the like to provide oversight as to whether or not the government is meeting its deficit reduction targets. We feel that this is the appropriate role for the Legislative Assembly. So we see increasingly an effort to concentrate authority within the Executive Council and squeeze out the Legislative Assembly from its proper role of providing oversight and scrutiny.

So I am bringing forward an amendment, and there are copies with Parliamentary Counsel, which amends Bill 5. This amendment basically removes the authority for the sunset clauses to be modified by order in council and leaves that as the right of the Legislature. We feel that there should be a full and public debate of whether or not we're going to postpone the implementation of a sunset clause, that that discussion belongs appropriately here in the Legislative Assembly as opposed to the Executive Council.

The amendment that the Parliamentary Counsel has – and I believe it's being distributed – basically just deletes section (5)(a) and section (6) from section 16 of the Bill and ensures that it is the Legislative Assembly rather than the Executive Council that can make that determination.

MR. CHAIRMAN: We'll wait a moment until hon. members get copies of the proposed amendment by Edmonton-Whitemud.

Provincial Treasurer, do you have a copy, and are you able to speak to it?

MR. DINNING: I sure do, Mr. Chairman, and I sure can, because the hon. gentleman and Member for Edmonton-Whitemud provided me with a copy earlier this afternoon. While I am most appreciative of the hon. member's support for section 16 of this Bill, which would provide for discontinuance in section 81.1 of the new Financial Administration Act, I would simply beg the indulgence of all members to not accept this hon. member's amendment. Clearly, the intent of this Bill and this section is to force upon the government and to indeed enforce upon this Legislature a serious review, a reconsideration of all provincial agencies and Crown-controlled organizations over the next five years. I think that's more than just a laudable objective; it's absolutely essential as we reconsider, review, and redefine the role of government. That's exactly the process we're involved in right now in going through the business plan process, is asking all departments and the agencies for which they are responsible: what business are you in, what business should you be in, and what business should you therefore not be involved in anymore? Those are serious reviews that are going on right now.

One of the things they will lead to is helping us to establish by the end of the fall a three-year target for the municipalities, for our universities, schools, hospitals – our Premier often refers to them as our MUSH sector – and the grants that the government provides to them, as well as to give some direction to all the departments and agencies of government about our intentions for a three-year period so there is some certainty, some known predictability as to the size and nature of the grant that the provincial government will be providing to them. So that is the process we're going through right now.

[Mr. Sohal in the Chair]

5:00

What the hon. member is saying is that he's eliminating a clause, which I would call a last-resort clause, such that if for

some reason the Human Rights Commission, Mr. Chairman, was not completed its review by December 31, 1998, that it would not sort of simply fall off the table simply because that review had not been done. There is one last protective mechanism that any Lieutenant Governor in Council would have to use very carefully, very selectively, and would have to do some serious accounting to not only this Legislature but more importantly to the people of Alberta as to why that review had not been undertaken.

I feel, Mr. Chairman, that this is an important protective clause, may I call it a last-resort clause, so as to protect Albertans who are receiving important services from those agencies which have not yet, because of an onerous schedule perhaps, been reviewed by that time as is provided for in section 16 of this Bill. So I would encourage all hon. members not to support the amendment put forward by the Member for Edmonton-Whitemud.

MR. ACTING DEPUTY CHAIRMAN: The hon. Member for Edmonton-Roper.

MR. CHADI: Thank you, Mr. Chairman. Well, indeed this government has come a long way in improving the disclosure and accountability process. We could consider taking it a step further. I mean, no one on this side of the House or on that side of the House can argue with it. I'm surprised that the Provincial Treasurer can stand up and say what he's just said so eloquently, as he normally does.

