

## Legislative Assembly of Alberta

Title: **Wednesday, March 2, 1994**

1:30 p.m.

Date: 94/03/02

[Mr. Speaker in the Chair]

head: **Prayers**

MR. SPEAKER: Let us pray.

O Lord, grant us a daily awareness of the precious gift of life which You have given us.

As Members of this Legislative Assembly we dedicate our lives anew to the service of our province and our country.

Amen.

head: **Presenting Petitions**

MR. DECORE: Mr. Speaker, I beg leave to file with the Assembly a petition signed by 950 Calgarians. The petition asks that the government stop reducing the number of spaces in postsecondary institutions.

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

MR. HENRY: Thank you very much, Mr. Speaker. I beg leave to present a petition as well. My petition is signed by 298 students of Victoria composite high school in my riding of Edmonton-Centre, beautiful downtown Edmonton. The petition is from students of continuing education and is urging the government to please keep their education institution alive.

Thank you.

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

MRS. LAING: Thank you, Mr. Speaker. I beg leave to present a petition which urges this Assembly to ask the government to refrain from any cuts to education. This petition is signed by 217 students from Alberta Vocational College, Calgary, which is located in the beautiful constituency of Calgary-Buffalo.

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

DR. MASSEY: Thank you, Mr. Speaker. I beg leave to introduce a petition from 1,050 college students in southern Alberta asking the government to make their loan program more responsive to students.

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

MR. BRUSEKER: Thank you, Mr. Speaker. I would like to table a petition with 949 signatures of the parents of children attending St. Hubert school in Calgary. They ask the government to reconsider the appointment of superintendents and the issue regarding school taxes.

MR. ZARIWNY: Mr. Speaker, I'd like to table today a petition signed by 975 college students from southern Alberta asking that the government work with these students to develop a fair and judicious tuition policy.

head: **Reading and Receiving Petitions**

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

MR. ZWOZDESKY: Thank you, Mr. Speaker. I would ask that the petition which I presented on February 17 on behalf of Edmonton-Avonmore and surrounding residents urging the government to not close down or reshape the structuring of the Grey Nuns hospital now be read.

CLERK:

We the undersigned petition the Legislative Assembly of Alberta to urge the Government to maintain the Grey Nuns Hospital in Mill Woods as a Full-Service, Active Hospital and continue to serve the south-east end of Edmonton and surrounding area.

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

MS CARLSON: Thank you, Mr. Speaker. I would ask that the petition I presented on February 17 with regard to keeping the Grey Nuns hospital open as an active care hospital, which was supported by 4,136 residents of southeast Edmonton, now be read and received.

CLERK:

We the undersigned petition the Legislative Assembly of Alberta to urge the Government to maintain the Grey Nuns Hospital in Mill Woods as a Full-Service, Active Hospital and continue to serve the south-east end of Edmonton and surrounding area.

head: **Notices of Motions**

MRS. HEWES: Mr. Speaker, I rise to advise that after question period today I will ask for unanimous agreement of this Assembly to place the following motion:

Be it resolved that the Legislative Assembly congratulate Thelma Chalifoux for winning a national aboriginal achievement award in recognition of her outstanding work on behalf of the Metis and other aboriginal peoples of Alberta.

head: **Tabling Returns and Reports**

MR. THURBER: Mr. Speaker, I'm pleased to table today with this Assembly the Public Works, Supply and Services annual report for the year ended March 31, 1993.

MR. JONSON: Mr. Speaker, it is my pleasure to table six copies of the diploma examinations program annual report for the 1992-93 school year.

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

MR. MAR: Thank you, Mr. Speaker. Today I'm pleased to table with this Assembly the following annual reports: the 1992-93 annual report of the Alberta Sport Council; the 1992-93 annual report of the Alberta Historical Resources Foundation; the 1991-92 and '92-93 annual reports of the Alberta Foundation for the Arts; the 1991-92 and the 1992-93 annual reports for the Alberta Multiculturalism Commission; the 1993 annual report for the Glenbow; the 1992-93 annual report of the Recreation, Parks and Wildlife Foundation; the 1991-92 annual report of Alberta tourism, parks and recreation, the recreation and parks component; and, finally, the 1991-92 annual report of Alberta culture and multiculturalism. Anybody wishing copies of these reports can certainly obtain them from my office.

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

MR. STELMACH: Thank you, Mr. Speaker. I'm pleased to table with this Assembly four copies of the annual report of the Alberta Agricultural Research Institute.

head: **Introduction of Guests**

MR. SPEAKER: The hon. Minister of Public Works, Supply and Services.

MR. THURBER: Thank you, Mr. Speaker. It gives me a great deal of pleasure to introduce to you and through you to this Assembly 50 very bright young visitors from the St. John's school of Alberta. They're located in the Drayton Valley-Calmar constituency, and we're very proud to have them there. They are accompanied today by teachers Peter Jackson, Keith McKay, and Paul Sheppard, and they're in both the members' gallery and the public gallery. I would ask that they rise and receive the warm welcome of this House.

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

MR. ZWOZDESKY: Thank you, Mr. Speaker. I'm delighted to introduce to you and through you to the Assembly 23 of our brightest and most precious resources, our schoolchildren, from Donnan school, which is in the area of Edmonton-Avonmore. They are accompanied by teachers Arlene Fearon and Franklin Whitfield and by one parent helper, one of the volunteers, Terri Bailey. I would ask that they rise and take our warm welcome. They're in the members' gallery.

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

MR. BRUSEKER: Thank you, Mr. Speaker. It is my pleasure today to introduce to you and to Members of the Legislative Assembly some members of the Calgary young Liberal association from the University of Calgary. In the public gallery we have today joining us Anita Vandenberg, the president of the U of C Liberal Association; Trevor Lynn, the vice-president of the Alberta Liberal youth commission; Leah Kamarianakis, vice-president of the Alberta Liberal youth commission; and other members that have joined them as well. I'd ask that they stand in the public gallery and be received by the members of the Assembly.

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

MR. BENIUK: Thank you, Mr. Speaker. I'd like to introduce to you and through you 11 students enrolled in language instruction for newcomers to Canada. They are accompanied by their teacher Kerri McLaughlin-Phillips. They are in the members' gallery. I would ask that they rise and receive the welcome of this House.

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

DR. MASSEY: Thank you, Mr. Speaker. It's my pleasure to introduce to you and through you to members of the Assembly three members of the student Liberal association at the University of Alberta. They are Dale Girard, the president, and his two vice-presidents, Derek King and James Robinson. They're in the gallery, and I would ask that they receive the traditional welcome of the House.

**1:40**

MR. SPEAKER: The hon. Member for Lesser Slave Lake.

MS CALAHASEN: Thank you, Mr. Speaker. I'm proud to introduce to you and to the members of the Assembly a Pearl Calahasen supporter, a constituent who's here from Peavine, Alberta. Her name is Denise Cunningham, and she is seated in the public gallery. It's the first time she's ever been here in the gallery, and I'd ask that she stand and receive the warm welcome of the Assembly.

