

## Legislative Assembly of Alberta

Title: **Monday, October 25, 1993**

1:30 p.m.

Date: 93/10/25

[Mr. Speaker in the Chair]

head: **Prayers**

MR. SPEAKER: Let us pray.

At the beginning of this week we ask You, Father, to renew and strengthen in us the awareness of our duty and privilege as members of this Legislature.

We ask You in Your divine providence to bless and protect the Assembly and the province we are elected to serve.

Amen.

head: **Notices of Motions**

MR. SPEAKER: The hon. Member for Little Bow.

MR. McFARLAND: Thank you, Mr. Speaker. Following question period today I'll rise under Standing Order 40 and seek unanimous consent to consider the following motion:

Be it resolved that the Legislative Assembly of Alberta congratulate the Toronto Blue Jays on winning the World Series in baseball on Saturday, October 23, 1993.

head: **Tabling Returns and Reports**

MR. SPEAKER: The hon. the Minister of Environmental Protection.

MR. EVANS: Thank you very much, Mr. Speaker. I'm pleased today to table four copies of the 1993 annual report of the Alberta Special Waste Management Corporation, as well as four copies of the 1993 annual report of the Alberta Land Surveyors' Association.

head: **Introduction of Guests**

MR. KOWALSKI: Mr. Speaker, in both the members' gallery and the public gallery today are some 82 people from Barrhead. Some 73 of them are grade 6 students who are just now involved in their civics course at the grade 6 level in dealing about government, and the other people with them are their teachers and helpers. Barrhead elementary school is very active, and on an annual basis all of the children do come and visit the Legislative Assembly. I'd ask all of my friends to rise in both the members' and the public galleries and receive the warm welcome of all of our colleagues in the Legislature.

MR. DAY: Mr. Speaker, Alberta's heritage and history of involvement and establishment by the Ukrainian people is a proud one indeed, and we have two individuals with us today from Kiev in Ukraine. They're involved significantly in establishing the business and political linkages between Alberta, Kiev, and other parts of the world. They're here with Jerry Sherman, hosting them from the Christian embassy. I'd like to introduce to you Ludmilla Davidchenko and her daughter, Valerie Ivanchenko. I'd ask them to stand and receive the welcome of the Assembly.

head: **Oral Question Period**

### School Achievement Tests

MR. DECORE: Mr. Speaker, teachers all over Alberta are being asked to do far more in their classrooms than merely teach, and Alberta taxpayers are paying some \$8 million a year on achieve-

ment testing in grades 3, 6, and 9, supposedly so we can ensure that our students are doing the very best they can. Now we see a study showing that our students score less than half as well as students in mathematics in Japan, Taiwan, and two American states. They do half as well as students in those areas. Mr. Minister, I would like you to tell Albertans why that is the case.

MR. JONSON: First of all, Mr. Speaker, I would like to note that as far as accountability of the school system and achievement testing and examining those things, those types of initiatives were very strongly supported at the two roundtables that have just been concluded. The initiatives currently under way are certainly deemed as being very important by the people that attended those roundtables on behalf of the people they're in contact with. In terms of the recently released mathematics study, as the hon. leader would know, we have taken steps with respect to the overall mathematics program in this province. Working off the Alberta Teachers' Association task force report of some months ago, we have a mathematics initiative project going forward. Revisions to the curriculum and other related measures that need to be taken are being discussed and worked on and planned in that regard. So we are certainly working in that particular direction.

MR. DECORE: Well, Mr. Speaker, the minister is aware as I am that the achievement testing process has been in place for some time. This must have given the minister some advance warning of the problem, and I'd like to know what the minister or his predecessor did to deal with this problem that was identified sometime earlier.

MR. JONSON: Mr. Speaker, I'd like to suggest to all members of the Assembly for that matter but particularly to the hon. Leader of the Opposition that if you want to get some indications of what might be some of the factors involved in the level of mathematics achievement reported in that study, one should read the report. The report does indicate some of the factors that might possibly be related to the mathematics program as it's operated in our country versus those countries we were compared to. With respect to the mathematics achievement, as I indicated, we have recognized the need to work in mathematics on a variety of fronts to improve student achievement, and that's what we're doing. We're collaborating with other western provinces in terms of developing a high-standard mathematics curriculum. We have been moving during the last while, in excess of a year, setting definite standards for the level of mathematics achievement that is to be expected from students at the various grade levels in the various courses. So we do recognize the issue, and we are taking action.

MR. DECORE: Well, it's well enough to tell us to go and read a report. Mr. Minister, you're the one responsible for all this, and your studies must have shown a problem. I want to know specifically what you did, what your ministry did to deal with that problem.

MR. JONSON: Mr. Speaker, as I have just indicated in response to a previous question today, we are taking action in this regard. We are setting definite standards for each of the grade levels in mathematics as far as the mathematics curriculum is concerned. We are collaborating with the Alberta Teachers' Association, the postsecondary institutions, and business and industry in terms of reviewing the mathematics curriculum to see that the curriculum is relevant to the needs that are out there in terms of computation mathematics for young people as they graduate from school. We are considering revising the curriculum, and we're waiting for the

recommendations in that regard. A great deal is going on. This very, very important issue has been recognized and is being worked upon. We reported on that earlier this year.

MR. SPEAKER: Second main question. The hon. Leader of the Opposition.

MR. DECORE: Sounds like you haven't been doing much of anything in that area, Mr. Minister.

### Services for Schoolchildren

MR. DECORE: Mr. Speaker, my second question is this. Our schools are forced to be more than simply teaching centres. Teachers are being asked to be social workers, nurses, probation officers, and counselors. The minister talked about roundtables this last weekend. Several of those roundtables have identified and echoed the Children's Advocate in calling for more co-ordination of services for children. Albertans have now recognized that the Alberta government and the ministry are disorganized, and children are getting hurt. Mr. Minister, why haven't you shown some leadership in this area - you didn't show it before - to better organize services for children?

MR. JONSON: Mr. Speaker, I do not know where the hon. Leader of the Opposition has been with respect to initiatives which have been announced long ago in terms of education. Perhaps he's just had them written out for him for the first time today. I don't know.

Early in 1993 we announced our project with respect to the co-ordination of services. We have pilot projects currently under way in the province which are showing great promise of resolving some of the issues of applying the resources of government from various departments more effectively to assist the schools in the added responsibilities that, yes, they are expected to fulfill these days. It is something we are well aware of and have been working on for several months now.

1:40

MR. DECORE: Mr. Speaker, the minister says: where have I been? Well, I've been listening to teachers and reading the Children's Advocate's report. That's where I've been.

Mr. Minister, again, another long-standing committee that the minister has in place, a committee of deputy ministers, was supposed to sort out this problem of organization for children. I'd like to know why nothing happened in that area, like the previous area nothing happened in.

MR. JONSON: Well, Mr. Speaker, the design of the co-ordination of services project that I've just referred to was a direct outcome of the work of that interdepartmental deputies committee that's been referred to, and that also should be known to the hon. leader. Secondly, there have been other initiatives undertaken. We have had discussions with the Alberta School Boards Association, some of the school boards of the province. We've undertaken in November a major conference on school conduct and violence related to the conduct side and the school management side of this overall issue that the leader is referring to. There's a great deal going on, and we are quite aware that there has to be action taken in this regard.

MR. DECORE: Mr. Speaker, we've seen now two examples, I submit, where the minister has not provided leadership. I'd like the minister to justify how he can advocate and how his govern-

ment can advocate slashing some half a billion dollars out of education and then allow for our children to compete against those in Taiwan and Japan and to have co-ordinated services? How is it possible, minister?

MR. JONSON: Mr. Speaker, as I think the hon. leader has identified, what is needed here is the effective, co-ordinated application of the very considerable resources that are available to Education right now. Since 1988-89 in this province we have added something in the neighbourhood of one-half billion dollars to the Alberta Education budget. That's not an insignificant amount of money when inflation is running at 21 percent, and we have contributed some additional 35 percent in moneys to education.

The other thing I'd like to mention, Mr. Speaker, is that when we look at the mathematics survey, one of the things pointed out in the survey, without our urging I would like to emphasize, is that the expenditure per student on education in countries does not correlate with the achievement of results.

MR. SPEAKER: The hon. deputy Leader of the Opposition, third main question.

### Provincial Fiscal Policies

MRS. HEWES: Thank you, Mr. Speaker. On Saturday last thousands of people from all segments of Alberta society and all parts of this province marched. They marched to protest the irresponsible actions of this government. They stated the obvious fact that you, this government, created the mess we're in, and now you're punishing and threatening all of us: individuals, institutions, and our communities. My first question is to the Deputy Premier: will you now stop this dangerous race to make cuts and demands without any plan and without any real understanding of the consequences?

MR. KOWALSKI: Mr. Speaker, the government is currently in an action plan with respect to consultation with the citizens of the province of Alberta. A number of very important roundtables are under way. Those include roundtables in the area of health, in education, in consultation with senior citizens and others.

The purpose of a democracy, Mr. Speaker, is basically for the government to work hand in hand with its citizens. In the spring of 1993 the people of Alberta were given platforms by various parties in a provincial election. The Liberals said that they were going to go forward with a brutal cut approach, a slash-and-burn approach. This government led by Premier Klein said: we will consult with the people of Alberta, we will develop this plan, and we will go forward with it. That is the process we're at. I might point out, as well, that consultation means evaluation of priorities. That's a very important aspect, and that's the democratic role that we're currently involved in.

MRS. HEWES: Mr. Speaker, the Deputy Premier mentions roundtables. I'd like to ask the Deputy Premier: why are you continuing with the hoax of roundtables when your three-year business plans are already being finalized as we speak here? Why are you fooling Albertans? [some applause]

MR. KOWALSKI: Mr. Speaker, it must be really something for the citizen at home to listen to this question period over the radio or to watch it on television. They hear a thumping going on all the time, and it comes from the Liberal side. I want to make it

very clear to all the citizens of Alberta that it comes from the Liberal side.

Mr. Speaker, there's absolutely no hoax at all. The government must work with a government year. There has been no formulation of any plan. There is no hidden agenda. There is nothing behind the scenes at all. We are in consultation with the citizens of Alberta. All of it will come forward by the end of this month. It's my understanding that the health roundtables will end by the middle of November. A report will be provided to the government with respect to that. The Minister of Health must get ready for the next round of budget reviews. The next budget will come down in February 1994. Up to this point in time there is no hidden agenda, nothing at all like that, and it's not a hoax. It's consultation with the citizens, and that's very important in a modern-day democracy.

MRS. HEWES: Mr. Speaker, I have trouble believing that and so do the citizens of Alberta.

My last question to the Deputy Premier is: will you now come clean and tell us what your numbers are for jobs that are lost or will be lost in health care, education, and public service?

MR. KOWALSKI: Mr. Speaker, it's very easy for us to definitively talk about the job reductions that have occurred in the public service in the province of Alberta because the government came forward with a plan that was worked out in consultation with the Alberta Union of Provincial Employees, a volunteer separation agreement. It was one where the government sat down with its union leaders, a plan was agreed to, the union accepted it, endorsed it, and in fact some 2,700 to 2,800 public employees accepted the voluntary separation agreement in a very positive way in the spring of this year. Specifically, the hon. member may address questions in other areas, but please remember that the Alberta government works hand in hand with duly elected or duly appointed hospital boards around this province, and it is not the government that employs health care workers per se. It is those boards that deal with them, and the same applies to educational boards and the like. To this point in time, memorandums of agreement are being signed between the ATA and various boards, and these are negotiating things that are happening on an ongoing basis.

This government wants to make sure that the economic situation in Alberta is such that in fact there is a maximization of job opportunities for all of the people in this province of Alberta. My understanding is that labour statistics published just in the last few weeks showed us having an increase of 9,000 in job opportunities in the province of Alberta in this last short period, Mr. Speaker, rather than the doom and gloom scenario being projected and advocated by the deputy Liberal leader.

#### **Seniority and Employee Layoffs**

MR. TANNAS: Mr. Speaker, my questions today relate to seniority rights, and I want to ask them of the Minister of Labour. In the economic climate of today it is possible for a hospital to cut nursing staff or for a school board to even cut teaching positions. I know this is possible. Will the Minister of Labour and his department uphold the seniority rights of professional employees who are cut from staff to enable them to bump fellow professionals who have less seniority?

MR. DAY: Mr. Speaker, the practice of bumping, where a person who's been advised that they will be losing their position and then they have the opportunity to move to another position, which

means somebody else with less seniority could be moved, that particular process is written and agreed on in collective agreements between the two parties, and the province would not interfere with that.

MR. SPEAKER: Supplemental question.

**1:50**

MR. TANNAS: Thank you. To the same minister. Then, would the minister please define and clarify professional seniority, whether it means length of service in Alberta or in Canada or length of service in a particular hospital or school or school board?

MR. DAY: Well, Mr. Speaker, again that would be defined by the people involved in the agreement itself. In the Department of Labour, for instance, we take the view that seniority strictly based on years of experience is not truly what would determine whether a person gets a certain position, but rather proficiency and capability are also taken into consideration. In various collective agreements each one may have certain definitions that differ from one to the other, so they'd have to be looked at on an individual basis.

MR. SPEAKER: Final supplemental.

MR. TANNAS: Thank you, Mr. Speaker. Again to the Minister of Labour. Would the minister explain to the Assembly, then, if the bumping process will permit managerial discretion to take into account that while an individual may have spent some time in an intensive care, that doesn't qualify them necessarily to bump into long-term care or a chemistry 30 teacher to bump a grade 1 teacher?

MR. DAY: Well, applying it strictly to the health sector, there are provisions that I'm aware of in certain of the collective agreements that actually allow for the fact that a person needs to have the experience to move into an area that they're bumping somebody from. The AHA collective agreement, article 15 I believe it is, talks specifically about giving the employer the chance to evaluate that so that it avoids somebody who is totally inexperienced moving into a situation where they don't have that particular experience.

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

#### **Public Employees' Wage Rollbacks**

MS LEIBOVICI: Thank you. Mr. Speaker, this question is particularly timely given the Deputy Premier's recent remarks regarding the role of government and school board employees, as this government ignores its own labour laws. On October 7 a number of AUPE locals in the advanced education sectors received a letter from the minister of advanced education regarding salary cutbacks. AUPE has asked the minister to cease and desist in his unfair labour practices by 4 p.m. today. My question to the Minister of Labour is: do you have a plan to educate your ministers on unfair labour practices?

MR. DAY: Mr. Speaker, one of the exciting things about working with this caucus is the very free manner in which members work together and consult together. In fact, no one member brings forward an initiative without consulting with his or her colleagues. I'm happy to say that these types of discussions go on all the time and will continue to do so.

MS LEIBOVICI: My second supplemental is to the minister of advanced education. Is it too late for me to file these documents, Mr. Speaker?

MR. SPEAKER: No. Go ahead with your question.

MS LEIBOVICI: To the minister of advanced education: if you are familiar with unfair labour practices, why did you write this letter?

MR. ADY: Mr. Speaker, the purpose of the letter was to perhaps provide an opportunity to make the board chairmen and presidents and others who have an interest in learning of some of the direction that the government was planning to take as far as funding for postsecondary education is concerned and certainly not to usurp the authority or position of the union leaders. Quite the contrary. We are anxious to work with those leaders, and we respect their position.

MS LEIBOVICI: My second supplemental to the minister of advanced education is: if you are willing to work with these groups, will you now withdraw the letter?

MR. ADY: Mr. Speaker, Ms Wocknitz had requested that I communicate with her by 4 p.m. today. For the information of this Assembly, a communication will go back to Ms Wocknitz this afternoon to clarify the position of the minister and the involvement with the parties involved.

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

#### University of Alberta Hospitals

MR. SMITH: Thank you, Mr. Speaker. May I just say that this party and this government have confidence in the people and confidence in the marketplace. [interjections]

MR. SPEAKER: Order. [interjections] Order.  
Hon. member.

MR. SMITH: Thank you, Mr. Speaker. The University hospital in Edmonton has recently contracted with an American-based consulting practice. I'd like to direct my question to the Minister of Health and ask her: what is the outcome orientation of this contract?

MRS. McCLELLAN: Mr. Speaker, the University of Alberta hospital is entering into a contract with a consultant, and I'm not sure that they have finalized the contract with the consultant. It is expected to be an American consulting firm that has won this bid. The University hospitals have placed a tender for this project and are looking at practice rather than direct delivery in the service area.

There is a difference between the American system and the Canadian system. The American system deals really in the private sector, and ours is in the public sector. So the real key difference in the American and the Canadian systems is in funding. However, it is felt that the American group was very well qualified to look at practice and how services are delivered in a medical system.

MR. SPEAKER: Supplemental question.

MR. SMITH: Thank you, Mr. Speaker. When this company was contracted with the Department of Health in Manitoba, it is indicated that the total cost of the contract exceeded \$4 million.

MR. SPEAKER: No preambles for supplementals.

MR. SMITH: What is the value, Mr. Speaker, of this contract, and has the hospital put a ceiling on dollars to be spent in this contract?