We feel that there has to be some improvements to the legislation as presented. In this spirit the Member for Edmonton-Whitemud has proposed the amendment to Bill 5. This amendment would remove the ability of the government to circumvent the discontinuance provision in section 81.1 by a simple order in council. That's what we're after here, and I think it makes perfect sense. It would require that any decision to extend the operation of a Crown corporation or a Crown-controlled entity would be through an Act of the Legislative Assembly. As it clearly states in section 81.1(2):

Notwithstanding subsection(1),

This is amazing, all of these subsections, but anyway:

an Act enacted for that purpose may specify that a Provincial agency or a Crown-controlled organization is to continue after the date on which it would otherwise be discontinued.

That's all we're insisting upon here. It's just a small amendment. Goodness, I can't imagine why the Provincial Treasurer would be so flustered over it and would want to ensure that this is defeated. We on this side of the House feel that continuance of a sunset provision should be applied to all Crown corporations and Crown-controlled entities.

[Mr. Tannas in the Chair]

The Alberta Financial Review Commission made mention of the proliferation of agencies, boards, commissions in its April '93 report. The commission noted that there were over 150 agencies, boards, and corporations which do business and do business with each other. This has a tendency to create confusion, and it makes it difficult to analyze the province's overall position.

Mr. Chairman, at a time when we're faced with 2 and a half billion dollars in deficit and a staggering debt of almost \$30 billion and we're really facing an era of fiscal restraint, we have to have a system in place which allows this Assembly and not only the cabinet to periodically re-evaluate and review the effectiveness of all government Crown corporations and Crown-controlled agencies on a five-year basis. If there's no demonstrable need for a Crown corporation or agency, we must eliminate it. If a Crown corpora-

tion or agency is to be retained, can it be improved? There should be public debate as to its merits.

We on this side of the House are firm believers in applying sunset provisions to all Crown corporations and agencies. We've said it all along. We've said it right throughout. We're pleased to see that the government is realizing that this has to be part of the process. The amendment which the hon. Member for Edmonton-Whitemud has presented would allow Albertans to have a greater stake in determining the role of government in the '90s; that is, to provide programs of the greatest possible benefit to its customers at the lowest possible cost.

We've been talking about sunset provisions for a number of years, far before the Klein government even decided that this was feasible. In our publication *Alberta's Biggest Problem: The System Itself* the Alberta Liberal opposition recognized that Crown corporations and agencies become self-perpetuating and outlive their usefulness in the public simply because of the persuasive presence of bureaucratic inertia. Often the purpose of a Crown corporation or agency becomes blurred over time, and the purpose becomes the furtherance of bureaucracies which grow up around these entities rather than the usefulness of the entity itself.

We've supported the establishment of sunset provisions for every Crown corporation and agency well ahead of the sunset date. These organizations should be reviewed with an eye towards whether they are still prevalent to public need or overall government priorities. The amendment that we have presented before us today will allow Albertans the opportunity to debate the relevance of all government Crown corporations and agencies in the light of day rather than behind closed doors of cabinet.

This amendment to the Financial Administration Amendment Act, 1993, deals with loopholes that the government has inserted which would allow them to get around the sunset provisions established for Crown corporations and Crown-controlled entities. You know, perhaps maybe the Treasurer could explain at some given time why he's decided to allow the use of a simple order in council to continue the operation of Crown corporations and Crown-controlled entities beyond the discontinuance date specified in legislation.

MR. DINNING: For a term certain, for a finite time.

MR. CHADI: Yeah, okay.

Mr. Chairman, what use is there in having a sunset provision attached to the operation of Crown corporations and Crown-controlled agencies if the government can simply pass an order in council to circumvent it? Taken to its extreme, the government could pass an order in council at the start of every session to continue the operation of any Crown corporation or Crown-controlled entity it desired.

This is not what we would like to see. Albertans wouldn't want to see this. We would consider accountability for public dollars here. We feel that the decision to continue the operation of any Crown corporation or Crown-controlled entities after the specified discontinuance date must be debated in the Legislative Assembly and not in cabinet. That's the purpose of this amendment. Hon. members, if it's decided to continue a Crown organization, this decision must be facilitated through a passage of an Act in the Legislative Assembly, as I mentioned earlier.