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

MR. SEKULIC: Thank you, Mr. Speaker. It is my pleasure to introduce to you and through you to the Assembly two very important people. They are Cynthia Klotz and Carolyn Smith from the Edmonton-Manning constituency. Cynthia is employed in my constituency office, and Carolyn graciously has volunteered a good number of hours and continues to do so in my office. They are seated, I believe, in the public gallery, and I'd ask them to rise and receive the warm welcome of the House.

head: **Oral Question Period**

### Advanced Education Access

MR. DECORE: Mr. Speaker, my questions are to the hon. minister of advanced education today. The government continues to deceive young people in Alberta by stating that it's going to create some 10,000 new postsecondary spaces for them. The truth is that the effect of the cuts to advanced education will in fact create a net loss of 28,000 spaces, and by the year 2000 we'll need another 18,000 spaces over and above the figures of today.

MR. DINNING: Rub your hands with glee, Laurence.

MR. DECORE: No, this isn't a matter of humour. [interjections]

MR. SPEAKER: Order. Order please. [interjections] Order. We're not making a very good start in this question period.

MR. DECORE: Mr. Minister, there are going to be far fewer spaces for Alberta young men and women. Why aren't you telling those students the truth?

MR. ADY: Mr. Speaker, the member opposite, the hon. leader, has come up with some very dramatic numbers, draconian, along the lines that he likes to display so often. In actual fact what he has obviously done is make some assumptions based on institutions carrying on much as they have in the past at full-time equivalent cost, but that's not what institutions are doing today. Institutions are out there looking at new ways to do things in an effort to improve their efficiency. There will not be 20,000 spaces lost in our postsecondary institutions in the coming year.

MR. DECORE: Mr. Speaker, talking about dramatic figures, last year over 20,000 young men and women couldn't get access to technical schools, colleges, or universities. Why are you shutting down 38,000 more spaces this year?

MR. ADY: Mr. Speaker, none of the figures that he's using are valid. What the hon. member has done is he has taken the accumulation of every application that was made to an institution that didn't in fact enroll at that institution, when we know today that every student who applies to a postsecondary institution in this province makes on average 2.1 applications. Now, it's not hard to understand where the hon. member got his numbers to

bring to the House today. They're just not valid. In fact, the number is dramatically smaller.

Mr. Speaker, there is an access problem. We're moving in a dramatic and a decisive way to deal with the access problem, and we'll be dealing with it through an access fund that has been set up which will in fact create more spaces in our postsecondary system.

MR. DECORE: Mr. Speaker, for four years this party, the Liberal caucus has been calling for an inventory, a registry system. Mr. Minister, tell Albertans exactly how many students can't get access to technical schools, colleges, and universities right now.

MR. ADY: Mr. Speaker, we are in fact doing some work to accomplish that very thing. However, the ACAT organization has done some very good work in that area, and let me say that although their numbers are not conclusive, they're dramatically less than the hon. member would have us believe.

MR. DECORE: This is supposed to be a minister who knows what's going on.

### Student Employment Programs

MR. DECORE: Mr. Speaker, the government is demanding that students save specified amounts of money over the summer and also that students pay higher tuition fees, but the government's summer employment funding program will only allow for some 3,000 students to work this year, down from 9,000 two years ago. The Klein government is putting the squeeze on young people in Alberta. With all of the financial pressures that students are suffering, how can the minister justify ending the funding to the hire-a-student program?

MR. ADY: Mr. Speaker, let's be clear about what the hire-a-student program is. It's a federal initiative. The hire-a-student program is a federal initiative. Our government in past times has contributed to the hire-a-student program, which in fact establishes offices throughout the province in order to assist students to find employment. As far as providing employment, the hire-a-student program does not do that. Our provincial government has historically provided funding through STEP, which does generate jobs throughout this province. That program is in place for this year and will be providing funds for employment for students this summer in Alberta.

MR. DECORE: Mr. Speaker, surveys show that three-quarters of small businesses will not hire anybody this year. Mr. Minister, why are you starving the only temporary employment programs that exist for students?

MR. ADY: Mr. Speaker, we need to be clear that the reduction in funding for hire-a-student will not have large implications, because in actual fact the federal program covers the major portion of the province. As far as a reduction in funding for that, it will not have a major impact on hiring students in this province.

MR. DECORE: If a student can't find work and a student can't find a space in a technical school, college, or university, Mr. Minister, what advice do you give to those students?

MR. ADY: Mr. Speaker, the institutions in this province are moving forward in a meaningful way. Why doesn't the hon. member speak about something positive? How about the jobs that

are going to come from his mother government's infrastructure program in this province? Why doesn't he talk about that? We're certainly moving in a meaningful way to contribute to that. The provincial government will be putting in one-third of the funding to certainly provide some employment within that program. There will be some jobs in this province for students just like there were last summer.

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

### Advanced Education Tuition Fees

DR. MASSEY: Thank you, Mr. Speaker. Closed classroom and lab spaces, runaway tuition increases, forced summer earning requirements, huge dollar demands on parents, loans to attend school elsewhere, and the accumulation of debilitating debt are what's in store for advanced education students in this province. This is an experimental system based on war zone ethics. To the minister of advanced education: is this also a deliberate government strategy to force the best and brightest students out of this province?

1:50

MR. ADY: Mr. Speaker, let's be clear on the tuition fee policy that the hon. member stands in this House and says is runaway tuition when in actual fact tuition fees as we know them today have a cap of 20 percent of operating expense for the institution. Many institutions are at 10 and 12 percent. As a matter of fact, the average tuition across this province is about 13 percent of the operating grant of the institution. He calls that runaway? In fact, the annual increment that an institution can increase tuition is 200 plus CPI annually for a university, 100 plus CPI for a college. I don't call that a runaway increase in tuition in this province.

DR. MASSEY: Mr. Speaker, will the minister then promise students that the tuition fees will not rise above 20 percent?

MR. ADY: Mr. Speaker, the present tuition fee policy has been in place since 1990 to 1991. I've visited with students, I've visited with stakeholders in an effort to find some consensus over what the fair balance should be as to how much of the value of education goes to the student, how much is the benefit to society. Because I've not been able to reach a consensus of that, that will become part of my draft white paper which will be brought forward in the next month or so. All stakeholders in this province will have an opportunity to come forward and make a presentation, and then we'll decide what's fair and what's a balanced amount for students to pay for tuition in this province.

MR. SPEAKER: Final supplemental?  
The hon. Member for Wainwright.

### Northern Lite Canola Inc.

MR. FISCHER: Thank you, Mr. Speaker. My question is to the Minister of Agriculture, Food and Rural Development. I was extremely happy today to learn that the government has agreed to sell Northern Lite Canola to another Canadian company, Canola Industries Canada Inc. Can the minister tell us what the purchase price for Northern Lite was and whether or not the government had any other financing involved in this deal.

MR. SPEAKER: The hon. Minister of Agriculture, Food and Rural Development.

MR. PASZKOWSKI: Thank you, Mr. Speaker. Certainly I am most pleased to shared with the House that indeed earlier today we announced the sale of Northern Lite Canola. The sale was for \$6 million in cash. It was done to a Canadian company, and the government will be out of the crushing business as a result of this sale.

MR. SPEAKER: Supplemental question.

MR. FISCHER: Thank you. Could the minister indicate: was this an open bidding process so that all interested parties had an opportunity to bid on this company?

MR. SPEAKER: The hon. minister.