MRS. McCLELLAN: As I indicated, Mr. Speaker, I am not sure if the hospital has completed their final details and settled on the final agreements with the company. I should say that the contract entered into in Manitoba was quite different. It involved more than one hospital and involved the government of Manitoba, as I understand. This is isolated to one hospital in Alberta, so there is a significant difference in that. I would suggest that the hon. member could probably receive the information on the final cost of the contract directly from the University of Alberta hospital.

MR. SPEAKER: Final supplemental.

MR. SMITH: Thank you, Mr. Speaker. Will the tender process that is made by the hospital in securing this contract be made public to all Albertans?

MRS. McCLELLAN: Well, again, Mr. Speaker, the University of Alberta hospital is an autonomous body operated by a governing board. I would again suggest that the hon. member should talk directly with the University of Alberta as to whether they plan to release the terms of that contract. It is within their purview to do that.

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

#### Access Network

MR. ZWOZDESKY: Thank you, Mr. Speaker. Access Network just recently moved into its brand-new facilities, and on its behalf the government also made long-term commitments for realty and equipment leases. These commitments extend in many cases into and beyond 1998, and they total over \$8 million. My question is to the minister responsible for Access. Given the minister's musings about privatizing Access, what assurances can he give us that taxpayers won't wind up absorbing these financial commitments as losses as is the case with the ALCB fiasco?

DR. WEST: First of all, Mr. Speaker, an innuendo of massive losses in the ALCB is a little premature because we are just in the process of selling the properties. Many of them brought above market value and above book value. Therefore, we will have to wait and see how the final sales go on that one.

As far as Access goes, it's very premature to bring any such brainstorming to the forefront. I did indicate that we are doing that review, and certainly it is done in the best interests of the taxpayers. We are looking at it to see if certain services and certain directions government has been in in the past can be better facilitated and save dollars in another direction. So I take what you say as a matter of fact, and we'll certainly keep it mind when we do our deliberations.

2:00

MR. SPEAKER: Supplemental question.

MR. ZWOZDESKY: Thank you. I just wonder, Mr. Speaker, given that backdrop, why the minister is even making these kinds of musings to the public at this moment when he knows full well, I would assume, that selling broadcast licences or broadcasting of any form at all does require CRTC approval. Why the musings at this stage?

DR. WEST: Mr. Speaker, I think any further comments in this relationship are a bit out of order, because right now there is application being made before the CRTC for another licence in the province of Alberta. I won't make any further comments on that.

MR. ZWOZDESKY: I wonder if he would at least, then, give us some kind of a promise that Albertans will be involved in a full, open, public consultation regarding the future of Access. Or is he just going to ignore Albertans and make this up as he goes along?

DR. WEST: This is about the fourth time I've answered a question carefully worded in and around Access, and I think I will just say that we will do our full review and consultation. I appreciate that perhaps the hon. member is lobbying for certain groups out there, but a tremendous amount of people work for Access Network and broadcasting, and I think that to do this type of almost fear mongering at this time is very hard on people. We're doing a review, and that's all that we've said. We said that we would bring forth that review and see what direction we take. So some of these questions I find a little bit out of order.

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

#### Video Display Terminals

MRS. LAING: Thank you, Mr. Speaker. My question is for the minister responsible for occupational health and safety. Video display terminals are in offices worldwide. These devices emit electric and magnetic fields as a normal part of their operation. A number of studies have indicated possible health concerns for the people who operate these computers on a daily basis. Can the minister tell us if he's aware of these concerns, and if so, does he have plans to look into them?

MR. DAY: Mr. Speaker, I am aware that there is a concern. There have been a number of studies done in the occupational health field related to the electromagnetic field that surrounds the computer terminals that sit on most office desks. The initial response that we've been able to determine is that immediate effects don't appear to be apparent, but we have had a caution that the longer term effects, much like some of the early measurements regarding asbestos, should really be looked at. So we're keeping an eye on that. I guess the jury is out in terms of the long-term effects.

MRS. LAING: To the same minister: is the minister aware of any other jurisdictions that have regulations in this area?

AN HON. MEMBER: You guys are scraping the bottom.

MR. DAY: The member opposite talks about scraping the bottom, being concerned about people who work in our offices in front of these terminals.

I can tell you, at least as far as I know, that Sweden and possibly one or two other European countries do have some regulation in terms of the number of emissions that come forward

depending on how many feet you are away from one of the machines.

MR. SPEAKER: Final supplemental.

MRS. LAING: Thank you, Mr. Speaker. While research continues to determine the risk, is there anything occupational health and safety can advise the work force which would protect the workers who are now possibly at risk?

MR. DAY: Well, as I've said, Mr. Speaker, many of the initial studies are questioning just how high the risk is. We're asking and will continue to ask employers as they set up workstations to take into consideration the possible effects, to look at how they position the various machines and computers, and possibly look at the screens that are available that limit the amount of electromagnetic waves that come off these machines.

#### Administration of Justice

MR. DICKSON: Mr. Speaker, the Premier was recently quoted as saying that he wanted a leaner and a meaner justice system. Now, given the reductions in the Justice budget for law enforcement, court services, community corrections, not to mention social service cutbacks, the only thing getting meaner and less safe are our streets and our communities. To the Minister of Justice: what exactly are the plans of this government to make our justice system meaner?

MR. ROSTAD: Mr. Speaker, I'm not quite certain if the hon. member could table where he got those comments. To my knowledge the Premier did say we were streamlining the justice system and made no mention of leaner and meaner.

MR. DICKSON: Mr. Speaker, since the cost to jail a nonviolent offender is approximately 10 times the cost of someone in a community corrections program, why has this government cut community corrections as far as it has and left the expensive institutional programs virtually untouched with the exception of Strathmore?

MR. ROSTAD: Mr. Speaker, the budgets of the agencies that do help with community corrections were in fact reduced up to 10 percent as part of the cutback. Strathmore was an institution that was closed, and the people who were inmates within that facility were accommodated in our other facilities. The reason the institutions beyond that were not significantly affected was the fact that we have people who are not necessarily nonviolent people who can be put out onto the street but in fact are incarcerated for a reason.

MR. SPEAKER: Final supplemental.

MR. DICKSON: Thanks, Mr. Speaker. I might ask the minister: if he wants to make our communities and neighbourhoods safer, when will his government aggressively and immediately address the backlogs in provincial criminal courts and family courts?

MR. ROSTAD: Mr. Speaker, an ideal would be to have no backlog or waiting period. The Supreme Court a couple of years ago in a case referred to as Askov set some general parameters for systemic delay. There are a number of reasons court cases get delayed besides the fact that the system may not accommodate them. We, in fact, in April of 1991 brought forward a number of

initiatives that were called justice initiatives which added new courts, new judges, more prosecutors. It is our intention to keep the delay within a manageable amount of time.

MR. SPEAKER: Thank you.

### Slot Machines

MR. DUNFORD: Mr. Speaker, to the minister in charge of lotteries. I've been receiving calls regarding the success of the slot machine test in Lethbridge. My question is: is there a need to remove the machines with the test being so obviously successful?

MR. KOWALSKI: Mr. Speaker, the test in the Lethbridge area is the third one, the third pilot project or test we've had in Alberta. We've had them in Edmonton at Klondike Days, in Calgary at Stampede Days, and one in Lethbridge to end October 31, 1993. The purpose of the test is to evaluate the impact on the market, both on the players and the entrepreneurs, and the impact they might have on other gaming activities in that particular community. The short answer to the question is yes. One portion of the test is to put them in place for a period of time and then have them removed to see what the impact will be and has been.

MR. DUNFORD: Well, to the same minister but now in light of his responsibilities in Economic Development and Tourism: are tourism numbers available as to the impact of the bus tours, because of the slot machine test, from Idaho, Montana, B.C., Alberta, and Saskatchewan?

MR. KOWALSKI: I cannot stand here and give definitive numbers, but I've been told that because of marketing activities going on by a number of bus tour operators in southern Alberta, in fact there have been a fair number of individuals coming to Alberta from Saskatchewan and states in the United States bordering Alberta to participate and game. Those numbers are definitely up, but I cannot give the hon. member a specific, definitive number saying that it is 47,000 or 22,000. But it is definitely up.

MR. DUNFORD: Well, Mr. Speaker, to the same minister: as dollars move to slot machines, how will the nonprofit organizations in Lethbridge benefit?

MR. KOWALSKI: Mr. Speaker, the estimates have been tabled here in this Assembly, and it's been very clear that the government will be directing all of the dollars that will be coming out of the video lottery terminal system directly into the general revenue fund to go to pay for education, to pay for health care, and to pay for other kinds of assistance for people in need in the province of Alberta. Those dollars are dedicated as part of the general revenue fund, and all hon. members in this Assembly who have participated will be able to continue to participate if they want to change the direction away from support for education and health care.

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

2:10

### Loan Guarantees

DR. PERCY: Thank you, Mr. Speaker. I want to reveal yet another case of financial mismanagement and the failure of this government to learn from past experience. Willowglen Systems received a \$5 million loan guarantee under the export loan program in 1987. The company went into receivership in March

1992, and Albertans were left holding the bag with over \$3 million in failed loan guarantees. My question is to the Provincial Treasurer. Can the Treasurer explain why this government would expose Alberta taxpayers to a \$3 million loss by extending the export loan guarantee to Willowglen after its expiry date in December of 1991 when the company had already declared a half a million dollar loss in 1991?

MR. KOWALSKI: Mr. Speaker, these arrangements were made several years past. As of April 1, 1993, the export loan guarantee program was essentially terminated.

DR. PERCY: Mr. Speaker, can the Treasurer indicate what monitoring guidelines were in place regarding risk evaluation which led to the extension of this program when the financial records for this company showed that it was in default on a loan agreement with its major lender as early as 1991? Why put money down a rat hole?

MR. KOWALSKI: Mr. Speaker, there's more than simply what the hon. member said with respect to this company. Those evaluations occurred in 1990 and 1991. I repeat again that this company has not received under the mandate of Premier Klein any additional assistance whatsoever. Secondly, the export loan guarantee program was terminated April 1, 1993.

DR. PERCY: Mr. Speaker, will this government finally commit to the recommendations of the Financial Review Commission and set up an all-party committee to evaluate risk or debate these guarantees, whatever the type, in this Legislature rather than hiding behind closed doors? We still haven't seen the six or seven guarantees that the Premier promised to bring forward.

MR. KOWALSKI: Mr. Speaker, the estimates of the Provincial Treasurer are before the Legislative Assembly on an annual ongoing basis. In addition to that, in this Legislative Assembly there's the opportunity for Her Majesty's Loyal Opposition to designate on a Thursday of any given week the estimates that they want to have, and if they choose to designate the Provincial Treasurer for his estimates, that's certainly one of the options.

In addition to that, it should be fairly well known that the Public Accounts Committee, a committee which is charged with investigating past performance of the government, meets every Wednesday morning, and the chairman of that particular committee is a Liberal individual. They can call the Provincial Treasurer in. The Provincial Treasurer would be very happy to attend before the Public Accounts Committee to discuss this matter of the past and any other matter of the past that the chairman and the members of the committee would like to have evaluated. Now, it may very well be that as soon as today the Provincial Treasurer might want to add something further to this very important matter.

MR. DINNING: You betcha. Mr. Speaker, the hon. member is referring to the recommendation on page 32 of the Financial Review Commission's report. If I may paraphrase it, it says that "the use of loan guarantees as a public policy instrument should be de-emphasized, given the fiscal condition of Alberta," and we have taken that recommendation and accepted both the spirit and the word of it. In fact there has only been one loan guarantee provided by this government during the time that Premier Klein has served in office, and that is the loan guarantee that was provided directly to Canadian Airlines International.

MRS. ABDURAHMAN: Mr. Speaker, can I supplement the answer as chairman of Public Accounts?

MR. SPEAKER: No.

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

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

#### Rally on Legislature Grounds

MRS. BURGNER: Thank you, Mr. Speaker. Over the weekend I received a number of phone calls from constituents, and there is a great deal of concern following the rally that was held in Edmonton regarding labour concerns. Quite frankly, the constituents that I represent recognize that the process of deficit elimination is the only way to safeguard our social programs, our education, and our health system. My question is to the Minister of Labour. Considering that the number present at the rally varied from about 1,500 to 5,000 and that there were issues all over the table – health, privatization, – could the Minister of Labour as the representative of organized labour to our government please advise us: are you aware of who was asked to participate in this rally?

MR. DAY: I didn't actually see an invitation list, Mr. Speaker. If there had been one, I know my name was not on it. I do know that invitations went out not just to labour groups, but I talked to a number of people in central Alberta with ECS concerns who were also invited to go. So I think it's fair to say that it was widespread representation. I understand that there was even political representation there. There were federal Liberal signs, National Party signs. I think there were even a couple of Natural Law Party signs floating around.

MR. SPEAKER: Supplemental question.

MRS. BURGNER: Yes. Thank you, Mr. Speaker. I guess the question I want to get across is: were these frontline workers who attended this rally, or were they union organizers from the city of Edmonton?

MR. DAY: Well, again, Mr. Speaker, I didn't see the actual invitation list, but the information I have leads me to believe that there were a good number of frontline workers from various labour organizations. I think the wonderful thing about democracy is that almost on a daily basis there can be and there are in fact representations at the front of this building. We encourage that. It was a wonderful show of democracy.

MR. SPEAKER: Final supplemental.

MRS. BURGNER: Thank you, Mr. Speaker. Based on the level of participation in the rally, have the unions indicated that they will be participating with that same kind of enthusiasm at the roundtable effort where we're trying to reduce our spending and get our budgets balanced?

MR. DAY: Mr. Speaker, the perspective of the government and certainly my perspective in discussing and meeting continually with labour groups is that we do want them at the tables of discussion involving restructuring, especially in these health care discussions that are going on. We definitely want them there. We do hope to see them there.

#### North West Trust Company

MRS. ABDURAHMAN: Mr. Speaker, last week we learned that Richardson Greenshields were receiving \$75,000 a month to sell

Gainers. Then Morgan Grenfell and Lancaster received over \$1 million in fees to facilitate the sale of Syncrude. Now it's ScotiaMcLeod's turn in the sale of North West Trust. To the Provincial Treasurer: can the Treasurer tell us how much ScotiaMcLeod is receiving in retainer fees to sell North West Trust?

MR. DINNING: Mr. Speaker, I don't have that information at my fingertips, but I would be happy to take the question as notice and provide the hon. member with the information. Suffice to say that we do believe in and must rely upon the expertise that exists in the private sector to help us to sell these kinds of entities. That expertise does not – in fact it should not – exist in a single place within the provincial government. Instead, having chosen the objective, then you go to the private sector. You go to the private market and find the best people possible to help you achieve the objective of selling that asset. Rather than take a one size fits all or one person knows it all approach, we chose to go to the market and use the best resources that we could find in order to achieve the objectives of selling these assets.

MR. SPEAKER: Supplemental question.

MRS. ABDURAHMAN: Yes, Mr. Speaker. Is the Provincial Treasurer telling us that his in-house professionals indeed don't have the capacity or the depth to do the job?

MR. DINNING: Mr. Speaker, only a Liberal member would distort my words so as to draw that conclusion. Let's be very clear that it is the role of the provincial government, having in this Legislature established the principles in legislation, and then cabinet ministers to establish policy, in this case the policy being to sell off those assets where a profit or a reasonable return can be found. Then it turns to those in the public service and those outside to select the best possible people to find the person or the group or the people that will make that kind of investment so as to sell those assets at a fair market value. Yes, I believe it is appropriate that we would go outside this government to select those people who are knowledgeable about those markets, knowledgeable about the purchasers, investors' needs, and most importantly the person who can bring us the best value for those assets.

2:20

MR. SPEAKER: Final supplemental.

MRS. ABDURAHMAN: Yes, Mr. Speaker. I think we should know what we're paying before we get into a contract.

Will the Treasurer concede that North West Trust would not have been viable without the untendered sweetheart deal to manage the NovAtel loan portfolio?

MR. DINNING: No, Mr. Speaker, I would not draw that conclusion. When I look upon the trust company business across this country and I see a number of trust companies not unlike the Royal Trust corporation and others of that kind across this country who are doing rather poorly in this kind of market, I look at the assets and the management of North West Trust and feel that Albertans can be confident in that asset. Once again I've made it clear inside and outside this Legislature that this government believes North West Trust is properly found in the hands of the private sector. That is why we are making efforts to sell it, so that taxpayers no longer are responsible for that sort of entity and instead it's in the hands of those with whom it can make the best

possible decisions, free market decisions, market decisions. That's in the private sector.

MR. SPEAKER: The hon. Member for Olds-Didsbury.

#### Education Roundtables

MR. BRASSARD: Yes, Mr. Speaker. We've already heard about the roundtable discussions that were held in Calgary and Edmonton over the past few weekends. On this last weekend I received a number of telephone calls from parents and teachers who claim that ECS and kindergarten were being removed from the educational system. To the Minister of Education: Mr. Minister, was it your intention to hold these roundtable meetings to legitimize the removal of these programs from the system as is being suggested by some?