5:10

I would hope that all members think about this amendment, including the Provincial Treasurer. Implement it. Do something right for once, Mr. Provincial Treasurer. These are improve-

ments that need to be made. They must be made. Please consider them with us.

Thank you.

MR. CHAIRMAN: The Member for Clover Bar-Fort Saskatchewan.

MRS. ABDURAHMAN: Yes, Mr. Chairman. I urge all members of this House to support this amendment. I would remind you of their own throne speech and quote:

open, accessible, responsive . . . government . . . This government will keep its promise to listen, consult, and be open with Albertans at all times.

What better way than through this amendment.

Sunset clauses are essential. I do not accept the hon. minister's concern that some Crown agency or some other body may not have done their business in a timely fashion. I think that the time for us not doing business in a timely fashion has gone and that Albertans are demanding greater accountability. So to suggest that we should bypass the Legislative Assembly to allow an order in council to deal with any government agency with respect to whether they should continue in existence does not give credence to this Legislative Assembly. We've got too depoliticize whether agencies indeed should be in existence.

So to the hon. members in this House, my colleague has brought forward a meaningful amendment, and I want to commend all Members of the Legislative Assembly that we have this Bill 5 in front of us today. I think it has come to existence because of past history, of the fiscal mess, I'll call it, that has been created over the past decade. The only way that we can be fully accountable back to Albertans is indeed ensuring that we have a sunset clause within Bill 5 and that there is no mechanism left available for any government to bypass that.

So if we're truly serious about what we're saying in the throne speech and if this government wants to be fiscally responsible and trusted and demonstrate integrity, I would suggest that anybody voting against this amendment indeed is violating the very thing that got us elected into this House.

Thank you, Mr. Chairman.

SOME HON. MEMBERS: Question.

MR. CHAIRMAN: The question is being called. Are there any further speakers or any comments?

On the amendment as proposed by the Member for Edmonton-Whitemud, are you agreed?

SOME HON. MEMBERS: Agreed.

MR. CHAIRMAN: Opposed?

SOME HON. MEMBERS: No.

MR. CHAIRMAN: Defeated.

[Several members rose calling for a division. The division bell was rung at 5:15 p.m.]

[Ten minutes having elapsed, the Assembly divided]

For the motion:

Abdurahman	Germain	Percy
Beniuk	Hanson	Sapers
Bracko	Hewes	Taylor, N.
Bruseker	Kirkland	Vasseur
Carlson	Langevin	White
Chadi	Leibovici	Zariwny
Collingwood	Mitchell	Zwozdesky
Dickson	Nicol	

Against the motion:

Ady	Forsyth	McFarland
Amery	Friedel	Oberg
Black	Fritz	Paszkowski
Brassard	Gordon	Pham
Burgener	Haley	Renner
Calahasen	Havelock	Severtson
Cardinal	Herard	Smith
Clegg	Hierath	Sohal
Coutts	Hlady	Stelmach
Day	Jacques	Taylor, L.
Dinning	Jonson	Thurber
Doerksen	Kowalski	Trynchy
Dunford	Lund	West
Evans	Magnus	Woloshyn
Fischer	McClellan	

Totals: For - 23 Against - 44

[Motion on amendment lost]

Point of Order Imputing Motives

MR. TRYNCHY: Mr. Chairman, this afternoon we've had some debate. The hon. Member for Redwater and myself couldn't see eye to eye. Being a man of principle, I will withdraw any remarks I made in that regard.

Debate Continued

MR. DAY: Mr. Chairman, if you feel we have time, I move that we rise and report.

[Motion carried]

[Mr. Speaker in the Chair]

MR. TANNAS: Mr. Speaker, the committee reports progress on Bill 5. I wish to 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 Assembly concur in the report?

HON. MEMBERS: Agreed.

MR. SPEAKER: Opposed? Carried.

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