MR. PASZKOWSKI: Thank you, Mr. Speaker. Certainly this has been a process that government has been trying to evolve and develop through many years. We have indeed dealt with many people who have shown interest. As a matter of fact, 12 in total showed interest in the process and the opportunities that this industry presents, because we are dealing with an industry that presents tremendous opportunity to the agricultural field. No other industry in agriculture provides us with more opportunity than the canola industry as far as spin-offs are concerned. Overall we have dealt with 12 companies who had shown interest, five companies who had actually submitted bids. This was the best offer that we had received.

MR. SPEAKER: Final supplemental.

MR. FISCHER: Thank you, Mr. Speaker. We all know that this plant was vital to producers in northern Alberta and to the economy in northern Alberta. Could the minister indicate what impact this plant does have on the economy of Alberta?

MR. PASZKOWSKI: The exciting part of this purchase is indeed that it does several things that will help enhance the opportunities of the agricultural industry. Number one, it allows the plant to continue crushing in the Peace River country at a minimum of 125,000 tonnes for three years. It ensures the jobs for the members who work in the crushing plant. It will allow for the additional . . . [interjections] It's obvious that the hon. Member for Edmonton-McClung is not interested in job opportunities and in the expansion of agriculture in this province, and it's unfortunate because agriculture is the base of this province. When the hon. Member for Edmonton-McClung . . . [interjections]

MR. SPEAKER: Order. Order. [interjections] Order.  
The hon. Member for Edmonton-Centre.

### Adult Education Upgrading

MR. HENRY: Thank you, Mr. Speaker. In order for a student to get into a postsecondary education program in this province, they have to have basic literacy skills and they have to have a high school diploma. Unfortunately for adults who want to upgrade to get a high school diploma, this government's just pulled the rug from right underneath them and are allowing 400 percent increases in tuition fees. I'd like the minister of advanced education to explain why he doesn't know that the students who are trying to get a high school diploma at Viscount Bennett in Calgary and Vic comp in Edmonton are there because they can't afford to pay 400 percent increases in tuition fees and they can't get jobs without high school diplomas.

MR. ADY: Mr. Speaker, the hon. member across the way didn't mention what the tuition cost actually was per student. Apparently his main issue has to do with the fact that the Department of Education has removed the extension grants that formerly funded adult upgrading at Viscount Bennett in Calgary and Vic comp in Edmonton. Let me say that at each of those institutions there are about 1,100 students at one and 1,200 at the other that are high-needs students who are in full-time academic upgrading. Let me also say that in the budget that was just tabled a week ago, there is some \$5 million in my estimates that are focused on the adult development program. That funding will in fact move to continue the programs at Viscount Bennett, and in fact the students at Victoria composite will be dealt with within the institutions within Edmonton, because a decision has been made by the Edmonton public school board to close down that portion of the programs. So we have moved very decisively to deal with those students in other institutions in the city.

MR. HENRY: Mr. Speaker, they're going to have to go to postsecondary institutions, and his own business plan says that those programs will be run on a cost-recovery basis. My question is: why is the minister forcing those students to move to cost-recovery programs and having them incur \$5,000 more in loans before they even get access to a postsecondary institution?

MR. ADY: The students that I spoke of, the 1,100 and the 1,200 between Viscount Bennett and Victoria composite high, are those that have been receiving support through the Students Finance Board. They will continue to receive that level of support they have in the past, and their programs will be in place for them, albeit some of them will be deployed to the Alberta Vocational College. Others will go to the other school here in Edmonton that can accommodate them. Consequently, those high-needs students will be accommodated much as they have been in the past. Now, part-time students may have to re-evaluate their needs in relation to the Students Finance Board.

MR. HENRY: Well, Mr. Speaker, they're going to have to re-evaluate their needs. I suggest that this government re-evaluate their priorities.

I'd like the minister to stand and give me a yes or no answer. Are the tuitions going rise for upgrading students or not? Will they continue to have access with the same tuition fees?

2:00

MR. SPEAKER: One question.

MR. ADY: Mr. Speaker, the students that I spoke of, the high-needs students at the two institutions, one in Calgary and one in Edmonton, will be dealt with much as they have in the past through the adult development program, and their tuition will be handled much as it has been in the past. There will not be an increase in that. But bear in mind that we're talking about the high-needs students. There are about 1,100 in one institution and 1,200 in the other. All the part-time students who are there who have jobs will be dealt with much as other students are in this province. If they have a need, they can apply to the Students Finance Board, and after counseling to determine what their direction should be, they will be assessed and dealt with by the Students Finance Board.

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

### Advanced Education Efficiency

MRS. BURGNER: Thank you, Mr. Speaker. Certainly for students attending postsecondary institutions, one of the significant costs of going to school in addition to tuition is the cost of living as they spread out their university and postsecondary over two and three years. My question to the minister of advanced education: is the minister going to do anything about changing the current funding system in our public postsecondary institutions to reward productivity and efficiency that will allow students to access education in a more timely fashion?

MR. ADY: Mr. Speaker, I assume that the question has to do with access for students to the institutions. Yes, we are moving in a meaningful way in view of the fact that institutions have been asking this department for some time to come forward with a different funding formula for them, one that would reward productivity and efficiency. We have committed to work towards that goal and by 1996-97 to have such a program in place. Then we would move from the block funding that we presently have and would in fact have a program in place that would fund them to reward such productivity.

MR. SPEAKER: Supplemental question.

MRS. BURGNER: Thank you, Mr. Speaker. To the minister: what will the performance indicators be in the using of the new funding formula?

MR. ADY: Mr. Speaker, if I had the answer to that question, we wouldn't be waiting until 1996-97 to come forward with it, because in fact there is not a jurisdiction in Canada that has been able to develop those types of criteria. So it's a very challenging thing that we've committed to do, to move forward to develop those kinds of criteria. So over the next two years we'll be working with stakeholders and others and within our department to develop those criteria that would be acceptable to the institutions, that they would see to be fair and equitable and would in fact reward productivity and efficiency within the institutions.

MR. SPEAKER: Final supplemental?

### Students' Finance

MR. COLLINGWOOD: In the new Alberta, Mr. Speaker, students who choose the right postsecondary program of studies and who are eligible for student loans will be duly rewarded by this government. Those who choose a program of study unacceptable to this regime will have the door to student loans slammed shut on them. So much for freedom of choice. To the minister of advanced education: Mr. Minister, how can your government justify an outrageous policy that decides which programs are acceptable for student loans?

MR. ADY: Mr. Speaker, anytime the taxpayers' money is dispensed in this province, there has to be some level of accountability and responsibility. When the default rate on a program or an institution climbs to near 50 percent, then some accountability has got to be brought into the process.

MR. COLLINGWOOD: Your business plan says 35 percent.

MR. ADY: Well, 35 percent. Certainly in excess of 35 percent, then there has to be some accountability there. That's what we're doing. Frankly, there is an appeal process for programs to be

appealed to see if they can get that default rate down, and consequently they would be eligible then for the funding.

MR. SPEAKER: Supplemental question.

MR. COLLINGWOOD: Thank you, Mr. Speaker. Could the minister of advanced education, then, tell Albertans which programs of study students who need funding should stay away from?

MR. ADY: Mr. Speaker, I believe that as students move into the postsecondary institutions and explore their options, they are going to very quickly find out which programs are not funded. We'll be communicating with the institutions on an ongoing basis to make them aware of their circumstance when they have reached a level of default from the students that are in their programs that is just not acceptable. Consequently, we'll find that students will find their way through that and be able to make choices that will put them into programs that can be funded through the student finance program in a very admirable way.