MR. JONSON: Mr. Speaker, the clear intention of these roundtables was to lay out information, a number of alternatives for Albertans to consider and add to and redirect as far as future funding for education was concerned. Certainly I would like to indicate, given this opportunity, that the roundtables did provide very thorough discussion of many of the issues, and certain themes and common messages did come from those roundtables. We have listened very carefully to that input. We'll be looking forward to the final report from the roundtables. No, there have been no decisions made with respect to specific programs.

MR. SPEAKER: Supplemental question.

MR. BRASSARD: Yes, Mr. Speaker. In that Alberta is a very large and diverse province with a variety of educational challenges, why has the minister limited his discussion roundtables to Calgary and Edmonton alone?

MR. JONSON: Mr. Speaker, the discussions in terms of future funding of education have been going on since the fall of 1992, when we held a round of regional meetings under the title of fiscal realities. We've had more recently a number of regional meetings with respect to grants and school buildings and various topics of that type at which over 700 people attended. In addition, of course, we've had the very important roundtables that so many people from across the province, a broadly representative group, have contributed to so diligently. In addition there are other meetings taking place. There will be input provided to us on, I suspect, a massive scale from the distribution of our workbooks. I think there has been considerable consultation on this particular important matter.

MR. BRASSARD: In that this is an extremely sensitive topic to most parents in this province, Mr. Speaker, could the minister indicate how soon the people of Alberta will know the results of these discussions?

MR. JONSON: Mr. Speaker, in terms of the report or the conclusions of the roundtables we look forward to within two or three weeks having that final report from the facilitators who are in charge of that particular project. Certainly there's then the need to sit down and look at the future directions of educational funding, and that will be taking place over the next weeks and months as we lead towards the 1994-95 budget of the province.

MR. SPEAKER: The time for question period has expired. Before we proceed to the point of order, could we have unanimous consent to revert to the introduction of special guests?

HON. MEMBERS: Agreed.

MR. SPEAKER: Opposed? Carried.

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

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

MR. MITCHELL: Thank you, Mr. Speaker. It is my pleasure to introduce to the Members of the Legislative Assembly today 62 visitors from Ormsby school in my riding of Edmonton-McClung. They are 53 students accompanied by two teachers Ms. Sandra Hinterleitner and Mrs. Monique Janke and seven parents: Mrs. Aoughoushe, Mr. Newton, Mrs. Wilkinson, Mrs. Niddrie, Mrs. Salmon, Mrs. Hurley, and Mr. Pelletier. I would ask that they stand in the gallery and receive the welcome of the Legislative Assembly.

#### Point of Order Explanation of Speaker's Ruling

MR. SPEAKER: On the point of order, the hon. Opposition House Leader.

MR. MITCHELL: Thank you, Mr. Speaker. I rise under Standing Order 13 to seek the reasons for your decision earlier today in question period to disallow the chairman of the Public Accounts Committee to provide supplementary information to a question directed originally at the Treasurer and the economic development minister by the Member for Edmonton-Whitemud. As we all know, it is standard practice in this Legislature to allow both ministers and chairmen of committees to answer questions, and it's also been standard practice to allow both ministers and chairmen of committees to add supplementary information on occasion as they would see fit to questions directed otherwise to some other minister or chairman of a committee. It has been established on a number of occasions that the chairman of the Public Accounts Committee is able to answer questions directed directly at that person.

We would have to know, I think, why it would be that the chairman of that committee would have only half the privileges in this respect offered to ministers and chairmen of other committees. Clearly the chairman of the Public Accounts Committee is the chairman of a full status committee, a standing committee in fact, of this Legislature, and it would be difficult, it would seem to me, to deny that that chairman should have any fewer privileges than other ministers and other chairmen. It's also true that in this particular case, the nature of the answer given by the Treasurer and by the economic development minister suggested and in fact required further clarification, I think legitimately so, by the chairman of the Public Accounts Committee.

MR. SPEAKER: The hon. Deputy Government House Leader.

MR. EVANS: Well, thank you very much, Mr. Speaker. I've listened intently to the comments and the position of the member opposite. It is quite clear that question period is an opportunity for the opposition and government members who are not members of Executive Council to hold the government, that being Executive Council members, accountable for their actions. I think it's also quite well known from rulings from this Chair and from previous Speakers and, indeed, from Parliament that the answer given or in fact if a member of Executive Council chooses not to give an answer, those answers or the lack of an answer are not debatable in this House.



Now, clearly, Mr. Speaker, in the instance that we had before us today, the hon. member opposite asked financial questions of government members. Those questions were answered. In fact the lead question and two supplementary questions were asked. The answers were given. I do not believe that there is any justification for the hon. chair of the Public Accounts Committee to stand in the House and ask for the opportunity to supplement further the answers given by the government on this issue.

As the House leader opposite has mentioned, already in this House in this session we have had situations occur where questions have been addressed by the Liberal opposition directly to the chair of the Public Accounts Committee. There is ample opportunity to do that in the future, and because of that there's certainly no problem that I can see with the normal practice of allowing government, Executive Council, members to answer the primary question and the supplemental questions. The opportunity is certainly there for the Liberal opposition to ask questions of the chairs of those committees if they deem that appropriate and a relevant and proper use of question period time.

2:30

MR. SPEAKER: On the point of order raised by the hon. Opposition House Leader, the Chair feels that the most appropriate references could be found in *Beauchesne* paragraphs 409, 410(5), and 410(10). As has been pointed out, the purpose of question period is to call the government to account for the information. The Chair felt that the government responded to the question but then supplemented that by saying that there were other ways in which this area of questioning could be pursued. The Chair feels that members of committees can only be questioned really directly about the activities of their legislative committees. It's not within the memory of the Chair where chairmen of legislative committees have augmented or supplemented answers made by ministers. Now, that's the present recollection of the Chair. The Chair is willing to pursue this further in the records to see if the Chair is incorrect or if there is some information the Chair is not aware of.

MR. MITCHELL: Could I ask, Mr. Speaker, that you do pursue that matter? It seems to me that on a number of occasions, in fact, standing policy committee chairs have supplemented information provided by ministers, so we'd be very grateful if you would pursue that.

Thank you.

MR. SPEAKER: Okay; we'll do that.

head: **Motions under Standing Order 40**  
**World Series Championship**

MR. SPEAKER: The hon. Member for Little Bow has given notice of an intention to seek unanimous consent to present a motion. On the question of urgency, hon. member.

MR. McFARLAND: Thank you, Mr. Speaker. I do believe this motion is significant, urgent, and timely in that there has not been a professional baseball team that has won two World Series championships in back-to-back years since 1978. This is only the second time, I believe, that a home run shot has decided a World Series, but most important is the fact that this final game which decided the 1993 World Series was played on Canadian soil. As you know, the Blue Jays are only one of two Canadian teams playing in the National and the American leagues of baseball in the United States and Canada. I believe it's also timely in that federal politicians suddenly became baseball fans as of the end of the game on Saturday night.

The Blue Jays are, I think, worthy of respect at this time. Since this is the first working day of the Legislative Assembly since the completion of the World Series, I believe I speak for many, many Albertans, baseball fans and sports fans in general, who would like you to express their extreme happiness and pleasure in extending our congratulations to them, Mr. Speaker.

MR. SPEAKER: Having heard the argument for urgency by the hon. Member for Little Bow, does the Assembly agree to give permission for the presentation of the motion?

HON. MEMBERS: Agreed.

MR. SPEAKER: Opposed?

The hon. Member for Little Bow.

Moved by Mr. McFarland:

Be it resolved that the Legislative Assembly of Alberta congratulate the Toronto Blue Jays on winning the World Series in baseball on Saturday, October 23, 1993.

MR. McFARLAND: Thank you, Mr. Speaker. I did most of the preamble already, and I don't think I have to elaborate any more. I believe the fans in Alberta would be very happy if you would extend on behalf of the Members of the Legislative Assembly of Alberta their sincere congratulations to the Blue Jays. I would ask for unanimous support for this motion.

Thank you.

MR. WICKMAN: Mr. Speaker, just very briefly. Our caucus is delighted to support the motion before us, and I commend the member for bringing the motion forward.

I'm sure most of us had the opportunity to pick up parts of games here and there in between our other activities. It did create a great deal of excitement. They have contributed in terms of giving people some relief from the very difficult times that we're undergoing right now. It's almost like the opportunity to feel good, and it does bring people together. It gives people cause to celebrate.

I thought that it was handled very, very classily. I was watching some of the celebrations the day after, and that was classy with the exception of Stottlemire. That I felt was very, very uncalled for. He as an individual took away from what was a total class act.

I'm very, very glad on behalf of our caucus, very happy to support the motion.

HON. MEMBERS: Question.

MR. SPEAKER: Having heard the call for the question, all those in favour of the motion proposed by the hon. Member for Little Bow, please say aye.

HON. MEMBERS: Aye.

MR. SPEAKER: Opposed, please say no. Let the record show the motion carries unanimously.

head: **Orders of the Day**

head: **Government Motions**

head: **Lottery Fund Estimates**

17. Moved by Mr. Dinning:

Be it resolved that the messages of His Honour the Honourable the Lieutenant Governor, the 1993-94 lottery

fund estimates, and all matters connected therewith be head:referred to the Committee of Supply.

[Motion carried]

head: **Lottery Fund Estimates**

18. Moved by Mr. Kowalski:  
Be it resolved that pursuant to Standing Order 58(6)(a) the head:number of days that the Committee of Supply will be called to consider the 1993-94 lottery fund estimates shall be one day.

MR. KOWALSKI: Mr. Speaker, oral notice has already been given on this, and this particular motion rests on the Order Paper. I'd just like to have it pursued today.

[Motion carried]

head: **Private Bills**  
head: **Committee of the Whole**

2:40

[Mr. Tannas in the Chair]

MR. CHAIRMAN: I would ask the committee to come to order.

**Bill Pr. 1**  
**Karen Mavis Poor Eagle Adoption Act**

MR. CHAIRMAN: Are there any comments, suggestions, or amendments to this Bill?

[Title and preamble agreed to]

[The sections of Bill Pr. 1 agreed to]

MRS. HEWES: Now, Mr. Chairman, I move that Bill Pr. 1 be reported.

[Motion carried]

**Bill Pr. 7**  
**Gerald Edwin Crabbe Adoption Act**

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

[Title and preamble agreed to]

[The sections of Bill Pr. 7 agreed to]

MRS. HEWES: Mr. Chairman, I move that Bill Pr. 7 now be reported.

[Motion carried]

**Bill Pr. 8**  
**Michael Caleborn Rothery Adoption Act**

MR. CHAIRMAN: Are there any comments, questions, or amendments to be offered with respect to this Bill?

[Title and preamble agreed to]

[The sections of Bill Pr. 8 agreed to]

MR. VAN BINSBERGEN: Mr. Chairman, I move that Bill Pr. 8 be reported.

[Motion carried]

**Bill Pr. 9**  
**Adrienne Heather Cupido Adoption Act**

MR. CHAIRMAN: Are there any comments, questions, or amendments to be offered with respect to this Bill?

[Title and preamble agreed to]

[The sections of Bill Pr. 9 agreed to]

MR. HERARD: Mr. Chairman, I would move that the Bill be reported.

[Motion carried]

**Bill Pr. 10**  
**The King's College Amendment Act, 1993**

MR. CHAIRMAN: Are there any comments, questions, or amendments to be offered with respect to this Bill?

[Title and preamble agreed to]

[The sections of Bill Pr. 10 agreed to]

MRS. HEWES: Mr. Chairman, I move that Bill Pr. 10 be reported.

[Motion carried]

**Bill Pr. 11**  
**Newman Theological College Continuance Act**

MR. CHAIRMAN: Are there any comments, questions, or amendments to be offered with respect to this Bill? The hon. Member for Stony Plain.

MR. WOLOSHYN: Yes. Thank you, Mr. Chairman. I move that Bill Pr. 11 be amended as follows: firstly, section 4(a) be amended by striking out the word "other"; secondly, section 6 be amended by striking out the word "other"; thirdly, section 16(d) be amended by striking out "other related studies" and substituting "related studies." This amendment has been distributed to the members. This Bill currently contains the phrase "other related studies" in the three sections noted. The Standing Committee on Private Bills was of the view that the word "other" should be removed to clarify the scope of the college's authority as Newman Theological College does not grant degrees or diplomas in disciplines other than those relating to theology. These amendments were agreed to by the petitioners.

MR. CHAIRMAN: Any comments on the amendments? Are you ready for the question on the amendments?

[The sections of Bill Pr. 11 as amended agreed to]

MR. CHAIRMAN: Are there any comments, questions, or other amendments?

[Title and preamble agreed to]

MR. WOLOSHYN: Mr. Chairman, I move that Bill Pr. 11, Newman Theological College Continuance Act, be reported as amended.

[Motion carried]

**Bill Pr. 12**  
**First Canadian Insurance Corporation**  
**Amendment Act, 1993**

MR. CHAIRMAN: Are there any comments, questions, or amendments to be offered with respect to this Bill?

[Title and preamble agreed to]

[The sections of Bill 12 agreed to]

MR. CHAIRMAN: Calgary-Mountain View.

MR. HLADY: Thank you, Mr. Chairman. I'd like to move that Bill Pr. 12 be reported.

[Motion carried]

**Bill Pr. 13**  
**Gardner Bible College Amendment Act, 1993**

MR. CHAIRMAN: Are there any comments, questions, or amendments to be offered with respect to this Bill?

[Title and preamble agreed to]

[The sections of Bill 13 agreed to]

MR. BRASSARD: I move that this Bill be reported.

[Motion carried]

2:50

**Bill Pr. 14**  
**Benaning Osi Adoption Act**

MR. CHAIRMAN: Are there any comments, questions, or amendments to be offered with respect to this Bill? Hear the question?

HON. MEMBERS: Question.

[Title and preamble agreed to]

[The sections of Bill 14 agreed to]

MR. WICKMAN: Mr. Chairman, I'll move that Bill Pr. 14, the Benaning Osi Adoption Act, be reported.

[Motion carried]

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

[Motion carried]

[Mr. Clegg in the Chair]

MR. ACTING DEPUTY SPEAKER: Order. Get your jackets on.

The hon. Member for Highwood.

MR. TANNAS: Mr. Speaker, the Committee of the Whole has had under consideration certain Bills. The committee reports the following: Bills Pr. 1, Pr. 7, Pr. 8, Pr. 9, Pr. 10, Pr. 12, Pr. 13, Pr. 14. The committee reports the following with some amendments: Bill Pr. 11. I wish to table copies of all amendments considered by the Committee of the Whole on this date for the official records of the Assembly.

MR. ACTING DEPUTY SPEAKER: Thank you, hon. member. Are you all in favour of the report?

HON. MEMBERS: Agreed.

MR. ACTING DEPUTY SPEAKER: Opposed, if any? Carried.

head: **Committee of Supply**

[Mr. Tannas in the Chair]

MR. CHAIRMAN: I'd ask the Committee of Supply to come to order.

head: **Main Estimates 1993-94**

**Municipal Affairs**

MR. CHAIRMAN: We'd ask if there are any comments or answers to questions previously put. The hon. Minister of Municipal Affairs.

DR. WEST: Thanks very much, Mr. Chairman. I do have some answers to the questions that were dealt with on September 30, 1993. I'd like to table those and hope that members of the Assembly would get copies of it.

I think I will entertain more questions from those that didn't get a chance on September 30 to do so, keeping in mind that we're dealing with estimates that involve Municipal Affairs, which deals with the municipalities in the province of Alberta and the deliverance of certain programs and grants such as municipal assistance grants, the municipal interest rebate program on those loans that cities have taken through the debenture programs. We also are responsible for a tremendous number of programs that deal with seniors in the province of Alberta: some 8,000 lodge beds are in the province and apartments and manors for another 14,000 seniors. We also deal with some 15,000 units that deal with social housing for various individuals that are less fortunate than others and need some assistance in locating housing. We also deal with a tremendous number of individuals that access rent supplements that carry their assistance to other housing besides that owned by Alberta Mortgage and Housing Corporation.

One of the main features in these estimates is about \$104 million that is included for debt write-down. We at the present time are moving at about \$44 million of that to date as we sell off certain assets in Municipal Affairs Sales Ltd. That's the real estate arm of Alberta Mortgage and Housing. I think it's significant to understand that in the heyday of Alberta Mortgage and Housing there were 110,000 units owned, operated, and debentured by this province. At the present time we are down to some 40,000 units and moving downward.

The sales transactions for Municipal Affairs Sales Ltd. for this last six months. To just give you an indication of how fast we're getting out of some of this land banking and programs that we were in, in that six months through September 30 we have sold 131 single-family units; we have sold 2,015 multi units. That's 22 major projects in the province. We have discharged 21 mortgages,

and we have 67 sales of mortgages, 16 rewrites, and three foreclosures or quitclaims. We've also sold 255 lots out of Alberta Mortgage and Housing in the last six months. There is a definite move out of land banking and ownership and more to a direction where we follow the clients in need. We're looking to the private sector or nonprofit organizations or a combination of such to get together and provide for that housing in the future. If there's a need base there for certain Albertans who can't afford their housing, then they come and we follow them with cash rather than getting into the construction industry and into the massive building projects that we did in the late '70s and early '80s.