MR. SPEAKER: Final supplemental.

MR. COLLINGWOOD: Thank you, Mr. Speaker. The question was: which programs? I wonder if the minister could please tell us which programs. Is it arts? Is it English literature? Tell us which programs aren't acceptable to this government. That's what we want to know.

MR. ADY: Mr. Speaker, it's not a question of not being acceptable to this government. It's a question of a high default rate and accountability for the funding that goes into student finance programs, something in excess of \$250 million outstanding presently in the student finance program. Certainly that is something that's of interest not only to the taxpayers; it's of interest to the students. The students want our student finance program to be accountable. I've met with students from every institution in this province, and each time they're accountable and they want the student finance program to deal in an objective way with programs that will be there for them.

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

### Environmental Laws Enforcement

DR. L. TAYLOR: Thank you, Mr. Speaker. Procter & Gamble has been fined for inadequate testing and polluting our rivers. Could the minister inform this House as to the process utilized to discover how the pollution was discovered?

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

MR. EVANS: Thank you, Mr. Speaker. I'd like to point out as a preamble to this answer that the fine that was levied yesterday by our courts in this province, \$140,000 against Procter & Gamble, is the highest fine for an environmental offence ever levied in this province. Now, the hon. member said: how did this come about? Well, we have a system in this province under the licence to operate granted to our pulp mills that requires the pulp mills to monitor the quality of their mill effluent and to report on a regular basis to Environmental Protection. The company actually in the first part of December of 1991 failed a fish bioassay test, and as a result of that they reported that to us, and because of a number of other failures the charges were laid and the convictions were entered.

MR. SPEAKER: Supplemental question.

DR. L. TAYLOR: Thank you. Well, in light of that, I am surprised the minister is talking about more self-monitoring. Why does the minister propose that self-monitoring will work with this company or any other company when these companies' first priority is to their own economic interest?

MR. SPEAKER: The hon. minister.

MR. EVANS: Thank you, Mr. Speaker. In point of fact, the self-monitoring that was done by the company as a result of the licence to operate is the reason that we learned about the offences that led to the convictions. Quite frankly we've been allowing industry to self-monitor in Environmental Protection for the past 20 years. It's worked well, and under proper guidelines we will continue to allow self-monitoring with our department being the gauge of the information that comes into our office.

MR. SPEAKER: Final supplemental.

DR. L. TAYLOR: Thank you. Will self-monitoring mean less reporting of pollution and fewer convictions of these large companies that knowingly pollute our Alberta environment?

MR. EVANS: Well, Mr. Speaker, our three-year business plan for Environmental Protection certainly identifies that enforcement and policing will remain at the same level that we have today. In point of fact, we are going to continue to set monitoring guidelines. We're going to continue to do spot audits. We're going to continue to make sure that industry in the province is living up to the Legislative requirements that we have.

MR. SPEAKER: The hon. Member for Bonnyville.

#### 2:10 Francophone School Trustees

MR. VASSEUR: Thank you, Mr. Speaker. Tomorrow the Fédération des Parents Francophones de l'Alberta will be holding elections for Francophone regional authority school districts. The Minister of Education has the legal authority to appoint individuals of his choosing to these positions. However, the appointment of Stan Waters as Canada's first elected Senator provides a compelling precedent for following the wish of the Francophone community. To the Minister of Education: will the minister appoint those individuals elected in tomorrow's votes to membership on the Francophone regional authorities?

MR. JONSON: Mr. Speaker, the hon. member is certainly correct in that the legislation passed at the last session of this Legislature does provide for the appointment of an interim set of trustees for Francophone education, and I will be following that legislation, as I have indicated before.

In terms of the elections being held, I recognize that this is a process which will bring forward names for appointment, and certainly the extent to which those elections are held will be considered in making the appointments. I do have to adhere to the legislation, and I do not want to establish any precedent beyond the legislation in terms of automatically accepting the people who are elected, but certainly those people will be leading candidates for appointment.

MR. SPEAKER: Supplemental question.

MR. VASSEUR: Thank you, Mr. Speaker. That answer could mean yes or no.

Mr. Minister, as part of the government which brought in the Senatorial Selection Act, why won't you allow the same democratic right to Francophones?

MR. JONSON: Mr. Speaker, as I recall, the members opposite were somewhat anxious to have Bill 8 passed. The Legislature has passed Bill 8, proclaimed it. The mechanism is in place, and they supported it, and that is that there's an interim process of appointment which I will follow. After that, the full electoral process will be in place for the Francophone authorities. I'm following the legislation. I don't know what their problem is.

MR. SPEAKER: Final supplemental?

Okay. The hon. Member for Calgary-Bow.

#### Seniors' Property Tax Subsidy

MRS. LAING: Thank you, Mr. Speaker. My question is to the hon. Minister of Community Development, the minister responsible for seniors. Mr. Minister, I've received phone calls from my constituents concerned about the property tax reduction program. Would you please clarify for my constituents what the current status is for this program?

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

MR. MAR: Thank you, Mr. Speaker. This is a very good question, because a number of seniors have called on our lines asking this type of question. Nineteen ninety-four, of course, is a transition year, and we are proposing that the new Alberta seniors' benefit will begin on July 1, which coincides with the health care premium year.

With respect to the property tax reduction program, seniors will complete an application form which will either be included with their tax notice or be at their municipal office as in previous years. The municipality will be paid \$325 or half the benefit for this current year. If the taxes are prepaid, the municipality will forward a cheque to the senior with a notice that the funds have come from the property tax rebate program. The application form will include a section which will allow seniors to apply for a deferral of up to \$325 of their property tax to December 31, 1994. This deferral is for this year only.

MR. SPEAKER: Supplemental question.

MRS. LAING: Thank you, Mr. Speaker. My supplemental is to the same minister. Hon. minister, what will happen to the property tax reduction program in the future then?

MR. MAR: Mr. Speaker, the property tax reduction program will be part of the Alberta seniors' benefit program, and accordingly your eligibility for cheques to come from that program will depend upon your income levels.

MR. SPEAKER: Final supplemental?

MRS. LAING: Thank you.

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

#### Crimes Compensation Board

MR. BRUSEKER: Thank you, Mr. Speaker. My question today is to the Minister of Justice. Kent Hehr was a student at Mount

Royal College and a star hockey player until a split second, drive-by shooting resulted in a bullet severing his spinal cord and leaving him a quadriplegic. Incredibly, the Crimes Compensation Board has now cut off his funding, which will restrict his ability to lead as normal a life as possible given the circumstances. My question to the minister is: how could the board cut off this funding?

MR. ROSTAD: Mr. Speaker, I can't think of a more tragic thing to happen to anyone, to be healthy and then all of a sudden to be a quadriplegic. Frankly, I can't think of anything that would be more frustrating and give more anguish to that person or their family than to receive notice that they're going to receive less funding from the criminal injuries compensation board. The board is by legislation to provide reasonable costs that are lost through this type of injury. Another section says that they must take account of all other revenue that comes to that person and deduct it from the reasonable costs. In this instance there was a cost calculated and was being paid and then was, I think, almost cut in half because of an AISH payment. Then recently the board ruled that they were cutting it off completely because there was substantial funding coming from other sources at this moment. I recognize the frustration, but those are the parameters of the legislation, and this is a quasi-judicial board.

However, the silver lining, if you can call it that, to this cloud is that the board continually reviews this. As these extra funds that are there, whether they're from insurance or from a trust fund that has been set up on Mr. Hehr's behalf, are dissipated, the board will then review – I'm sorry; I can't speak for the board. The potential is there to augment the payment back up to the level that's reasonable.

MR. BRUSEKER: Mr. Speaker, the trust fund that was established following the incident was used to provide a wheelchair accessible home for Kent. So my supplementary question is: how can the board arbitrarily decide that the trust fund money that was used to alter a home to accommodate a wheelchair-bound person so that he could live with his parents is not in his benefit?

MR. ROSTAD: Mr. Speaker, I'm attempting to give a general description here. First of all, the board is quasi-judicial, arm's length. It works within the parameters of the legislation. Although I've asked for a review of this case, I only have a cursory review at this time and not an in-depth. As I mentioned before, I'm sure there's not a person around that doesn't have the greatest compassion for Mr. Hehr's position. However, there are parameters it works in. I cannot answer that specific on behalf of the member. I can say on behalf of the member that he has approached me on this on behalf of his constituent Mr. Hehr and that I'm looking to see if there's anything within our power to do what the board hasn't done.

MR. SPEAKER: Final supplemental.

MR. BRUSEKER: Thank you, Mr. Speaker. I appreciate the minister's commitment on that.

The final question, then, is this: is it the government's policy that it is in the best interests for individuals like Kent to be in an institution, because the board has said that that's where it would be cheaper to house Kent? Is that the bottom line? Is that all we're worried about now?

MR. ROSTAD: Mr. Speaker, I was kind of hoping that this wouldn't become a partisan political issue and would be the issue

of the individual. No, that is not the government's position. In fact, I don't think it's the board's. I think if the member had listened to the first answer – when there is other money, wherever it comes from, that is paid on behalf of that victim, it has to be accounted for and reduced from the payment. How the board has depicted that, I'm sorry, I cannot comment on. Hopefully after the review I can.

2:20

I may also share a clipping from Chase Communications of various TV shows and that. I'm taken by the member trying to cast this unfortunate incident and, in his eyes and I'm certain in Mr. Hehr's eyes, deficiency in payment as being a direct result of budget cutbacks, as he said on a TV station in Calgary. I think that is completely inaccurate and inappropriate. If he wants to look in the elements, crimes compensation has more money this year, not less. It's a quasi-judicial board that sets this up, and I'm taken aback that he would try to make this a political matter and not try to just solve the issue for Mr. Hehr.

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

#### Social Assistance

MR. DOERKSEN: Thank you, Mr. Speaker. Eleven months ago this government announced a welfare reform package. I'd like to ask the Minister of Family and Social Services if he could advise this House and all Albertans what impact these reforms have had on the number of Albertans receiving welfare.

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

MR. CARDINAL: Thank you, Mr. Speaker. The welfare reforms of course were announced last April, and the design of that particular program was to move the employables and trainables back into training or the active work force. I'd just like to advise this Assembly that as of February '94 the caseload has reduced now from a high of 94,000 cases to 64,050, a reduction of 30,000 cases. The interesting part that I think Albertans should know is that the target group we have looked at always was people that are employable and trainable. I'd like to advise this Assembly that of the 7,000 or so childless couples that were on assistance, there has been a 50 percent drop in that particular area. Also, considerably less single employables are receiving assistance now. Therefore, the program is working as planned.

MR. SPEAKER: Supplemental question.

MR. DOERKSEN: Thank you, Mr. Speaker. Could the minister also advise what the impact is on those Albertans who are disabled and truly unable to work? I'm thinking of those that are receiving assistance under the assured income for the severely handicapped.

MR. SPEAKER: The hon. minister.

MR. CARDINAL: Thank you, Mr. Speaker. During the announcement of the welfare reforms I have always advised this House and Albertans in particular that we would be redirecting dollars to the high-needs area. I'd like to advise this Assembly that this year alone we've redirected just under \$100 million to the high-needs area. Although there was a concern earlier that people on assured income for the severely handicapped would be impacted, we did a review to find out what the status of those 15,000 files were, and we only found 97 cases that were referred

back to another program. The interesting part is that we've added 1,000 more recipients to that particular program, and that is why we reviewed it.

MR. DOERKSEN: Would the minister, then, confirm that he'll continue to look at this caseload to make sure that the benefits for high-needs clients are looked after?

MR. CARDINAL: Yes, Mr. Speaker. That is exactly the plan of the welfare reforms. This program and the department, I believe, were always set to look after the people that can't fend for themselves. Therefore, like I said, in this particular year alone we've redirected close to \$100 million in that particular area.

In addition to that, we continue reviewing very closely the programs of the people in the high-needs area, and this year alone we've increased the rates under assured support. We will continue reviewing other programs, Mr. Speaker, to make sure that wherever there's a short-fall, our department delivers properly.

MR. SPEAKER: The hon. Member for Edmonton-Highlands-Beverly.

#### Family and Community Support Services

MS HANSON: Thank you, Mr. Speaker. The mystery surrounding the future of family and community support services in Alberta continues, and even more mysterious is the silence from some of the key ministers. My questions are to the Minister of Health. Why have you been silent when recommendations from your own planners suggest FCSS as a way of providing certain health services? What are you planning to do about that?

MRS. McCLELLAN: Mr. Speaker, I don't think that I've been silent on the issue of family and community support services. When I discussed the formation of regions in this province, I made a recommendation that all health providers be involved. I also said that the dialogue should continue and be expanded to include family and community support services, because obviously there is a close linkage between community support there through ambulance services, that have a direct impact on how we deliver health services within and without a region, and with lodges because of the interests of health in those places. So I don't think that as Minister of Health I have been silent in any way. I am encouraging co-operation, collaboration, and dialogue between all of the players to ensure that our citizens receive the most efficient and the highest quality care.

MS HANSON: Madam Minister, is the future of FCSS dependent on the establishment of the regional health boards?

MRS. McCLELLAN: Well, Mr. Speaker, I think that question is addressed to the wrong minister. I do not have the responsibility for family and community support services.

MS HANSON: Albertans are anxious to know about the government's intention for FCSS, and I wonder when you're going to decide. If they're going to stay in Municipal Affairs, then how are they going to deliver health services?

MRS. McCLELLAN: I assume the question was directed at me. Mr. Speaker, I have explained, I think quite clearly, the involvement of family and community support services, the role in the regional health delivery. I would invite the minister responsible

for the family and community support services program to elaborate further on the member's question.

MR. CARDINAL: Well, family and community support services is under my department yet. Mr. Speaker, I have always indicated in this House that the way the program was designed originally was always run by municipalities. The program priorities were always set by municipalities; the budgets were always set by municipalities. I'm very confident that will continue. But to indicate to this Assembly and to Albertans that because there is a proposed change in direction of FCSS that there's going to be a disaster - I'll just give you an example: my department alone is going to spend over \$4 billion in the next three years. In relation to FCSS, Edmonton alone gets around \$8 million in FCSS. My department spends over \$500 million in the Edmonton . . . [interjections]

MR. SPEAKER: The hon. Member for Lacombe-Stettler. [interjections] Order. Order.

#### Highway Tolls

MRS. GORDON: Thank you, Mr. Speaker. Recently the minister of transportation attended a convention of the Western Canada Roadbuilders where the concept of toll roads covering the cost of new construction was discussed. As a means of reducing the department of transportation capital works project costs, is the government considering toll roads similar to the now-tolled Coquihalla highway?