There are other areas, the registries that will be talked about because of the registry Bill. I'll stop there and allow questions to come forward.

MR. CHAIRMAN: Thank you.

The committee members are reminded that these microphones are indeed wonderful instruments, and they have the capacity to pick up conversations when conversations are held adjacent to the speaker of the moment. Hon. members are cautioned in that regard.

Edmonton-Rutherford.

MR. WICKMAN: Thank you, Mr. Chairman. I'm going to make a few comments and also some additional questions. A fair amount has occurred since the minister first stood up in the House and gave his opening address on Municipal Affairs, the major impact there being his speech, his address he gave while in attendance at the Alberta Urban Municipalities Association. I want to start off by saying that I am convinced that the minister is committed to a philosophy, and he lives or dies by that philosophy. In the eyes of some it's an ill-guided philosophy. Nevertheless, I do give the minister credit for being committed to that philosophy. It's a philosophy that I believe many, many Albertans have difficulty accepting, have difficulty equating to. It does result in – I guess I would use the term “brutal” – a very brutal approach to budgets, to regulation, to government responsibility.

3:00

As the address was being given, I recall the minister making the statement very clearly that the right of decision-making will be passed on to the municipality, but unfortunately the bucks won't follow, and I guess that was the most difficult part that delegates had to swallow. Assuming the additional responsibility for making decisions at the local level I think was readily accepted. There is too much regulation, and that type of regulation should be worked out at the municipal level, the people that are on the front lines. I don't have any problem with that particular part. What I had a problem with was the intensity and the speed that we're moving in terms of the reductions and the impact that those financial reductions will have on the municipalities and for them to try and get their houses back in order.

A question I'll have right off the bat. I would ask the minister: since the announcement have there been any impact studies done as to the resulting consequences of the reductions, particularly keeping in mind that the transfer assistance or partnership assistance program may be eliminated entirely in three or four years or during the remainder of the decade? The municipalities feel that it's a form of off-loading; it's a form of downloading, just like we in the provincial Legislative Assembly feel that same expression of downloading when the federal government makes an announcement that they're going to reduce their transfer payments. It's a question of that one level of government passing down to another, then that level off-loading to the municipalities. The

municipalities only have one of two choices. One choice is to increase property taxes; the other choice is to reduce expenditures.

Now, in the larger municipalities like Edmonton and Calgary, when we look in terms of the overall percentage that these cuts represent, it may not be that severe, but in the smaller municipalities, even though it is on a proportionate basis, it becomes, I believe, much, much more of a hardship when one looks at it in conjunction with the other announcements that were made that pertain to the elimination of cost sharing for assessment, for example, the termination of funding for the regional planning commission. So the impact down at that level for the smaller rural communities becomes more and more difficult for them to accept. Although I believe realistically there is a mentality in rural Alberta that at times is somewhat different than urban Alberta in the sense that rural Alberta would tend to, I believe, despite the hardships, probably be more sympathetic towards the minister than urban Alberta. I found that out last year at the AAMDC, which surprised me somewhat, when the minister got a standing ovation for giving some fairly hard-line comments on the justice system, but it's what the people there wanted to hear, obviously.

Some specific questions, Mr. Chairman. Mention was made of the three-year plan to give municipalities an idea of what's going to happen in the next three years. I welcomed that. I'd like to see the three-year plan. I'd like to know when the minister is going to make the three-year plan available, and I'd like to know when the municipalities are going to be able to see that three-year plan so that they can plan with a longer term point of view so that they can start to deal with the consequences of the reductions. Whether it's good news or bad news, the ability to be able to plan for those changes becomes very, very important to those municipalities.

Now, the other departments up to this particular time I don't believe have followed the lead of the minister in terms of making the early announcement as to what's going to happen further down the road. I believe libraries has been resolved, but there are areas like policing, transportation, transit grants. If you go throughout the system, there are many, many areas where provincial dollars are allocated to the municipalities to assist them in providing certain levels of services. Those municipalities now are having a difficult time planning. They don't know what's going to be available, for example, in preventive social services. They don't know what's going to be available for policing. They don't know what's going to be available in terms of transportation grants. So it becomes very, very important that this be communicated as soon as possible.

I made mention of the aspect of off-loading, downloading. We've talked about that so many times, that the minister obviously doesn't have any problems with the concept of downloading to another level of government. I don't know if he would have a problem, and possibly he could respond. If he accepts the fact that the federal government is downloading to the provinces, then I guess he can rationalize in his mind as to why he's downloading to the municipalities.

Also, during the address he made another statement that kind of struck me as being rather strange to make at that particular setting. He was talking in terms of the reductions in the number of paper clips and rolls of toilet paper and so on and so forth, pointing out that in his own house he is practising what he's preaching. It's clear that he's done that. I believe he is so committed to this philosophy I talk about that if he could devise a way to eliminate his department entirely, he'd probably do it, including his own job. He would feel that he's done his job well by eliminating his job and possibly eliminating your job and your job. Maybe he'd even go after us on our side. Maybe. Maybe.

He made the announcement that with all these various cuts – and he talked in terms of the numbers of staff reductions that have occurred in his department, and then he said that there will be another 800 staff people within Municipal Affairs that will be gone. I would hope that those staff members in Municipal Affairs were aware ahead of time how severe the downsizing in that department is going to be, because that would be a tremendously heartless way to find out that your job, your position, is in question and that your position could possibly be one of those on the chopping block. When we talk in terms of chopping 800 jobs from 1,200, leaving only 400, that means that out of every three, two are going to be gone. I just hope they got the news in a more sensitive fashion, that that was not the first occasion they had to hear it.

The talk about the infrastructure program that had been made, the comments he had made in relation to the remarks by Alderman Ron Hayter, who was head of the FCM, president of the Federation of Canadian Municipalities – the minister got up and said that he totally disagreed with the proposal that is being put forward by the Jean Chrétien team during the campaign on the urging of the FCM. The minister made it quite clear that that was not the way to go, in his opinion. Yet Alderman Ron Hayter told me that Ralph Klein, the Premier of this province, was one of the first ones to endorse that. We have to be clear: who is giving the direction? Is it the Premier or is it the Minister of Municipal Affairs? The municipalities want to know. After tonight in particular they're going to want to know if the province of Alberta is going to be supporting that infrastructure shared funding program.

The announcement on the assessment fees and no more cost sharing involved. The minister has got to respond back as to how these smaller municipalities are now going to deal with that and whether there are going to be changes in the way that assessments are done, as to whether they're going to be done on an annual basis, if we can get away from some of the difficulties we presently face.

He also made mention of deregulating the planning process, consolidating the Alberta Planning Board and of course eliminating funding to the regional planning commission. The minister has an obligation to tell this House what he sees down the road in terms of an avenue of appeal for property owners that are dissatisfied with decisions being made.

### 3:10

There's also reference being made to the grants in lieu of taxes being transferred from Public Works, Supply and Services to Municipal Affairs and that the whole thing was going to be reviewed to look at the market values and that. I really got the impression, from the glint in the minister's eye when he said it, that he had already made a determination that this was going to result in less money being paid out by the provincial government to the municipalities. In other words, this review would result – I think it's predetermined – in lesser grants going over to the municipalities for the lost taxes.

Two other areas I'm going to touch on, and then I'm going to conclude. Before the last two areas, just to wrap up on his speech. The minister gave his speech. He didn't express, I thought, the sympathy to the delegates he should have when he delivered the news. I hope he doesn't want to earn himself a reputation of being sort of like a master of slash and that he delights in that type of reputation, because when these announcements have to be made, whether one believes in them or not, hardship is created. There's no question about it, and nobody wants to feel joy out of hardship being passed on to somebody else.

Okay. My last two areas. The registries, which of course we're going to be dealing with, Bill 10, second reading. At that particular time the minister can respond about the possibility – and I make a last-minute plea: take the driver examiners out of that. I don't think you can privatize them. I just don't think that's workable. Transfer them to another division. Also, another area in that Bill that is very, very important, I believe, is the invasion of privacy, the possible breach of privacy in terms of information. The penalties are not severe enough. They've got to be moved up.

My last area, the privatization of ALCB. Again I make a plea to the minister to sit down with those employees, work something out with them, acknowledge the fact that they have a contractual moral agreement that they have opportunity at the same wage level going to the new employer. I don't think there's any doubt about that. Rather than forcing them to go to court and fighting this and spending a lot of money, I'd like to see the minister sit down and talk turkey with them, talk a deal with them and resolve this issue. Fighting them all the time isn't getting anybody anywhere.

The other aspect of the ALCB, the wholesale aspect of it, the privatization. The possible privatization of the wholesale aspect I think would be really damaging to the province of Alberta in controlling the amount of revenue that is received as a result of the sale of alcoholic products in this province. As soon as that is privatized, you're going to get those retailers buying their products direct. The province then loses its profit margins. It's picked up by the business community. They're happy, but the taxpayer then has to turn around and make that up. Then the argument by the businesspeople becomes – because they want a profit, their prices are going to have to go higher. Rather than raise the prices, they're going to try and convince the government to reduce the amount of the taxes on the wholesale product so that they don't have to raise the price of booze, but at the same time they can achieve that profit margin they're going to want to achieve. So I would hope that the minister will respond to those points when Bill 12 is dealt with.

On that note, Mr. Chairman, I'm going to conclude, because there are a number of other people in our caucus that wish to speak.

MR. CHAIRMAN: Yes. Thank you.

The hon. Member for Spruce Grove-Sturgeon-St. Albert.

MRS. SOETAERT: Thank you, Mr. Chairman. I just have one small item I'd like to discuss today. I see that the Alberta Planning Board is under a type of change and maybe a possible different role. In the past two weeks I've spoken with three different local politicians who are concerned about the Alberta Planning Board. In fact, in the past two weeks the MD of Sturgeon has recommended that a development not go through, the regional planning commission agreed with them, and the decision was overturned by the Alberta Planning Board. They're very concerned that they have to abide by the Planning Act, yet the board doesn't have to. Their question is: what role is this board? If they are allowed to be the good guys, they obviously have to be the bad guys. They'd kind of like that addressed. Maybe they could be the good guys once in a while and jump off the Planning Act. We talk about local autonomy, and that would provide for that. They know their issues. The regional planning board has an overview of the whole area, and I think those two work very well together. So I am concerned about the cuts in the commission and the role of the Planning Board.

One more example I'd like to mention is that Viscount Estates in Sturgeon was denied by the municipality. The commission denied it, and then it went to the Planning Board and it was

approved. Now the MD has a terrible sewage problem there that they have to address and they have to pay for and they have to take care of because it was overturned by the Alberta Planning Board.

So that's what I would like at least considered. It's just a point to consider, that this Planning Board maybe has to change its role and the way it does its work. I know it is of concern to local politicians.

That was all. Thank you.

MR. CHAIRMAN: Calgary-Buffalo.

MR. DICKSON: Thanks very much, Mr. Chairman. Just a series of concerns I wanted to put to the minister. Firstly, with respect to program 5, Alberta registries, I recognize that later we'll be dealing with Bill 10, but I have a specific query. If I were able to get a response, it would help me in preparing my comments to speak to Bill 10. The Land Titles Act, sections 154 to 172 inclusive, sets out an assurance fund. Now, this is a substantial amount of money. I notice in the 1991-1992 annual report for the Attorney General that the assurance fund surplus has amounted to some \$2.45 million. I'm not entirely clear whether that's surplus to the \$33 million which the Land Titles Act allows to be held and anything surplus to \$33 million then is to be rolled into general revenue. I'm not clear in terms of the current balance in the land titles assurance fund, but I'm confident it's a substantial sum of money. I don't see that reflected in the detailed estimates or the general estimates for the Department of Municipal Affairs. I'm wondering if I can get some assistance from the minister in that respect.

The second concern I've got has to do with public housing. I see that in vote 3.3 there's reference there to a slight increase in support for Alberta Mortgage and Housing Corporation. I've been contacted by a number of agencies and organizations in the city of Calgary that are involved with social housing through not-for-profit organizations. I understand that these groups are particularly concerned that the federal government is dramatically cutting back its role in terms of financial support for public housing projects. There's enormous concern on the part of these agencies and groups as to what role will be played now and in the near term and intermediate term by the provincial government when it comes to public housing.

I note from *Hansard* that this was touched on, perhaps somewhat obliquely, by the hon. minister responsible for Municipal Affairs at page 617 when he said, and I quote:

The federal government is looking at backing out of their traditional way of funding social housing. We're going to have to, too, to ensure that we go to a needs-based or emergency type housing, follow the clients who are less fortunate than others, as I defined in the role of government, but not get into the construction business as badly as we did a few years ago.

That certainly gives me a general indication in terms of what the minister has in mind, but I would appreciate a much more concrete, a much more specific plan in terms of what the provincial government intends to do so I can relay that information to the agencies and organizations that operate for the most part in the downtown area, the Calgary-Buffalo constituency.

3:20

Another item I wanted to raise has to do with the Franchises Act. I see newspaper reports that the minister is doing something that we didn't see in the last session when the franchises Bill – I think it was Bill 25 – had been introduced. As I recall, in the 1992 session there was substantial concern both from franchise granters and franchise operators, and my understanding is that this

minister, since he assumed responsibility for franchises – consumer and corporate affairs as it used to be known – has had some broader consultation. I wonder if the minister can give us a more precise, a more particular report in terms of what the status is now. I'm particularly interested in whether the minister has changed the position that had been taken by his predecessor.

Members may recall that his predecessor, the Member for Calgary-Currie then, had proposed that we would introduce a number of elements into regulation of franchises, elements that would be common to securities legislation and regulation but which would be new elements, new concepts in terms of the control and management of franchises. Certainly one of the major concerns that was relayed to me by franchise granters and franchise operators in organizations representing those two important groups was that there was too much uncertainty that was being imported into management control of franchises by bringing in these definitions and statutory concepts that may work well in U.S. jurisdictions in terms of managing securities law but which create an unnecessary degree of uncertainty and perhaps even create disincentives for franchises to flourish and to locate in this jurisdiction.

The other item I wanted to raise with the minister relates to freedom of information. Now, I'm a part of an all-party panel, and as we've been traveling around the province, we've heard some submissions from representatives of municipal governments. The Member for Calgary-Shaw and other members of the committee have certainly heard input that many people responsible for representing Albertans at the municipal level are quite comfortable with the current level of freedom of information, if we can call it that, that exists at the municipal level. Reference has been made to sections 150 and, I think, 151 in the new Municipal Government Act. I'm wondering if the minister would share with us particulars of any formal responses he's received from either individual municipalities or organizations representing municipalities at any level, whether city, town, village, and so on, specifically on the point of freedom of information. That information I think would be useful not just for my own curiosity but for the work that the freedom of information all-party panel is undertaking at this time.

I think that deals with the principal concerns I had, Mr. Chairman. Thank you.

MR. CHAIRMAN: The hon. Member for Edmonton-Whitemud.

DR. PERCY: Thank you, Mr. Chairman. My questions with regard to Municipal Affairs relate to votes 2.4.5 and 2.4.4. Specifically, since the province has set up a Tax Reform Commission and since the budget of that Tax Reform Commission is modest, \$400,000 – it would primarily pay for operations and the like – it's very clear that that committee has neither the financial wherewithal nor should it have the mandate to rediscover the wheel. I would think that under 2.4.5 and 2.4.4 there have been a significant number of studies undertaken, I would hazard a guess, by Municipal Affairs dealing specifically with the issues of fiscal equalization, comparability of tax bases, the impact of M and E. My question is: what is the status of these studies? Are they being transferred en bloc to the Tax Reform Commission to save them the problem of rediscovering the wheel, reinventing the wheel? The specific question is: out of these particular votes what studies have been undertaken that deal specifically with fiscal equalization within the province, different tax bases that could be assessed, the links between property tax reform and corporate pooling, and the links therein to education? It would stretch my reason to believe that Municipal Affairs would not be working

with the Department of Education in assessing the effects of corporate pooling. So one would hope that there have been studies undertaken and that they would be released and certainly would be released to the Tax Reform Commission, which is an arm's-length, open vehicle. That is part of my question to the minister.

A second set of questions to the minister deals with his musings on Friday on Access radio and his statements of privatizing the television portions and buying time from private stations. In light of the fact that there are significant commitments, 10 and a half million dollars, that are set out very clearly in the public accounts from 1995 on, my specific question is: given his responsibility for this particular financial entity, what is the nature of these musings and how do they relate, then, to these obligations that are outstanding and are very similar in nature to those that stand under the ALCB? Furthermore, since Access acquired on April 1, 1993, capital under capital leases at an imputed cost of \$622,000 and the payments on these stretch from 1994 thereafter, for \$622,000, again in light of his musings on the privatization of Access, the fact that he went to the newspapers and in fact volunteered these statements, can the hon. minister state exactly what is the status of these leases on equipment with regards to the earlier 10 and a half million dollars, the leases that are outstanding from 1994 thereafter? In fact, from 1998 on the value of these leases and their realty payments is \$8 million. I would like to know in fact, then, to what extent are these payments linked specifically to the television operations and what would their status be in light of privatization?

Those are my questions to the minister. Thank you.

MR. CHAIRMAN: Excuse me, hon. member. I think those are actually covered under the estimates of Executive Council.

The hon. Member for Edmonton-Meadowlark.

MS LEIBOVICI: Thank you. I would like to address some of the issues that have come up since the first estimates date on September 30, 1993, and I know that my hon. colleagues have addressed some of these issues in the last 40 minutes. One is in terms of the privatization of registries. Another is in terms of the ALCB scheme. A third is in terms of comments by the hon. Minister of Municipal Affairs, particularly with regards to the fourth level of government in this province, and that's where he talks directly about the volunteers in the province of Alberta.

Firstly, with regards to the privatization of registries, that is going ahead, and as we well know, Bill 10, which is coming up next, is at second reading. The people who test for driver education have been given their notices, and there's a lot of concern in terms of who's going to pick up the slack and who's going to be able to in effect actually test people for their licences. I think this is an issue that needs to be held in abeyance until some of the major questions with regards to Bill 10 are addressed, and this we'll be bringing up in the next debate.

In terms of the ALCB sale there are a lot of issues that are still not addressed, one being who's getting those licences, how is the thing determined as to who will get those licences, and in effect, as well, how are the sales proceeding? On one day we hear that CIBC has gotten a store, and the next day we hear, no, that isn't the fact. So who does know the facts, and when will we the opposition as well as the people of Alberta get those facts?

3:30

The third area is in terms of this notion that keeps floating around this government as to what the volunteer sector can and cannot do. It appears that more and more the volunteer sector will be required to do a lot more than what is at present required

and with less funds, if you look at the question that was asked today in terms of video lottery machines and what the impact of that will be on the volunteer sector in terms of not being able to gain the dollars that they are now gaining. I again submit that this government has not looked and has not really thought out what the implications of this are.

There's an issue also in terms of expectations. I would like to know what the government and this minister in particular mean by: there needs to be changing expectations. I think that's essential so that we know where this government will be heading in the next three to four years, especially when we finally see their three-year plans. I think that in terms of seeing the three-year plans, it would help if we knew the philosophical underpinnings, which seem to be coming across in little bits and pieces. It would be nice to have that as an overall.

Those are my comments at this point in time, and I thank you for the opportunity.

DR. WEST: I'll likely get back like I did before: I tabled the answers to many of the questions.

I can just go back to those brought up by Edmonton-Rutherford. He did say: what's the hurry? When I went to the AUMA, that's the earliest that any minister in any government in the history of Municipal Affairs had ever indicated what the grants would be for the coming year – not this year; they already know it's zero. It's the first time that we indicated that there'll be a three-year program coming out by the end of November. You asked when those three-year plans would be coming. To say that we've hurried this, I would say that we've stood notice on change over a four-year period, the first time that municipalities could comfortably sit back now and look and do some brainstorming for a three- to four-year period. The cut this year was zero, and we're still in this budget year. We are talking about those 20 percent cuts on specific programs in the '94-95 budget. Many of those budgets have not yet been consolidated by the municipalities. Now they can start some long-range planning.

Somebody did bring up – and you were at that meeting – “What's the hurry, Mr. Minister? Why are you hurrying this process?” I said: because we're broke, and because since 1986, when I first was elected, and before that when I was out as a veterinarian, sitting around coffee shops in 1982 and '79, people were demanding that government change and move into the 21st century or the end of the '80s and the '90s with some responsibility in getting rid of the status quo and moving ahead with the details and plans that were more consistent with our society today than they were the society of the '60s. We need our Planning Act changed. We need a new Municipal Government Act where we do place more autonomy. They say: well, that's downloading. No, that is not downloading. There is only one taxpayer. You have to change services, and you have to change expectations. You no longer can have four or five planning systems; you have to streamline it. That's why we want to look at the Planning Act and move it forward to the municipalities and change the layers of planning that we have, put the appeals and the waivers and that at the local level, because indeed the cities that have come from 200,000 people to 800,000 have come of age. They are a force of their own, and they have services that they can give to surrounding areas, rather than each individual municipality hanging on to their turf, hanging on to those services, and taxing the people on a local basis forever. They have to now look sideways, look to each other, and say, “What can we break down now?” Because really it would be better if we provided these services cognizant with each one of us rather than looking at the paternal father, the provincial government.

For years the municipal governments were a creation and were supposed to be just at arm's length of the provincial government. Well, they've come of age. Really, there's not much purpose for the Department of Municipal Affairs to organize a few pieces of legislation. It can't any longer put down MAG grants that are \$100 million out of the budgets that they have, small percentages, almost paternalistic: "Here's something out of the tax base that you can have with no strings attached to do with what you want." These MAG grants aren't the end-all or be-all of the budgets. The city of Calgary has a billion dollar budget. The MAG grant is \$19 million. The cut this year is 20 percent: \$3.8 million out of a billion dollars. It doesn't take an economist to figure out that this is paternalism. To scream and holler that we're cutting off their lifeblood: no way. So I say that in answer to your questions, which indeed are questions that you hear, but I find that it isn't the smaller communities that are complaining as much as the big communities, because it's a breaking of tradition. You have to change the way you do business, the way you think, the way you sit around your council chambers. That's hard to do when you have to change. This was nice money coming from the protectorate, the provincial government.

I hope that when we bring in Bill 51, we move 20 Acts out of the 65 we have and put it into one and 40 regulations, that indeed we streamline this. It isn't downloading. They'll become responsible government bodies dealing with their ratepayers at the grass-roots level, not looking always upwards to see if it's okay: "Would you sign this for us?"

So I'm going to stop there. I would ask for the question, Mr. Chairman. The other questions that were asked, I'll bring forward some . . .

MR. CHAIRMAN: Are you ready for the vote?  
Edmonton-Rutherford.

MR. WICKMAN: On the question of the ALCB privatization, can the minister tell us when the list is going to be released as to who the successful licensees are?

DR. WEST: Mr. Chairman, those aren't part of the estimates of Municipal Affairs. I'll just say that there is a process going on, and there are 600 bids on these properties. The winners and the losers of the real estate bid: there have to be kept certain privacies to that for business relationships. As soon as we have sold the properties, it becomes a matter of record in the land titles office. Those people then will be known, and their licences will be up, because they are a matter of public record also. To do that beforehand so that there could be a whole public display of those that were high and low in bidding would be totally irresponsible of a government. No real estate transaction does that.

MR. WICKMAN: We're just curious.

DR. WEST: I know you're curious.

DR. PERCY: A question to the minister regarding votes 2.4.5 and 2.4.6, Industrial Assessment and Assessment Standards and Inspection, and 2.4.7, Assessment Equalization Board. My question is very simple. Since the Tax Reform Commission is in place, since it has a small budget, since the Department of Municipal Affairs will have undertaken studies regarding equalization across the IDs and municipalities, will have looked at the interaction of the M and E with other tax bases and the need to shift, has the minister transferred that research lock, stock, and barrel to the Tax Reform Commission to give them access so that

they don't reinvent the wheel and so it expedites the process for them? His ministry would be the repository of the best data and the best studies that suggest interactions across municipalities of any changes within the property tax regime in the province. It would seem to me that a way of expediting the work of the Tax Reform Commission and minimizing costs to Alberta taxpayers would be to basically either transfer the studies that do exist or send representatives from the department to the Tax Reform Commission to précis what the issues are and the nature of the interactions. It would be my guess that the various groups that appear before the Tax Reform Commission will be somewhat parochial in the views that they express, and I expect that the Department of Municipal Affairs would provide perhaps a broader umbrella, tying together the studies that are in place.

Thank you.

3:40

DR. WEST: Those are excellent points, and I'll follow up on that. You're right: there's a tremendous amount of information there, and we have done studies recently when we were doing certain reviews to go into Bill 51 the last time and the assessment white paper. I'll follow up on that because we don't want them to re-tread the same work when we have the expertise. The recommendation to send people to the commission: if they need that resource, yes. So I appreciate those comments. I would assume that that was being done, but I have no clarification of that, so bringing that up here today will certainly help us in that direction.

MR. CHAIRMAN: Are you ready for the vote?

HON. MEMBERS: Agreed.

Agreed to:

Program 1 – Departmental Support Services	
Total Operating Expenditure	\$12,753,700
Total Capital Investment	\$241,900

Program 2 – Support for Municipal Programs	
Total Operating Expenditure	\$165,245,500
Total Capital Investment	\$27,500

Program 3 – Administration of Housing Programs	
Total Operating Expenditure	\$315,080,000
Total Capital Investment	\$1,714,200

Program 4 – Consumer Services	
Total Operating Expenditure	\$6,768,100
Total Capital Investment	\$101,000

Program 5 – Registries Information and Distribution	
Total Operating Expenditures	\$49,426,000
Total Capital Investment	\$642,000

Summary	
Total Operating Expenditure	\$549,273,300
Total Capital Investment	\$2,726,600

Department Total	\$551,999,900
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Operating Disbursement	\$104,200,000
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MR. CHAIRMAN: The Minister of Municipal Affairs.

DR. WEST: Yes. I move that the estimates be reported.



[Motion carried]

MR. EVANS: Mr. Chairman, the next order of business on the agenda for today is second reading debate on Bills 10 and 11, and accordingly I would now move that the committee rise and report.

[Motion carried]

[Mr. Clegg in the Chair]

MR. TANNAS: Mr. Speaker, the Committee of Supply has had under consideration certain resolutions, reports as follows, and requests leave to sit again.

Resolved that a sum not exceeding the following be granted to Her Majesty for the fiscal year ending March 31, 1994, for the department and purposes indicated.

For the Department of Municipal Affairs: \$549,273,300, operating expenditure; \$2,726,600, capital investment; \$104,200,000, nonbudgetary disbursement; for a total of \$656,199,900.

Mr. Speaker, I also wish to table copies of a document tabled by the Minister of Municipal Affairs this date for the official records of the Assembly.

MR. ACTING DEPUTY SPEAKER: All in favour of the report?

HON. MEMBERS: Agreed.

MR. ACTING DEPUTY SPEAKER: Opposed, if any? Carried unanimously.

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

**Bill 10**  
**Alberta Registries Act**

[Adjourned debate October 19: Mr. Chadi]

MR. ACTING DEPUTY SPEAKER: The hon. Member for Calgary-Buffalo.

MR. DICKSON: Thank you very much, Mr. Speaker. I'm delighted to have the chance to participate in the debate on second reading of Bill 10. It's always interesting to hear the proponents of a not new but novel piece of legislation come into this Chamber and share with us some of the reasoning, some of the motivation for bringing this kind of a statute forward.

I think it was the Member for Cypress-Medicine Hat who led off debate on second reading. A couple of things he mentioned were of interest to me. I have to say that I had some difficulty in terms of juxtaposing the observations made by the Member for Cypress-Medicine Hat in supporting and introducing the Bill at second reading and what I gleaned from my own review of Bill 10. It may be that the Member for Cypress-Medicine Hat has some additional information which I don't have, but I think I'll just spend a minute and highlight some of the things that I found contradictory or at least confusing.

At page 920 of *Hansard* the Member for Cypress-Medicine Hat highlighted the fact that the minister is going to be the chairman of this board – hence, accountability – and that that was going to be the way to ensure that this new Alberta registries corporation remains subject to the control of the duly elected legislators.

The second thing he noted was that the “protection of the public interest is built into the Act.” I'll come back and say more about that in a moment.

Thirdly, he talked about several aspects of the contract. Now, this is a contract that would exist between the registry operator, if I can call it that, and the corporation.

Fourthly, he talked about the \$4 limit and suggested we should take some comfort that it was capped at \$4, and then, fifthly, he talked about assurance funds that were in effect. If I could just deal with those points in summary fashion.

**3:50**

Firstly, public accountability. I think that this may be one of the most important issues we have to deal with. When the government comes forward and invites us, members of this Legislature representing all Albertans, to take this very different direction from the way we've managed public registries in the past, surely it's incumbent upon us to firstly ask: what type of responsibility is going to take place and going to be shifted, and to what extent will all of us who have been elected to serve and represent Albertans still maintain an overarching responsibility?

After all, virtually all of the registry services – people aren't opting for this kind of service. Looking at a range of alternatives, they're dealing with land titles, they're dealing with corporate registry, they're dealing with central registry, because that's the only place you can go to secure your interest. If you're a lender, if you're a purchaser, it's the place you go to ensure that you have security of title. People have no choice. Albertans have no choice. I think it's important that we recognize that we're not talking about selling hot dogs; we're not talking about selling widgets. What we're talking about is providing statutorily mandated services to Albertans.

When the propounder of Bill 10 says that we still have ultimate responsibility resting with the minister, I have a problem with that. You see, what's happened here is that we've taken the first step, and I applaud the Minister of Municipal Affairs for aggregating, or consolidating, the various registries. I think that was an important and an overdue step. The next step then: we take the responsibility, take it out of any single department, and we give it to a corporation. It's certainly true that the chairman of the board of this corporation is a member of this Assembly, a minister, available hopefully and at least subject to questioning by members from both sides. The point is that the corporation itself now operates not like any government department but that it operates at virtually an arm's-length distance to the rest of the cabinet. I have difficulty with that. I think what happens is that in what I suggest is the haste of the Minister of Municipal Affairs to proceed with privatization, he's confused two very important yet very different concepts. One is the provision of service: who provides it, and how is it going to be provided? The other issue is: who controls that provision of services? Who sets the standards? Who monitors the provision of services to ensure that the taxpayer, the consumer, the Albertan, is being best served? I think what's happened is that Bill 10 represents a good example of these two concepts being run together, and we see this comingling or in fact overlapping of the two concepts, with the result that we get sort of a hybrid situation, which I think serves neither of those two objectives particularly well.

While I can applaud and I expect many members in opposition will applaud the notion that the provision of service may be done by somebody who is not on the provincial government payroll, what about the control of that? I'm not sure that Albertans and, I will suggest, I don't think the Albertans I represent want to see the control of this surrendered, yet that is precisely what happens when we go with this Alberta registries corporation that's created by the minister.

On page 920 of *Hansard* the Member for Cypress-Medicine Hat talked about: "Protection of the public interest is built into the Act. Privacy of information is critical to the public." He goes on to make some other observations. Well, clearly, it is critical. I have to say, with respect, that I can raid Bill 10 another dozen times and I can turn it upside down and shake it, but I can't find in Bill 10 anything which gives me any degree of confidence that the protection of the public interest is first and foremost in this statute.

It raises what I think is a serious omission in Bill 10. I am a strong advocate that every statute passed by this Legislature ought to have an object clause or a purpose clause. I've had some firsthand experience in terms of seeing courts deal with a piece of legislation which is dropped in their lap and the courts being asked to in some fashion interpret it or provide a construction of some ambiguity or some apparent conflict in the provisions in the statute. In 1993 we know that the courts have a much larger and more active role in terms of interpreting, construing legislation than ever before, and so surely the responsible thing for Legislatures and legislators to do is to ensure that in this kind of a Bill there's a purpose clause that makes it clear what we're to achieve. We don't have that kind of a purpose clause in Bill 10, so we're left to discern from the comments of proponents what they understand the objective to be.

It would seem to me that the objectives would be, firstly, to consolidate various registry services for the convenience of consumers – and I think that's something we'd probably agree with – secondly, to involve the private sector in the provision of information registration services. That's something I don't have great difficulty with. I would have thought that an equally important third purpose would have been something which committed the government to the protection of personal privacy, whether that information is in various registries under the control of the government or under a private corporation. That, I think, is what my constituents are anxious in seeing before we proceed further with the privatization of registry services.

The Member for Cypress-Medicine Hat talked about certain elements of the agreement which would be entered into between the corporation and registry agents. Well, Mr. Speaker, I haven't seen any draft contract. The member opposite may have that advantage of being able to see that type of a draft contract. Otherwise, I guess what we have is his speculation, his conjecture, his surmise in terms of what the agreement's going to look like.

#### **Speaker's Ruling Decorum**

MR. ACTING DEPUTY SPEAKER: Excuse me, hon. member. I've seen about five or six members, and I'm not picking any side. We are not in committee now. If you have to talk to somebody, use the pages to take notes around. There have been about five or six people that have in fact gone and talked to members, which is not allowed in this House.

The hon. Member for Calgary-*Buffalo*.

MR. DICKSON: Thank you for that assistance, Mr. Speaker.

#### **Debate Continued**

MR. DICKSON: As I was saying, I see at least one of the members opposite brandishing what seems to be a large three-ring binder. Now, that may be some useful information that certain members have access to. I haven't seen that, and I would be keen on seeing what the draft or model agreement looks like. Before I could conclude, as the Member for Cypress-Medicine Hat has, that Bill 10 represents some step forward in terms of protecting

the public interest, I'd want to know: what's in the agreement? How is that going to be covered? How is that personal information going to be secured? I don't have any confidence in that respect. You know, one of the things that the government may well do is develop a standard agreement. Well, if they have such an agreement, it would be enormously helpful to make that available to members on both sides of the Legislature.

I think I'll say this later in a different fashion, but when I look at Bill 10, it really is pretty much an empty vessel. What's most significant is what's been omitted, what's missing from Bill 10, because really what we have in Bill 10 is just the most skeletal outline of a plan.