MR. TRYNCHY: Mr. Speaker, it's true that I attended a conference of Western Canada Roadbuilders. I hold in my hand an article written by a certain reporter, and the headline says: minister talks tolls. Had the writer put on there "contractor offered deal," it would have been more appropriate. Yes, I have been discussing toll roads in Alberta by the contractors, but it's their initiative and not the government's.

2:30

MRS. GORDON: What is the reaction of the private sector, and are they willing to lead the charge on this rather exciting initiative?

MR. TRYNCHY: I have met with the private sector, and I gave them this comment: Alberta is open for business, and we welcome the private sector's involvement in the road construction business. Mr. Speaker, if the private sector would come forward with a proposal that they can live with, and it matches what we have to do in Alberta in order to have more highways, a freer access on our export highways, I would welcome that report.

MR. SPEAKER: Final supplemental.

MRS. GORDON: Thank you, Mr. Speaker. If a toll system were implemented, would the municipality or the province be the beneficiary of the toll revenues?

MR. TRYNCHY: Mr. Speaker, I think we should set the record straight. If the private sector get involved in constructing a highway anywhere in the province of Alberta and are given the authority to put a toll on it, the toll would go to the contractor that built that highway and not to the province or the local municipality - unless the municipality would do that themselves and be cost-sharing, and I'd welcome that too.



MR. SPEAKER: Order please. The time for question period has expired.

The hon. Member for Edmonton-Gold Bar.

head: **Motions under Standing Order 40**

**Aboriginal Achievement Award**

MRS. HEWES: Thank you, Mr. Speaker. On Monday of this week Thelma Chalifoux of Alberta was a recipient of the prestigious national aboriginal achievement award in Ottawa. These awards were founded in 1993 by the Canadian Native Arts Foundation to commemorate the International Year of the World's Indigenous Peoples. The aim of the awards is to acknowledge and encourage achievement by aboriginal people in Canada in a range of occupational areas. Mrs. Chalifoux brings honour to Albertans, and I would ask for the unanimous consent to acknowledge this award.

MR. SPEAKER: Is there agreement in the Assembly for the hon. member to move her motion?

HON. MEMBERS: Agreed.

MR. SPEAKER: Opposed? Carried.

The hon. Member for Edmonton-Gold Bar.

Moved by Mrs. Hewes:

Be it resolved that the Legislative Assembly congratulate Thelma Chalifoux for winning a national aboriginal achievement award in recognition of her outstanding work on behalf of the Metis and other aboriginal peoples of Alberta.

MRS. HEWES: Mr. Speaker, thank you, and thank you to the Assembly for giving consent. The motion itself has been circulated. Just to add to the information, this year 12 outstanding aboriginal achievers received this award. They were picked from among approximately 150 nominees representing a wide variety of occupational areas and regions of the country. All individuals with First Nations, Inuit, or Metis heritage residing in Canada are eligible for nomination. These prestigious awards are sponsored by various Canadian governments and private-sector corporations. Although the government of Alberta is not a sponsor, Alberta's own Syncrude Canada is a prominent contributing sponsor of the awards. The awards were made on Monday at the National Arts Centre in Ottawa.

Mr. Speaker, Mrs. Chalifoux's father told her that he knew she would be strong and independent because she was born in a blizzard. Her life's work has borne out his prophesy. She also credits him with teaching her to get involved wherever she saw a need. She left a difficult marriage and brought up seven children alone. In the 1950s she studied sociology at Lethbridge Community College and construction estimating at SAIT, all the while working to support her children. Since the late '60s Mrs. Chalifoux has worked extensively with rural and native organizations. She has worked tirelessly on the issues of housing, education, suicide prevention, battered women, incarceration, alcoholism, and cross cultural training for government departments. She was one of the founders of the Slave Lake Native Friendship Centre, instrumental in getting the Cree language taught in northern schools. She was the first full-time Metis woman announcer, producer, and host of a weekly show on CKYL radio Peace River and also produced the TV series *Our Native Heritage*. She was the first Metis woman to serve on the Senate of the University of Alberta.

Mr. Speaker, in accepting the award, Mrs. Chalifoux wrote, and I quote:

The struggle has been a challenge but my blessings have been many. This award is the icing on the cake, but my heart sings when someone comes to me and says that because of what I did their lives are better.

Mrs. Chalifoux is currently a social allowance panel member, child welfare appeal panel member, co-chair of the Metis Nation of Alberta, and chair of the Metis National Senate Commission. She says that the work which fills her with most pride is her work to develop the constitutional model for Metis self-government.

Mr. Speaker, this is a totally committed Albertan. She will never stop working to improve the human condition. I know her to be a warm, caring individual with a great sense of humour, clear thinking, action oriented. She brings honour to herself, her family, and to all Albertans. I ask every member to support this achievement award.

MR. SPEAKER: The hon. Member for Lesser Slave Lake.

MS CALAHASEN: Thank you, Mr. Speaker. I would like to speak to the motion brought forward by the Member for Edmonton-Gold Bar. I would like to indicate my support to congratulate Thelma Chalifoux for a number of reasons. First of all, Thelma is a fellow Metis. Secondly, she has always been one of my role models, especially after she initiated the first native princess pageant of northern Alberta. Fortunately, I was one of the winners of the princess pageant. Thirdly, she has been a close friend to my family and has always been a very strong supporter of ours.

She is truly a well-deserved recipient. I say well deserved because Thelma has had to struggle for everything she has ever got or any argument she has ever won. She has worked long and hard for aboriginal people. She has worked and continues to work diligently to ensure that Metis rights are recognized by all levels of government in this country. She is an outspoken champion for her people and their rights, and if you ask most ministers in this House and other Houses, she does not back down as long as she knows she's right. One of her outstanding qualities is never, never, ever refusing to help those in need. Thelma's fierce pride in herself and her heritage has given her the strength to overcome the obstacles that many aboriginal people, and more specifically aboriginal females, face in political and everyday life.

She has had many experiences in her life and her jobs which have prepared her for this very award. She has worked with rural and native organizations in such areas as housing, employment, and social services. In every job she has done, she has left her people better off than they were when she began. As co-chair of the Metis Nation of Alberta's elders' Senate and chair of the Metis National Senate Commission, Thelma is bringing her ability and influence to bear on such issues as our Constitution and Metis self-government. Thelma was involved in the historic framework agreement between this government and the Metis Nation of Alberta. Through her continuing work on the elders' Senate, Thelma ensures that the wisdom and the experience of elders of the Metis Nation are brought into the policy and decision-making process, which leads to decisions that are well informed, well considered, and in the best interests of the Metis people.

Thelma is a strong woman with many ingrained values. Those values are her family, her heritage, her strong conservative values, and, of course, the self-initiative which she works to instill into all the Metis youth of Alberta and Canada. Thelma is a knowledgeable and compassionate representative of her people. I would call her a history maker. That is why it is so appropriate

that she be one of the first recipients of the national aboriginal achievement award, and I commend the Member for Edmonton-Gold Bar for recognizing such an outstanding Metis woman.

2:40

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

HON. MEMBERS: Question.

MR. SPEAKER: Having heard the motion proposed by the hon. Member for Edmonton-Gold Bar, all those in favour, please say aye.

HON. MEMBERS: Aye.

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

head: **Orders of the Day**

head: **Written Questions**

MRS. BLACK: Mr. Speaker, I move that the written questions appearing on today's Order Paper stand and retain their places with the exception of the following: written questions 144, 145, 147, 148, 149, 150, 151, 166, and 167.

[Motion carried]

#### **Special Waste Treatment Plant**

Q144. Mr. Collingwood asked the government the following question:  
How much money did the government contribute to the purchase and installation of rocking kilns at the Alberta special waste treatment plant at Swan Hills?

[Question accepted]

#### **Legal Fees for Supports for Independence Clients**

Q145. Mrs. Soetaert asked the government the following question:  
How much has the Department of Family and Social Services spent on legal fees for supports for independence clients pursuing child maintenance for the periods April 1, 1990, to March 31, 1991; April 1, 1991, to March 31, 1992; April 1, 1992, to March 31, 1993; and April 1, 1993, to February 10, 1994?

[Question accepted]

#### **Children Taken into Care**

Q147. Ms Hanson asked the government the following question:  
How many children have been taken into care because of a parent or guardian's failure to provide the basic necessities of food, shelter, and clothing from April 1993 to February 10, 1994?

MR. CARDINAL: Mr. Speaker, Question 147 we are rejecting. In the period of April '93 to January 1994 the departmental social workers completed 1,492 investigations where children were neglected by their guardians because their basic needs were not met. These include, amongst others, such factors as physical neglect, failure to provide medical care, or no caretaker present.

Not all of the 1,492 children would have come into care, as protective services may have been provided for the children and their families in their home or in the community.

MR. SPEAKER: Those in favour of the . . . [interjection]  
The hon. Member for Edmonton-Highlands-Beverly.

MS HANSON: Sorry, Mr. Speaker. I was slow.

Mr. Minister, I'm surprised that you're not going to answer that question. It's a pretty simple thing, I think, with the computers that are available in your department. Surely you keep records about the reasons why children were taken into care or were not, the issues that brought them to the department's attention. I would think that given the number of people that have families that have been cut off assistance in the last eight or nine months, the department would be most anxious to know what has happened to those families. Do they have jobs? Do they have enough money to shelter and to feed their families? So I would ask you again if you would reconsider.

Thank you.

MRS. HEWES: Mr. Speaker, it's very puzzling to me why this question can't be answered. The Member for Edmonton-Highlands-Beverly has spoken to it. At this point in time we have a major review going on following the Children's Advocate report, which, I hasten to say, was not given the kind of acknowledgment and acceptance that it should have been. The minister has insisted that, yes, the department is doing this review and we're all going to see it.

Now, Mr. Speaker, there's no question that this kind of information must be available. What's to hide here? What is it that the minister doesn't want those child welfare agencies or foster parent agencies, people who are in the business of child welfare, to know? It seems to me that once again we talk about freedom of information. We haven't seen the Bill. We don't know where that is. We ask what should be a simple question: somebody just taps in a few numbers on a computer and brings it out. People in this province are deeply concerned about child welfare. The minister says he is and that we're doing a review. Why not just give us the information, Mr. Minister? Just make this public. I'm sure it's available.

MR. SPEAKER: The hon. Member for Sherwood Park.

MR. COLLINGWOOD: Thank you, Mr. Speaker. Listening to the debate, I just want to say for the record that I'm rather surprised as well. This written question is about children. This written question is about children who don't have the basic necessities of food, shelter, and clothing. That's what this is all about. The hon. Member for Edmonton-Gold Bar talked about freedom of information, the new embrace of the government: still haven't seen it, still secret. How could anybody conclude other than that the minister must be just absolutely too embarrassed to give us this information? I mean, the numbers must be absolutely skyrocketing. I guess next is that we're going to have children on the street. You know, we need to know this information. We need to know that you've got a handle on this information. We need to know what kind of conditions these children are facing out there. I guess, on behalf of my constituents, it's just rather shameful that the minister sits there and says: my lips are sealed; you'll never find out. That's just absolutely outrageous.

Thank you.

MR. SPEAKER: All those in favour of the deemed motion to reject, please say aye.

SOME HON. MEMBERS: Aye.

MR. SPEAKER: Those opposed, please say no.

SOME HON. MEMBERS: No.

MR. SPEAKER: It sounds as if the motion is defeated. Call in the members.

[Several members rose calling for a division. The division bell was rung at 2:48 p.m.]

[Ten minutes having elapsed, the Assembly divided]

For the motion:

Ady	Gordon	Paszkowski
Amery	Haley	Pham
Black	Havelock	Renner
Burgener	Herard	Rostad
Calahasen	Hierath	Severtson
Cardinal	Jacques	Smith
Coutts	Jonson	Sohal
Day	Laing	Stelmach
Dinning	Lund	Tannas
Doerksen	Mar	Taylor, L.
Dunford	McClellan	Thurber
Evans	McFarland	Trynchy
Fischer	Mirosh	West
Forsyth	Oberg	Woloshyn
Friedel		

Against the motion:

Abdurahman	Hewes	Soetaert
Beniuk	Kirkland	Van Binsbergen
Bracko	Langevin	Vasseur
Carlson	Leibovici	White
Chadi	Massey	Wickman
Collingwood	Percy	Zariwny
Hanson	Sapers	Zwozdesky
Henry	Sekulic	

Totals For - 43 Against - 23

[Question rejected]

**3:00 Child Protective Services**

Q148. Ms Hanson asked the government the following question: How many children were turned down for protective services by the director of child welfare for the periods April 1, 1992, to March 31, 1993, and April 1, 1993, to February 10, 1994?

[Question accepted]

**Mental Health Services for Children**

Q149. Ms Hanson asked the government the following question: How many parents or guardians in need of mental health services for a child were forced to relinquish custody of the child to the Department of Family and Social Services to obtain services during the periods April 1, 1991, to March 31, 1992; April 1, 1992, to March 31, 1993; and April 1, 1993, to February 10, 1994?

[Question accepted]

**Assured Income for the Severely Handicapped**

Q150. Mr. Sekulic asked the government the following question: Between April 1, 1993, and February 10, 1994, how many files have been closed on assured income for the severely handicapped recipients, and for each of these closed files, how many have been transferred to supports for independence?

[Question accepted]

**Supports for Independence Program**

Q151. Mr. Sekulic asked the government the following question: How many supports for independence files have been closed because the clients have left the province for the period April 1, 1993, to February 10, 1994, and of those who have left Alberta, how many have returned to the province in which they lived prior to moving to Alberta?

MR. CARDINAL: Mr. Speaker, I am rejecting Question 151, and the reason Family and Social Services is rejecting this is that we don't have information in this particular area. Once the files are closed, including clients who are leaving the province, there's no way of tracing these clients. We have no method of follow-up on the clients at this time, and a lot of it is because of cost. The former clients also, once the files are closed, have no obligation to the government to give us information. We also feel that once the file is closed and the client moves on to, you know, a job or training or other areas, the government really has no business to be following up on clients that are gone.

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

MR. SEKULIC: Thank you, Mr. Speaker. I'm a little puzzled by this and disappointed that the government is rejecting this question, despite having heard the minister. In fact, it is the government's own statements over the course of their implementation of the cuts to welfare that have fueled the curiosity and necessitated a response to this very question on this issue.