The Member for Cypress-Medicine Hat talked about a \$4 limit. Well, once again, there's nothing in Bill 10 that talks about a \$4 limit. Section 23 leaves it wide open to the Executive Council in terms of fees or charges in conjunction with a corporation. Section 10(3) allows fixing registration fees, whether it's \$4 or \$40. I think we have to deal with the statute we've got, and until it's amended or revised in some fashion, there's no limit to it. That's a concern as well.

#### **4:00**

The fifth observation the Member for Cypress-Medicine Hat made was that the public is protected to the same extent – and I'm paraphrasing here, Mr. Speaker – because access to the assurance funds or indemnities are continued. Well, as I had asked the Minister of Municipal Affairs earlier in Committee of Supply dealing with his departmental estimates, we know there is a land titles assurance fund provided for and authorized by section 154 to section 172 inclusive of the Land Titles Act. We know that in the 1991-1992 annual report for the Attorney General, the assurance fund surpluses amounted to \$2.45 million. I've been unable to determine to this point whether that's the excess over the \$33 million which is specified in the Land Titles Act – anything surplus has to go to general revenue – or if that's the entire assurance fund. But we know there are substantial dollars there. What happens to that fund?

I find it somewhat puzzling when I look at Bill 10 that there seems to be at least a conflict if not ambiguity between section 8(1), which contemplates the transfer of funds, and section 21, which contemplates funds being collected by the Alberta registries corporation. If we have this assurance fund now, which is available in the case of errors in the registration of mortgages, transfers of land, and so on, we have this large pot of money. Is the plan that we're going to take that? If there are three registry operators that want to run land titles services, is the province of Alberta going to split the fund into three cheques and turn that over to these corporations? There may well be indemnities, and in fact there are in Bill 10, but that's cold comfort. I have enormous concern in terms of where that large fund is going to go. If it's going to stay with the government, if it's going to stay with a department, then one has to ask: what's the purpose in setting up this whole new bureaucracy called a corporation and all the multitudinous advisory councils and committees provided for in the statute? I have a great deal of concern because – and this may be my own inability to read Bill 10 – I simply don't see what the plan is to deal with that large land titles assurance fund. I think it's simply too large and too important for all members not to be very clear on it before we proceed further.

The Member for Edmonton-Rutherford raised the important issue of driver examinations. I think this point is so important because it highlights one of the real difficulties when you look at privatization. When you deal with privatization sort of holus-bolus, we have to ask again at what point we compromise certain

public protection by charging off in terms of privatizing everything. You see, I think an excellent case can be made that it doesn't have to be a civil servant that processes my change of registration for a motor vehicle, processes my registration of a transfer of land or a mortgage or whatever, but when it comes to driver testing, surely there are few things more important for the provincial government to do than to protect public safety. It seems to me that when you farm out the driver examination to a for-profit corporation, you at least run the risk of having an operator who is going to be motivated by profit more than failing people if that's what the public safety of Albertans requires and warrants. I think when the Minister of Municipal Affairs and proponents of Bill 10 rush ahead with this and throw in driver examinations as simply part of the bigger package without recognizing there are different concerns we all have and our constituents have with driver testing than simply processing an application form or transfer form, it jeopardizes the entire piece of legislation. That hasn't been dealt with satisfactorily from my perspective.

The Minister of Municipal Affairs, when he spoke to this on October 19, listed what he saw as the three reasons why Bill 10 was in front of us. The first one was that on June 15, Albertans told him and his government that this is the direction people want to go. You know, I acknowledge, as the Premier points out repeatedly, that they won and we lost. But you know, there's a big, big leap between saying privatization of government services is a useful direction to move in and the Bill 10 we're dealing with now. I think now is the time to look beyond bombast and election rhetoric. We all know how sketchy plans are that any politician puts out to their electors. Now we have to deal with hard cases. Now we have to deal with the four corners of Bill 10. I think the Bill ought to sink or swim on the basis of the merits of what's included in here or what's omitted. That's where the focus should be.

Secondly, the hon. minister said that "the average person on the street has anguished for years in the city," and he gave that example. I'm sure that when the minister talked about taking the 84th ticket in the Calgary motor vehicles office, I was right behind him taking the 85th ticket. I've had the pleasure of sitting in the Bowness land titles office and waiting for a very long time for service. That is a problem. But Bill 10 goes far beyond trying to address that one-hour or hour-and-a-half lineup in the motor vehicles branch, so I think we have to sort out the mischief we're trying to deal with. If the real purpose here is to try and expedite provision and delivery of an important, essential government service, let's not cloud the issue with some of the other things that are introduced in Bill 10.

Now, I think I'm close to running out of time, Mr. Speaker. I'll just jump ahead and mention a couple of other things that are of some concern to me – well, perhaps at committee stage.

MR. ACTING DEPUTY SPEAKER: Thank you, hon. member. Before I continue, could we have unanimous consent to introduce a guest?

HON. MEMBERS: Agreed.

MR. ACTING DEPUTY SPEAKER: Opposed, if any?  
Calgary-Cross.

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

MRS. FRITZ: Thank you, Mr. Speaker. It is my pleasure to introduce to you and through you to the members of this Legislative Assembly Mr. Peter Burgener, who's sitting in the gallery

today. Welcome, Peter. Mr. Burgener is a friend and colleague with whom I had the honour of serving on the development appeal board for a number of years and was also on the planning commission for the city of Calgary. Importantly, I'd like to mention that Mr. Burgener until very recently was the vice-chairman for four years of the Calgary District Hospital Group and in that time raised over a million dollars in funding for us. Welcome, Peter, and rise so we can welcome you.

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

**Bill 10**  
**Alberta Registries Act**  
(*continued*)

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

DR. PERCY: Thank you, Mr. Speaker. I take this opportunity to speak to Bill 10. I guess there are three separate issues I'd like to address. The first is that this is a Bill that has been long coming, and with the government moving toward so many privatization initiatives, one would expect that at this stage we would have an outline of the anticipated benefits and costs of this type of move. The move for privatization clearly has to focus on cost-effectiveness. Can the private sector provide the service or commodity in question cheaper than through the provision of government services? Is it better to contract out? It also deals with meeting consumer needs and ensuring that consumers have both convenience and accessibility but at the same time have convenience and accessibility in an environment where safety is assured and standards are enforced. What I find disconcerting is that for legislation that has been long coming, there is no framework in place that tells us that indeed by the test of the market it is demonstrably superior to do this. We have assertions on the part of government but have no framework that says yes, indeed, the potential savings through time are \$20 million, \$30 million, \$40 million. We have the assurance that because it's going to be privatized, it therefore must be more efficient, but the world doesn't work that way and certainly not the market.

**4:10**

There are some instances where it is better to provide particular types of services, particularly the enforcement of common standards where there's judgment required, as in driving tests, for example – that it be best done through a consistent framework offered by government where there's no potential for profit by being more generous or more charitable than a competitor who can attract business away by simply enforcing standards to a lesser degree. So I'm concerned, then, about the absence of a qualitative framework by which we can assess this particular Bill. That's a generic statement, because it is true of the ALCB privatization initiative, it is true with regard to the trial balloons floated with regard to Access, and it's true with regard to this Bill. We're taking it on faith that because we're shifting this to the market, it therefore must be good. In some instances that's absolutely, utterly true; in others there may be less merit to that argument. So I think it behooves members of the Executive Council to prove it is the case and to provide the legislation and also provide us with evidence that they have gone through a full and careful set of consultations with affected stakeholders. Again, in the context of drivers' licences, it's clear that it has not been done. So the first point is that I would like to see a more amicable framework

demonstrating the market-based merits of this rather than appealing just to a philosophical argument.

The second point I'd like to make is that this Bill embodies something that all members of this House, on that side and this side, should be concerned about, and that is the shift toward almost an executive form of government. We've heard the Provincial Treasurer, for example, discuss this with regard to the role of the audit committee in perhaps setting out the agenda and assessing the implementation of certain types of financial plans by government. We know that the Financial Review Commission had access to documentation that members of this legislature were not permitted to have. So we see that in a sense nonelected officials are increasingly having both access to information and a role in implementation that properly belongs in this House, and there are aspects of Bill 10 that in fact continue this trend.

I will make the point that Bill 10 really does lead to a substantial derogation in the powers of the Legislature in the registries field. I'd like to point out a couple of areas where that is the case. If you look at section 10(4) of the proposed legislation, it allows regulations to override a fee fixed by the Legislature for a maximum fee, et cetera. This is really an unacceptable derogation of the supremacy of legislation over the executive power to promulgate regulations. Section 10(3) allows fees or charges to be set by regulation. Fees or charges may be fixed by the Legislature in the body of a statute. An enactment is defined in the Interpretation Act, which is section 25(1)(e), as "an Act or a regulation or any portion of an Act or regulation," and then subsection 4 provides that in the case of conflict between a fee established by an enactment and a fee imposed by regulations under Bill 10, the latter will prevail. Well, in part what the Legislature is here for is to in a sense assess and review those types of legislation, and to sort of delegate that authority elsewhere in fact detracts from the power of this Legislature and this House. There are a number of points in this regard that will be made by my colleagues, but if you look at the bare bones of this legislation, it really requires one to have a significant degree of faith in the Executive Council for them to draw up policy, to appoint this board in a way that is arm's length and nonpartisan, and then delegate to that corporation basically power that properly belongs here within the Legislature.

So my first point is that I think there has been no demonstrable analytical cost/benefit framework that says this is clearly superior. The second point is that there are elements of this legislation which clearly shift the focus of power away from the Legislature and allow it to be in executive hands. I think the more we move down that path, the far worse we're going to be in terms of legislative review and accountability.

The third point I would like to make is that when you look at the Bill and the setting up of the corporation, it seems to be open ended, and there appears to be significant potential there for abuse in terms of who is appointed. Now, clearly we have heard the Premier say that they are going to use the Public Service Commissioner to assess in depth significant appointments, yet we do not know how public and how open that process will be. We do not know who in a sense the public will be. Will it be actually other civil servants that have come in to vet it? Will it be members of the registry board itself if we're dealing with appointments to this board? So I think there are issues here about who is appointed to the board, is the mechanism arm's length, and patronage. Will this be considered a significant appointment? Certainly, given the flow of funds through it, one would hope it would be a significant appointment and there would be an arm's-length vetting of individuals appointed to it.

The legislation makes no statements with regard to fees paid to the members, no statements with regard to travel and honoraria

they might receive. Again, I think Albertans and taxpayers in particular are fed up giving open-ended blank cheques to members of boards. This government has gone on record as saying that there have to be cutbacks in this area. Yet if you look at this legislation, there's nothing in there that links the mechanisms by which those fees are set, defines the extent to which travel expenses are necessary, or in any way constrains the board in terms of what it may vote itself. I think in light of the statements of this government that is a significant defect.

Another area I would like to discuss – it would be a fourth point – is that at this stage, for a Bill that has been in process for so long and in the absence, as I mentioned, of any discernible cost/benefit study, one would now hope for a well-fleshed-out business plan: timing of operations, the links between the board, its interactions in various areas. Yet we see nothing accompanying the Bill in terms of the business plan. We have, as my hon. colleague from Calgary-Buffalo said, a sort of structure without much form, and then we on faith must say, "Yes, do that, and in light of what you've done in the past, let's cross our fingers." Well, I think the time for trust is over in this regard. One would hope to see far more detail in such a Bill, because again accountability really requires us to demand to see the detail, to demand to see how the fees are going to be set. My colleague from Calgary-Buffalo mentioned that we've heard about the \$4 fee. Well, I'd like to see it in the legislation rather than just hear it pulled out of thin air.

AN HON. MEMBER: Trust me, Mike.

DR. PERCY: Yeah, right. Not a problem.

We do not see the detail that would lead us to have faith that this will in fact leave us better off and Albertans will be better served.

A final point that I think is of fundamental importance: there is in a sense implicit in this Bill a naive belief in technology. One only has to look at UniCare and the fiasco there as they attempted to create their own software to realize: how are we going to have the technology in place that allows individual offices to transfer land titles yet at the same time ensure there's only one transfer? What is to prevent me, for example, if I were running a registry, from transferring all the hon. Minister of Municipal Affairs' property to myself and then leaving the country? What is the mechanism in place to prevent that? We're not talking about a read-only type of mechanism here. This is going to be a data set open to all individuals that are running corporate registries, and there is nothing more sacred in our society than land titles; that in a sense defines property rights. To then delegate the definition of these property rights to a corporation for which there is not much structure, with a belief that we can have the technology in place that will prevent misuse of that ability – I mean, it is touching to have such faith, but given the demeanour of the Minister of Municipal Affairs, sometimes I don't think he really does believe in the innate kindness of individuals. I would have thought he would be a little more suspicious about the ability for misuse and abuse.

Now, there are penalties set out in this Bill, but they're really quite modest – very, very modest. I would have thought that – what is it? – \$10,000 is a very, very small fine indeed. It's my understanding from reading the Bill that if it is on behalf of the corporate registries and there's some abuse there, it in fact will not be taken to court. It appears to be very open ended in terms of the penalties employed for misuse, for example, in the area of land titles.

4:20

Now, I realize that the land titles operation is already computerized, but we're talking about a manyfold increase in that operation and far more entry points in that data set. I really think it is incumbent on the minister to demonstrate that the technology is here to ensure that the land registry and land title is secure, because again that is a very, very important element of property rights. I think all members of this House really do believe that property rights are important, so it's incumbent on the minister to flesh out in detail how we're going to ensure that these rights, as embodied in land titles, are protected.

The other issue that comes to the fore here is that the minister has talked in vague terms about potential benefits from this move to privatization, but as I've mentioned in passing, we haven't actually seen any set of numbers in a consistent framework that demonstrates the magnitude of these. This brings us to the issue of monitoring. The minister may say that there are savings here, but now we have to worry about monitoring a variety of these agents, monitoring those that are providing drivers' licences, ensuring for testing. There's going to be an array of costs associated with the very act of monitoring. We also have to ensure the continued security of the data base with regard to land titles. Again, what's the mechanism? Are we going to have proactive hackers out there trying to check the security of the data set? What is the mechanism to ensure the protection of privacy, to ensure there's not going to be a misuse of this data set that's there, that personal information, such as with regard to social insurance numbers, is not going to be abused by people being able to break into the system?

I'm sure the minister will have good answers for these, but it would be nice to see them set out explicitly. I believe Albertans have a right to privacy. In other areas that's overridden. Any individual can go in and look through land titles as it is, see which companies own it. We have to make sure we have a fair balancing, then, of the existing rights to privacy and the existing rights of Albertans to know what the nature of transactions are and who owns what. It's not at all clear to me in this legislation what the line is between the rights of Albertans with respect to privacy and the right of Albertans to know who owns what and how it's been transferred through time. I think it would be very useful for the minister to set out in some detail how this trade-off between privacy and the right to know is going to be set out, how the security of these data sets are going to be preserved. What are the costs of ensuring that this trade-off between privacy and the right to know is enforced?

As I say, I have a number of concerns about this Bill. I find it is in fact very, very thin. The justification is thin. The actual structure of the Bill is thin in terms of providing detail. There's not much background in place with regard to how concerns over protection of property rights will be enforced, how the rights of Albertans, both the right to know and the need for privacy, are going to be secure. As I've mentioned, I find it peculiar in an area where we delegate to government the need to enforce standards with regard to areas where judgment is required, where the standards are qualitative in nature. Many of us have no problem at all privatizing those areas where there's a scientific or technical standard to be met, but where judgment is required, it really is important that you have an arm's-length body to enforce those standards so there is not a playing off of one firm against another and progressively forcing down the standards simply to attract business. This is an important role for government, particularly when dealing with qualitative standards. So I am not referring, then, to standards that are in fact technical in nature and

two individuals can see what the standard is and whether or not it's been met. Qualitative standards are a different kettle of fish, and I think there's a very important role for government there to ensure they are enforced and met.

The testing of drivers did not have to be part of this Bill, and I find it peculiar that it has been included.

If you look at the number of other interest groups who have commented on this Bill, even the Alberta Motor Association, which has a very large membership representative of both rural and urban areas, has commented on the fact that they don't like provisions of this Bill.

To conclude my comments, I find at this stage that although there are areas of the Bill that make sense, I do not believe a framework has been given to us that allows us to really assess what the benefits are in the margin. I certainly have concerns with regard to the technology we currently have and its ability to preserve something that I think is very fundamental to our society, the land titles system, and to ensure it isn't abused. In light of my concerns over protecting property rights, I don't think the penalties in the Act are sufficiently large to punish those who might tamper. I'm distressed by the fact that we have something like licensing drivers in the Act when it's a set of qualitative standards, something that's not technical, and where there is potential for abuse through the operation of market forces. The way firms will attract potential drivers is by progressively lowering the standards.

As I say, concerns we have in this regard are shared by others. So thank you very much, Mr. Speaker.

MR. ACTING DEPUTY SPEAKER: The hon. Member for Cypress-Medicine Hat.

DR. L. TAYLOR: Thank you, Mr. Speaker. Certainly the members of the opposition have provided enlightened comments on this Bill, and these can be handled, I am sure, in third reading at committee level, so at this stage I'd like to move second reading of this Bill.

Thank you.

MR. ACTING DEPUTY SPEAKER: Hon. member, there are several people that want to speak yet.

The hon. Member for Edmonton-Glenora.

MR. SAPERS: Thank you, Mr. Speaker. Thank you for the attempt of the hon. member opposite to hurry things along, but there's still so much to be said on Bill 10. We're here to make sure that happens.

You know, after weighing the pros and cons of Bill 10, I've come to the conclusion that this Bill presents so many flaws that it cannot be supported. Now, I want to make it clear that I'm not speaking in opposition to privatization. In fact, I am speaking in opposition to patronage, to a lack of public input, to lack of accountability, and to the lack of a business plan, which I find quite shameful.

Now, I'd like to know, Mr. Speaker, how this Bill is consistent with long-term planning. Why are Albertans to believe that this Bill is not just more piecemeal dismantling of the services and programs all Albertans pay for and in fact expect to be able to receive? Planned privatization would have a cost/benefit analysis attached to it as its basis. Now, we have not seen such a cost/benefit analysis. A plan would contain options based on various desired outcomes. This Bill provides nothing like that. In fact, this Bill provides no choice whatsoever, and it's based only on the government's hoped for short-term cash gains and perhaps some more union intimidation. Now, where is the labour force

readjustment that should accompany such a Bill and this plan? Where is the plan for the registry workers that are going to lose their jobs? Which workers, in fact, will be picked up by the private agents which are to be created, and which workers won't be picked up? Who will lose jobs, and how will these decisions be made?

Speaking of choices, how in fact will the corporation board be selected? What safeguards will be in place that will guarantee that this simply won't become yet another receptacle for government patronage? For a government which tells Albertans that they care and that they listen, I'd like to know who they listened to on this one. Why is there no public consultation? What's the rush? What about concerns regarding driver education and highway safety? Why isn't the government listening to these concerns?

4:30

The truth is, Mr. Speaker, that prior to June 15 the Premier tried to convince all Albertans that his government was born yesterday. With Bill 10, the government is now treating all Albertans as though they were born yesterday. We don't need platitudes about privatization and getting the government out of business. What we do need is careful and thoughtful planning about what the government's essential role is and how these functions can be done efficiently and economically.

Finally, on the issue of government accountability and responsibility, I'd like to know: how can we all be sure that information won't be misused and even abused? What safeguards are in place to prevent information being sold to the highest bidder? In fact, how does the transfer of information collected by the government and then given to the private sector fit in with the privacy proposals in Bill 1? Bill 10 is flawed and seriously so, and so is the thinking behind it.

I will be voting against this Bill, and I urge all members to do the same.

[Mr. Speaker in the Chair]

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

MR. ZWOZDESKY: Thank you, Mr. Speaker; welcome. I, too, have to rise to speak about some grave concerns I have with regard to Bill 10, this business of trying to privatize virtually everything, and in most cases, from what I've seen, not all that much forethought having been given to a lot of it.

I think we will all agree, Mr. Speaker, that there is indeed a need for certain parts of our process, for certain aspects of society to in fact have checks and balances and that there is in general some need for regulations in those areas. I also think we can generally agree that much of what we have seen with regard to privatization so far has indeed resulted in drastic cuts and downsizing, to the extent that it is dramatically affecting the very nature of Alberta as we know it. I'd like to say that it is gnawing away at the social fabric of Alberta as we know it. We've seen this in health care. We've seen it in education. We're going to see some more of it, presumably, in other areas such as cultural industries and perhaps Access and so on.

As I reviewed Bill 10, Mr. Speaker, I thought to myself: we must also take on the responsibility here when it is necessary to stand up to protect the rights people in Alberta have to their own privacy and the rights they would expect us to protect with regard to confidentiality of certain information. I don't think we can proceed with a flawed Bill such as Bill 10 the way it exists right now without addressing issues such as the potential for some of the controls that we enjoy here coming off. In the process we

would see the potential for information to be mishandled or perhaps otherwise innocently abused. Perhaps some of it might even fall into the wrong hands. Some of it, being so sensitive, might be of more worth to one person than another, and we might risk seeing the actual selling or bartering of information. Dare I say that that is not a finger-pointing exercise on my part. I'm simply flagging this as being a point of concern that many people have told me they share. So some of those kinds of controls I think need to be spoken about.

I also wonder about this business of the final buck coming to rest, the buck stopping, with one person who again is going to be in some way responsible for everything here after all is said and done, and that one person is again going to be a single minister, whoever it might be.

I'm also dramatically concerned about the kind of agency that might evolve here. I'd really like to see the model that the minister has in mind, what the terms of reference for that model might be, and what specifically the mandate will be or, more importantly, what it won't be.

I'm wondering too, Mr. Speaker, if some studies have already been done that would point out that in fact there is something broken with the system or the department the way we now see it. If there is something broken in that department, then why hasn't that been shared with us? Why hasn't that been brought forward and discussed here openly? Why are we still getting this information in circuitous ways from members opposite? Is there some sort of open admission in all of this that there is great ineffectiveness within the minister's departments? Has he made some comparisons with what is happening in other places? How do other provinces treat this?

I'm also concerned about who the appointments might be. Who would the people be that the minister might see coming to an agency such as this? What specific kinds of qualifications would these people be required to have to sit on an esteemed board or agency or foundation or whatever such as this, which would have control over that which I think the fundamentals of democracy address and speak to by their very nature: confidentiality, privacy of information.

The regulation of fees would be another area that I would flag for the minister's review here. How would he see this being established across Alberta so that it's fair and equitable in all places? We all know that Alberta is a very diverse and very different place from one end of the province to the other, and I wonder what assurances he could give us that we wouldn't in effect see several different systems being employed or the one system being employed differently across the province. There's a need for some uniformity that I would have hoped to have seen here; I see there's an absence of it. I would hope that he has taken into account here some of those factors and the fact that we shouldn't be making or creating legislation that allows such large holes to be poked into it from whomever and, at the same time, to avoid any confusion with regard to how the implementation of any proposed agency might be undertaken. I think our job should be to avoid those kinds of confusions from taking place and to avoid the possibility of fee discrepancies. At the same time, I would like to think that somewhere he has addressed how the enforcement of some of those ideals could be undertaken.

I also want to just point out very quickly, Mr. Speaker, that there are some potentials for other dangers to occur. I see them as risks to society. Although I am not suggesting this would happen, I see the potential for everything from short-circuiting the system to possibly, in the largest rung, even attempts at forgery or other types of misrepresentation. Again, I stress, I'm not saying that will happen. The point here is that when you're introducing

legislation as serious as this that affects all of us, I would sure like to see what provisions there are or what provisions have been thought through to preclude that kind of thing from happening. So far I haven't seen that.

By the same token, Mr. Speaker, I wonder if there have been some attempts made by the minister and his department who are reviewing this entire affair with regard to special training that would be needed for the people that would be required to implement and deliver. Or would that special training perhaps be seconded down one or two or three levels to the people actually doing the hiring? Is there anything he can give Albertans by way of assurance that those people will not just be handpicked but will receive the kind of in-depth training I think is required to deal with the very, very sensitive matters of personal privacy? I don't think you can make every decision entirely on its own without first looking at a lot of the surrounding circumstances. I'm sure there must be some evidence to that extent, but to my knowledge it has not been shared, at least not with members of the House.

I think, too, that the financial bottom line is surely not the only criterion against which this Bill, as perhaps several others, is being weighed. There must be some benefits as we go about making these kinds of decisions, and I think some of those benefits are centred around what else it is that impacts or which other groups are impacted by the decisions we take.

4:40

I'm also curious as to how this privatization might affect some of the related areas thereto. For example, when we talk about privatizing motor vehicle services, we're talking about related areas. We're talking about vehicle insurance as it relates to the driver's abilities, or his or her lack thereof, the driver's accident record or convictions, and so on. I'm just curious about whether or not these areas have been addressed as being relatives of the cause. What about the driver testing area and the periodic retesting that might be necessary? Is there some plan or some provision here, Mr. Speaker, for the enforcement of the driver aids that may be required? I'm thinking specifically of things that are required on the part of a driver as a result of restrictions that he or she may have placed upon them; for example, proper eyeglasses having to be worn or being restricted to daytime driving only. What kinds of provisions would this agency bear for that, or are they simply going to inherit exactly what's in place now? If that's the case, then why are we doing this at all?

There is the entire area of the driver examiners and other people who are entrusted with this sensitive information in the other areas of vital statistics, information registry, and so on. The question that springs to mind is not only who's going to be choosing them but who's going to be judging the judges in that regard?

I have to ask myself, Mr. Speaker: what kind of Alberta do we want to live in? Do we want to live in an Alberta where we fear what is going to be kept from other Albertans as they proceed with this privatization the way it's been outlined? Or do we want to live in an Alberta where things are a little more honest, open, and the democratic process does protect us from any false allegations as a general society? Once the legislation goes through, we all know that that legislation, dramatically in this case, would affect a department. It would dismantle it; it would do away with it. Under circumstances like that, we have seen many cases where it seldom, if ever, comes back. We've seen this kind of dismantling – for example, in the area of culture – where the department has virtually no operating funds of its own at all anymore. It operates entirely at the vagaries of lottery moneys, with the exception of the staff, who are still provided for by taxpayers' dollars.

It's so difficult to undo legislation, and I would caution us to be very careful and to be very prudent with this, which in my view is one of the most significant and most important of all legislations that has come forward so far. It speaks to the very heart of what we ourselves feel and believe in as being most important and most sensitive to us. What motivates us to take a look at changing this Bill has not truly come forward in a satisfactory fashion, from my point of view, other than the strong address given in favour of balancing a financial bottom line only.

I thank you for that moment, Mr. Speaker.

MR. SPEAKER: The hon. Member for Leduc.

MR. KIRKLAND: Thank you, Mr. Speaker. I, too, would like to be on record to indicate that I am clearly not against privatization. I think that unfortunately we're into a stampede of privatization here, and I don't think we're slowing down long enough, really, to evaluate some of the fallout or repercussions that are going to result, to have a clear examination of where we walk or where we move in this area.

I have two very large concerns with Bill 10, the first being the driver examination aspect. We were there five years ago. We clearly did not stay there because it was not working. When we deal with that aspect of our highways and our driving, we have to have a very nonpartisan, objective approach to it. When we look at the fact that we are to set up several, probably a hundred, businesses in this province to deal with examinations, I don't think there is anyone in this House that does not realize that our consistency throughout the province will suffer tremendously. If we are to bring it all to our own communities, be they large or small and particularly in the smaller communities, those that are providing the driver examination tests themselves undoubtedly will be under a tremendous amount of pressure to make sure our 16-year-old sons or daughters or our 99-year-old fathers receive their driver's licence because they are never going to leave the community, so to speak. I have a large concern that in fact the standard or benchmark, which we have not yet defined, will be watered down considerably more.

I think when we look at the previous experience we've had in this province with driver examinations, that pressure I spoke of was very clear. We had schools popping up that dealt with very specific groups, be they immigrants or be they other individuals that in fact they were catering to. That was one of the major reasons we reverted back to the system we have today. I think when we look at the case in point of Quebec, which privatized its drivers' examinations and abuse became blatant, in fact we have to be very cautious about moving in that particular area. When we look at a very strong and very much a leader in this community, the province of Alberta, as far as driver education and training is concerned, the Alberta Motor Association, when they've come forth and indicated this is not a desirable step, I think we have to pay attention to that particular aspect.

I think when we look at, again, the number of businesses that will pop up that intend to deal and make a dollar from driver examinations as part of their business, there will be those that of course are not financially viable and will be in a position of probably running into bankruptcy situations. I have some concern that those people will be prone to bend the rules and again give us a driver that should not be on the road.

I think the other area that we have not explored extensively – I certainly have seen no documentation on it – is whether provinces such as B.C. or Saskatchewan or any of the other provinces in Canada will totally accept our licensing standards if

in fact we are to turn it over to the private sector and we don't have a very consistent approach to it.

All in all, I don't think there are any members in this House that are not aware of the previous experience this province had in reverting to the present standard today. If there is a strong understanding of that, and I believe there is, I certainly hope that when we go into amendments at third reading of this particular Bill, we keep that aspect of it very much in mind.

I don't have a large concern with privatizing such things as land titles or corporate registry or land information registry systems. Those, I think, can easily be more controlled, and safety is not on the line in that particular case.

The other area that really concerns me immensely is the public security. We are all aware that the present department itself ran into difficulty here with some very personal records being disclosed in St. Albert. We have one body that is actually attempting to control that, and that slip there tells me that in fact when we put it in the hands of 200 to 250 private operators, we have a very large concern that your medical records or your criminal records or the likes of that will become public knowledge. That, I think, is very wide open for abuse.

I also understand section 7 to indicate that it actually authorizes a sale of information. That provides a very large concern in my mind, because I think again we're open to abuse and subject to misuse of that information. We all have a concern in today's world about government looking at our personal lives. I think this is a step forward to further expose us, and I don't think that is desirable at all.

We haven't even defined the sort of system these new agencies will be required to have in place to ensure there's security. I can see that, in fact, we will have a bureaucracy ourselves simply dealing with just the computer systems that all are to have, if in fact it's a requirement, to ensure that the information is somewhat secure.

So those areas are very large in my mind. When we look at moving on to letting this go to third reading, I would ask all members of this House very clearly to have a look at what you have seen on your plate and what has not worked. We are moving back into that particular aspect. The case in point, as I indicated earlier, is Quebec, also Alberta. It did not work the first time; I see nothing in this Bill presently that will give me comfort that it will work a second time. I think we have to give serious consideration to not supporting it until such time as it is properly amended to make sure that all reach a very consistent standard as far as driving examinations in this province.

Thank you, Mr. Speaker.

4:50

MR. SPEAKER: Is the Assembly ready for the question?

The hon. Member for Edmonton-Mill Woods.

DR. MASSEY: Thank you, Mr. Speaker. I want to speak against Bill 10 from the perspective of the certified drivers' examiners in this province. These examiners have a number of reservations and outright objections to the possibility of privatizing driver examinations. They've attempted to contact individually each of the members of the House and feel that their message hasn't been heard, so I would like to speak from their perspective.

Specifically, they indicate that it will become too expensive to offer all types of licence testing in smaller centres in the province. They indicate that when profit making becomes the guide, that is going to lead to centralization, that it's not going to be profitable to maintain examinations and examination facilities in smaller centres in the province. They point to the experience of other

services in rural Alberta and how they have been centralized in larger centres as some precedent in terms of what will happen. Such moves to larger centres will mean only increased costs and increased inconvenience to those drivers in the rural parts of our province who seek to obtain drivers' licences.

They maintain and would argue that it will lead to much higher insurance rates, and their argument is based on the whole notion of what it means to be an examiner and what examiner training is all about. They would maintain, and I would agree with them, that only the highest levels of examiner standards are acceptable for the province, that when the public interest is in jeopardy, there can be no backing down on the kinds of standards we already have. In fact, if you look at this move in the whole context of laws surrounding vehicle operation in the country, it seems to be a retrograde step if we were to seriously entertain training examiners in five days as opposed to the current six months. There are moves to make it more difficult for young drivers to obtain licences. There are moves to make sure that those initial licences are restrained in some way. The whole notion, the whole public attitude toward the operation of motor vehicles is that we have to become more stringent, and that's for very good reason. We've had some experience, for instance, with the seat belt laws over the last number of years resulting in far fewer accidental deaths than we have experienced in the past, and so there's some good evidence that higher standards do in fact result in saving lives. I think the examiners have a good argument when they make that case. They argue that poor examiners, poorly instructed, lead to poor examinations and would lead to poor drivers on the province's highways.

Their second objection, and it's been stated before, is that the model didn't work five years ago, and it was taken back into the provincial fold after years of dissatisfaction. It seems to me that one of the things we're loath to do in this whole argument is to learn from history, and our great enthusiasm for privatizing has clouded our good judgment in many areas. I don't think we can allow that to happen with something as important as the public safety.

Their third argument is that it didn't work in Quebec 15 years ago, and it became possible in that province for drivers to simply purchase licences by turning up at an examination. Again, I think that with our blind faith in the free market system, we have to remember that some businesses fail. Many businesses fail, and we can't afford that risk. We can't afford a failed business in this area.

Their other objections concern the inevitable increase in accident and death rates, that lower, substandard examinations given by substandard examiners are going to lead to substandard drivers on the road. I made that point before, Mr. Speaker.

They also wonder about the whole business of privatizing a service that at this point makes money for the government. They can see the arguments against businesses and services that are losing money and are costing the taxpayer dollars at this point, but this is one operation that has made money for the government. Privatization, from anyone's best guess, is going to be more costly. Again, maybe blindly following the principle of privatization clouds our good judgment. I guess the question that has to be asked is: how well is the public interest going to be served?

These certified driver examiners had a number of other concerns, Mr. Speaker, but I think my comments fairly outlined their major objections to this Bill. I thank you for that.

MS CARLSON: My greatest concern with the principle of this Bill is the potential within the Bill for a breach of privacy. When discussing this Bill in the constituency this weekend, I was



reminded of an incident which happened there a few years ago. A person in the constituency with two freehold properties had liens put against his property due to an alleged nonpayment of his mortgage payments. In fact, what had actually happened there is that someone had bribed one of the employees at land titles to change the registered name on the land titles of these two properties. Then that party went out and took out more than \$200,000 in loans on the properties and subsequently spent the money and left the province. Now, my constituent had to engage lawyers. There was considerable disruption in his home life. The whole family was distraught for a great deal of time while this problem was being solved. Ultimately what happened is that land titles was held responsible for the situation and had to clear up the matter with the banks.

This is the kind of incident that we could see happening on a more regular basis if we don't impose regulation, when we just hand over these types of services to the private sector. Due to the regulation and safeguards that we have now, this doesn't happen very often. When it does happen, the situation is reasonably quickly rectified, but there's no guarantee at all that in fact it will be found on a timely basis or rectified on a timely basis if we hand it over to the private sector. In fact, there's no thought or consideration in this Bill to how confidential data will be regulated when this type of critical personal information is given to the private sector to handle. I need to know and my constituents need to know that the accuracy will be preserved and that their privacy will be preserved. When we talk about how to preserve privacy, we need to see that there is a plan in place for regulation, and we need to know what the costs of this process are going to be. We need to know that these things are done before we see registries privatized, not after the fact. I cannot support the Bill with those kinds of questions unanswered.

This concern about the potential for breach of privacy is reflected across the country, not just here in this city or in this province but all the way across Canada. From an article in the *Toronto Star* dated September 3, 1993, which is titled *Invasion of Privacy*, I'll share some of the comments of Bruce Phillips who is our federal government's Privacy Commissioner. He states:

Technology has furnished us with the tools to buy, manipulate, reconstitute and sell the details of others' lives for profit.

In his recent annual report, he also stated that Canadians could find their loan applications denied because of inaccurate information that has been stored in a computer bank and sold to the highest bidder. He reports that a U.S. congressional study found an error rate of 20 percent in the dossiers put together by credit-reporting agencies. Now I'd just like you to think on that side of the House. If 20 percent of your credit ratings or your land title registrations are done incorrectly, what's that going to mean to you?

5:00

Looking at Quebec, which is a province which has recently addressed this concern, we see that under their new laws:

it will be illegal for companies to convey personal information about current or former employees to a third-party without consent.

And that's without signed consent.

Any company and its employees who breach provisions of the Act may face fines of up to \$20,000.

[This] law also gives employees and other people the right to request that erroneous information in a file be corrected or clarified.

Well, right now we don't have that right. You've got to take it to the courts in order to get it settled.

Quebec's access commission may investigate and punish private companies that fail to take sufficient measures to protect personal information they have collected.

Now here we are just going to hand over all these services to private companies, and we don't have any legislation in place to protect them, to protect the people that are going to be represented by these companies. You just cannot place access to confidential information into the hands of the private sector without first having addressed how you're going to protect this confidential information.

If we go back to Ontario, take a look at an article in the *Ottawa Citizen* dated Tuesday, August 31. Bruce Phillips writes about the myth of privacy protection which misleads many Canadians. He says:

If those making inquiries of the Privacy Commissioner of Canada are a reflection of Canadian society, many Canadians think their privacy is well protected by law. They could not be more wrong.

Here's another example for you, this time in Quebec.

A company given sensitive medical files to destroy sold the documents to a television production company. This company then used the files as props.

How would you like your medical records to be up on a film as a backdrop? Those are the kinds of problems that we're going to be facing. There are enormous gaps in the safety net of laws that protect our personal lives from prying eyes.

In a 1992 survey conducted for the Privacy Commissioner of Canada and several other organizations, more than 90 per cent of those responding expressed at least moderate levels of concern about their privacy. Sixty per cent felt they had less privacy than a decade ago.

If you pass this Bill, what are Albertans going to see in two months, in one year, and in three years?

Privacy protection in the Canadian private sector often depends solely on good-will. In tough economic times, that good-will may vanish if the collection and use of personal information improves a company's financial prospects.

Now we know we're in the midst of an economic downturn. It's tough times out there. If it's a company fighting for survival, what price are they going to put on your personal information?

I have to repeat once again that until we can adequately address the concerns of confidentiality, until we can adequately address the requirements for specific regulation policy and legislation which protects all Albertans, I cannot support the principle of this Bill.

MR. SPEAKER: The Member for Edmonton-Meadowlark.

MS LEIBOVICI: Thank you. I'd like to speak against this Bill. I would hope that the members opposite would listen carefully, and I would challenge whether the members opposite have, in fact, read this Bill. If they have, I would like to put forward that it would be very hard to vote in favour of this Bill the way it's written right now.

I think, in generalities, there is no plan. We've said that over and over again. As the hon. member in front of me here said: it appears that competent planning has been sacrificed for speedy implementation. That is what we're looking at in this Bill. We've heard presentations this afternoon with regards to access to information and privacy thereof. We've heard presentations this afternoon with regards to the actual operation, makeup, and responsibilities of the corporation. We've heard other presentations that have talked in terms of the driver examiners and the fact that there are very legitimate concerns that these driver examiners have put forward, and these are professionals in their field. They are not whining, and they are not complaining. What they are saying is that there is a problem with the fact that we will potentially be licensing individuals who are a danger on the road.

I would like to go through these arguments, and I would like the members opposite to not so much pay attention as look at what

this Bill is putting forward, especially with regards to the hasty implementation of the privatization of ALCB and the problems we're seeing with regards to that area and the potential privatization of Access, as well as look at the way this government has moved forward quickly and in haste in terms of the health care cuts, social services cuts, and other areas where again there appears to be no overall plan. This Bill is flawed. It is severely flawed, and we need to address the issues in depth.

I'd like to just go back and bring the attention of all the members in this Legislature to the *Hansard* of October 19, where the Minister of Municipal Affairs gave the three reasons for privatization of the registries. I would have thought those reasons would have been things like: "We are looking at increasing our return on our dollar," "We are looking at becoming more efficient and effective in providing the services," "We are looking at ensuring that Albertans are safe on the road." Rather, what I see is that those reasons are: one, we won the election; two, I've waited in lines for a long time; and three, we should trust computers and that "in the future" – and I quote in here. It doesn't say we have the system in place now. It doesn't say we've got the checks and balances now. It says, "In the future we will put tremendous checks and balances in place." I put forward to the members of this Assembly: is this really something that you want, your private information put forward, that there may be tremendous checks and balances in place? When you hear what the hon. Member for Edmonton-Ellerslie has put forward in terms of medical information on the TV screen, is that what you would like to see? Is that what you would like to have, your medical information put forward? When we saw the mistake on the disk – remember just about a month and a half ago where there was a disk in some software company? And that's within government. What are the checks and balances that we're going to have to put forward in the private sector?

So those are, to me, rather shocking reasons why we would be looking at privatizing registries. It seems that if it's going to be privatized, it's got to be good. That seems to be the overall inclination on the part of the government. I think we've heard some reasoned arguments from the members on this side of the House that there are definite aspects that need to be looked at in this Bill and that it just ain't necessarily so.

I think what we need to look at is: what are the efficiencies to be gotten with regards to privatization? When should privatization occur? How should it occur? For what reason should it occur? I have yet to hear the government put forward anything like that. Against what do you measure whether something is to be privatized or not? Is it because you woke up in the morning and it seemed like that was a good thing to do today? Was it because it was snowing, and that's the reason you want to privatize? Or is there actually a reason? Is it because you're looking at providing good service? Is it because you're looking at the potential social benefits that could be gotten elsewhere? Is it because you're looking at who controls and what the reasons are for the control?

I would like to put forward that, particularly with regards to a regulatory function like this function and like that of the Alberta Liquor Control Board, one of the things that needs to be looked at is protecting the public interest, because that is one of the reasons we were voted: for us to protect the public interest. So then the question that follows is: if we are looking at privatizing the registries, where does that umbrella of public interest go? What happens when a business fails? What happens to that security of information, that computer that's sitting there with all those vital stats? The business goes belly-up; then where does that computer and where does that disk go? Is there anything in here that addresses where that goes?

In terms of freedom of information, I find it interesting that there is a commission, a committee that's going across the province. There are some of our members on that committee; there are some of the government's members on that committee. Yet registries and access and the ability to have information private or available to the public at large is not being addressed, to my understanding, within that freedom of information committee. So I think those are things that need to be looked at.

#### 5:10

In terms of the corporation, I think that again it's interesting. We've gone from the government and Alberta registries or the registries within government, and now we're going to a corporation. That corporation, then, means that there's no costs attributed to the government to run the corporation. Again, if you read the Act, you'll see that what the corporation sets up is a minister; it sets up a chief executive officer. It also sets up three other individuals who are appointed by the Lieutenant Governor in Council as members of the board. As an aside, I would of course assume that that would be without patronage and would be open to public scrutiny. This group is then responsible for establishing any committees or councils, for making sure that the business is done on a regular basis, that if there are any authorizations in terms of funds to be provided for traveling, et cetera, then that's okay. So, again, where do the costs from this go, and who does this committee report to? So that is something that I find interesting: we're privatizing, we're getting out of the business, but we've set up a corporation with a minister in charge. To my mind that's not privatization.

In terms of fees – you know, again, it's good faith; isn't it? We've had an example this afternoon where good faith just didn't work in terms of a collective bargaining process, and we're having another example here where it's a "trust me" situation. In actual fact, we're saying that there will be a \$4 service fee charged. Well, again, there's nothing in here that says that can't be changed. I would submit that in all actuality it probably will be changed, and what we'll be looking at is another tax on the consumer, the end customer. Supposedly one of the reasons we wanted to go ahead with privatization was to provide better service. What we're now doing is we're going to be asking for money.

I also want to talk a little bit more in terms of the appointments of the board and the staff and the employees. I don't know if everyone is aware here, but November 21 appears to be the deadline the government has put forward to get out of the business of registries. Now, that's not very far away. That's less than a month away. At this point in time we're debating a Bill that to my mind is almost superfluous. Should this not have come to us to look at, to debate, to come to some reasoned conclusions as to what this Bill should look like? Perhaps the next spring sitting is when we should be looking at if all the conditions that are set forward are met by potentially privatizing. To my mind this is like what we're seeing with the ALCB: it's been done; now let's talk about it in the Legislature.

I'd like to know how each and every one of you feel there, including the members on this side, to know that these actions have already happened, and they are going to happen. So where's your input? What were we elected to do? We were elected to not only have discussions but to have meaningful discussions, and they should be discussions that would end up having impact on government policy. I just wanted to bring that up in case you are not aware. The employees have already gotten their notices.

Now, in terms of business plans – and this is the famous three-year business plan – we heard a little while ago that the three-year

business plan would be ready on September 15. We still haven't seen that.

In terms of one-window shopping, I don't know whether those rural representatives in this Legislature today are aware that what will really happen is that access in the rural areas will diminish as opposed to being increased, that in actual fact some agents may only offer one or two services. So, in other words, you may only get a class 4 or a 5 licence, but if you want another kind of licence, you may have to travel two or three hours to an area where you can get the other class licence. If you fail, you hop back into your truck or you hop back into your car, you go back to the place where you live, and then you start all over again. That's not service. So again I would like to dispute that second point that the Minister of Municipal Affairs put forward with regards to why we are privatizing.

Driver examinations. We've heard a lot of talk about that, and I don't think we can say enough on this area. It is an area that is extremely important. It's important not only as a revenue generator for those of you who are only interested in the bottom line, but it's also important in terms of safety on the road. I think that is something that needs to be looked at.

If the members are not aware, there was a letter that was put forward by Pete Llewellyn, who's an executive member, Certified Driver Examiner's Association, on September 23, 1993, and it was to all Members of the Legislative Assembly. I'd just like to pull out certain excerpts from this letter, because I think it's important that it is recorded in *Hansard* so that everyone is aware, just in case it got lost in all the mail that we get. What it basically says is:

We are skeptical about this government's plan to privatize driver examinations. The main issues are of importance . . . as the safety of our roadways is in jeopardy. We have tried to voice our concerns by following the normal lines of communication with both management and the minister but to date we appear to be unsuccessful.

I think that's very important because over and over again everyday I seem to hear from the government, "We're willing to sit down; we're willing to listen; we're willing to make changes." In reality, here we have a document that says that they did try to sit down, that they did try to make changes, and nothing has occurred.

I'd just like to point out some of the issues from the experts in terms of where privatization of examinations will lead.

1. Centralization of road testing . . . will be too expensive for the small private issuer to maintain services in all classes of licence testing . . . This does not serve the best interests of rural Alberta.

Higher insurance rates. We haven't talked about that at all today. Insurance companies are saying that in fact insurance rates will probably go up as a result of this Act.

2. Higher insurance rates for all Albertans will be inevitable as the calibre of examiners trained by Alberta registries will not meet current government standards.

This is because the new standards are saying: we'll train these people in five days. Well, in the past it took six months, so something is wrong there. How can all of a sudden a five-day training be good enough to train where before it took six months?

The third area is that "the current model chosen by the government did not work five years ago." So again we're rehashing an old idea. We're not looking at new models. We're not thinking other than linearly. All we're saying is, "Well, we tried it five years ago. It didn't work. Let's do it again now. Quebec tried it. It didn't work. Let's try it anyway."

4. The largest concern to us is that the increase in accident and death rates will climb in this province due to five day wonders who will lack skill, knowledge and adequate support.

Their sixth point, which I think is interesting, is that in this case the "examiners have not been a burden on the taxpayer but have made money for the government of Alberta."

I think there are other points with regards to the driver examinations that need to be considered other than the contradiction in terms of the minister having said that drivers will be internationally certified after a five-day course. In fact, this is not true. This is an area that I think needs to be examined very closely.

Another issue that I'm not sure members in this Assembly are aware of is that British Columbia is waiting to see how this government deals with this issue before it commits to honouring the reciprocity of Alberta licences. In other words, it could well be that you take your Alberta licence into British Columbia and you can't drive your car there because it's not considered valid. If that's happening with British Columbia, perhaps it'll happen with Manitoba. Perhaps if you go overseas, your licence won't be recognized either. I don't have the answers to these, but these are questions that are brought forward by this. This is the British Columbia government that is saying that, and I would like the minister to show that that is different.

### 5:20

There is another area as well that I think we need to look at, especially in terms of the long term, and that's with regards to seniors and the fact that seniors are currently provided with testing for free and the government has said that they will reimburse the private examiners. The question, though, is that both the seniors and the handicapped exam take considerable expertise, and it's going to take a lot more time than what the \$15 will cover. So again you get to an issue of: will this person be passed? In a smaller community you know who that person is and you don't want to say, "No, you can't drive," or because the \$15 only covers five minutes of testing, that person gets passed and gets a licence even though that person is not able to drive.

Another issue which hasn't really been addressed is that driver examiners have complete access to all medical history and criminal records. I would put forward that without an oath of confidentiality, without more than a five-day training individuals would not be able to look at a medical record and say: "Yes, this person is able to have a driver's licence" or "No, this person is not able to have a driver's licence." Again, from a freedom of information or from a purely information point of view, I think that is a problem.

I think there are other areas in terms of the driver examiners, and I have some questions specifically to the minister in terms of this particular piece of legislation, and this is not tongue in cheek. Is the inevitable increase in the number of driving infractions and subsequent fines part of the minister's plan to raise revenue? Is it something like with our police, where they have speeding tickets to increase their revenues? What is being done to ensure access to testing by seniors and handicapped individuals? How will the confidentiality of individuals be maintained? What consideration has the minister given to the reciprocity of Alberta licences? What considerations has cabinet given so that there is no abuse of the system with regards to the driver testing?

I think there are various issues that we've discussed or that I've put forward and that my hon. colleagues on this side of the Legislative Assembly have put forward. I think there needs to be areas addressed in terms of again ensuring that confidentiality is maintained and that it doesn't result in a new and costly bureaucracy. I think that is something that if we are looking at privatizing for the sake of dollars and ensuring that we . . . [Ms Leibovici's speaking time expired]

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

MRS. BURGNER: Thank you, Mr. Speaker. I appreciate the comments that have been recently made by Edmonton-Meadowlark. I found it astounding that after three hours of debate on this issue we're still missing the point of the mandate of the Klein government. That is, quite frankly, that we are redefining the role of government, and it is our firm belief that it is our commitment to develop policy as the role of government and not necessarily the applied services that go along with that.

I have a difficult time feeling that the driver education program such as has been just described would be used to put fear into the hearts of Albertans, that anybody behind the wheel of a car passing an examination under the new privatization has put us at risk as citizens. Quite frankly I think it's appropriate for Albertans to understand that we would like to have effort and initiative in developing policy. What are the guidelines? What are the

responsibilities? I'm hoping that as I conclude some of these comments, that message will be heard by the opposition.

Mr. Speaker, at this time I would like to move that we adjourn and call it 5:30.

MR. SPEAKER: The hon. Member for Calgary-Currie has moved that debate be adjourned on this matter. All those in favour, please say aye.

HON. MEMBERS: Aye.

MR. SPEAKER: Opposed, please say no. Carried.

[At 5:26 p.m. the Assembly adjourned to Tuesday at 1:30 p.m.]