The government has on numerous occasions boasted that many clients who are receiving welfare in Alberta have returned to their province of origin, to their families where they can get the needed support that only family can offer, to roughly paraphrase the Minister of Family and Social Services. I thought it appropriate to give the opportunity to this government - they made statements that they talked the talk, and now it's time to walk the walk.

It's I think important as a part of a business plan to understand what you've done right in the past in order to adjust what you're going to do in the future. If the minister or this government can't respond to why files are being closed, how can they in the future adjust to increase the number of file closures? The targets in the business plans are 3,000 files in each of the next two years. Now, how can statements like that be made in this House when there is no idea of how files are being closed, why files are being closed, and whether people are going to other provinces, to their home province, if that's the case. So what fueled this was, in fact, the government's own statement that these people are returning to their home province, and now it's a matter of just backing that up. What are your numbers?

Thank you.

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

HON. MEMBERS: Question.

[Question rejected]

### Supports for Independence Program

Q166. Mr. Sekulic asked the government the following question: Between August 1, 1993, and February 10, 1994, how many former supports for independence clients have been transferred to the Students Finance Board, and what is the duration and type of training or educational program each client is enrolled in?

MR. ADY: Mr. Speaker, we're prepared to accept this question, and with your permission I'd like to table a response.

[Question accepted]

### Health Roundtables

Q167. Mr. Sapers asked the government the following question: What was the total cost to the government of the roundtable discussion on health held in Red Deer on August 24, 1993, and the 10 regional roundtable discussions on health held between September 10, 1993, and October 30, 1993?

[Question accepted]

head: **Motions for Returns**

MRS. BLACK: Mr. Speaker, I move that the motions for returns appearing on today's Order Paper stand and retain their places, with the exception of motions for returns 156, 157, 158, 159, 160, 161, 162, 163, and 164.

[Motion carried]

### Hospital Financial Statements

M156. Moved by Mr. Sapers on behalf of Mr. Mitchell that an order of the Assembly do issue for a return showing the most recent annual financial statements for all hospitals in Alberta receiving provincial funding.

MR. SPEAKER: The hon. Minister of Health.

MRS. McCLELLAN: Thank you, Mr. Speaker. I would propose to amend this motion, and I believe copies of the amendment to the motion are available or have been circulated. The proposed amendment is, if I may proceed with reading the amendment . . .

MR. SPEAKER: Has this been circulated?

SOME HON. MEMBERS: No.

MRS. McCLELLAN: Yes. Well . . .

MR. SPEAKER: Is it being circulated?

AN HON. MEMBER: It will be.

AN HON. MEMBER: It is being circulated.

MRS. McCLELLAN: Yes.

MR. SPEAKER: Well, if it's being circulated, we'll allow the hon. minister to proceed.

MRS. McCLELLAN: The proposed amendment to it is:

that an order of the Assembly do issue for a return showing the annual provincial funding for all hospitals in Alberta for 1993-1994. The amendment would strike the term "financial statements" and substitute "provincial funding," and strike out "receiving provincial funding" and substitute "for 1993-1994." Mr. Speaker, if you would like me to proceed with the reasons for this amendment at this time, I would be pleased to do that.

The financial statements for the eight provincial hospitals, Mr. Speaker, are tabled in the Legislature, so that access is there. The Department of Health has always taken the approach that information from individual hospitals should be released by those institutions to those interested in that information. I think it is available.

The other concern that I have is in the wording, and the reason for changing the wording is that government is not necessarily the only source of funding for a hospital. Some of the funding a hospital receives is from private donations, the business community, fund-raising activities, and so on. I think that in that view I would be very prepared to provide information on provincial funding, which I believe is perhaps most important to the member asking the question in that context. I will be pleased to present and table the annual provincial funding for all hospitals in Alberta for 1993-1994 in the very near future upon the acceptance of this amended motion, if that would be agreeable to the hon. member.

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

MR. SAPERS: Thank you, Mr. Speaker. The purpose for the motion was to obtain for the Assembly the relationship between provincial dollars given to hospitals and the amount of money that they raise privately, how they spend all of the moneys in their budget, what surplus is left, and how that surplus is spent, if it's spent at all, and to determine whether or not there is an adequate or an inadequate amount of funding and whether that distribution of funding is fair and equitable.

The minister is proposing a partial response by offering to provide information just on the provincial dollars given to hospitals. With some reluctance, Mr. Speaker, we would be happy to accept that, but I must note that it really doesn't satisfy the need for disclosure and transparency in the whole area of hospital funding. We certainly appreciate the minister providing us with the information that she's offered and regret very much that the rest of the information isn't forthcoming.

**3:10**

MR. SPEAKER: The hon. minister may speak again if she wishes because she had a motion to amend. If she speaks again, that will close debate on the amendment.

MRS. McCLELLAN: Okay. Mr. Speaker, it is my understanding that the hon. member does accept the amendment to the motion with some qualification and reservation. I would simply point out, one, appreciation for the acceptance of the amended motion, because it is our desire to give as much information as possible and to further emphasize that the hon. member will have the opportunity to receive tabled financial statements from the provincial hospitals. They will be tabled in this Assembly. They have the opportunity to communicate with any hospital to receive their financial statements, and I will provide to the member the information on provincial funding that is supplied to hospitals at the earliest possible moment.

[Motion as amended carried]

### Herbicide Use for Forest Management

M157. Mr. Langevin moved that an order of the Assembly do issue for a return showing a list of all companies issued permits for the use of herbicides for forest management between April 1, 1991, and March 31, 1992, and April 1, 1992, and March 31, 1993, and the area approved for treatment for each company.

MR. SPEAKER: The hon. Member for Lac La Biche-St. Paul.

MR. LANGEVIN: Thank you, Mr. Speaker. This motion is to seek information from the government as to the use of herbicides in the management of forests in Alberta. We don't have any regulations that actually ban herbicides in this province for forest management, but it has been forestry policy since 1980 to limit the use of herbicides to research plots and to experiments and to areas that are very difficult to access. If companies wish to treat an area in excess of 20 hectares, they are required to notify the public and hold an open house. I think it's important for this knowledge to be made public. There are people who are concerned if the rules are followed, and because the government has since the mid-80s restricted somewhat the use of herbicides, I would like to know how often they're used. That's why we're asking for the information.

Thank you.

MRS. BLACK: Mr. Speaker, on behalf of the hon. minister, we accept Motion for a Return 157.

[Motion carried]

### Timber Shipments to British Columbia

M158. Mr. Langevin moved that an order of the Assembly do issue for a return showing a list of the number of inspections carried out each month of logging trucks crossing the border from Alberta to British Columbia between January and December 1993, indicating the source destination of the timber, the volume of timber carried, and any infringements, including the illegal shipment of timber from Crown land.

MR. SPEAKER: The hon. Member for Lac La Biche-St. Paul.

MR. LANGEVIN: Thank you, Mr. Speaker. A large number of raw logs are leaving our province to be processed in B.C., and this motion is to seek information if the government is carrying out inspection on a regular basis. Is the government fully aware of the extent that this is happening?

MRS. BLACK: Mr. Speaker, on behalf of the hon. minister, the government is accepting Motion 158.

[Motion carried]

### Medical Laboratory Costs

M159. Mr. Sapers moved that an order of the Assembly do issue for a return showing a copy of the common procedure list cost study for medical laboratory procedures initiated in 1991 by the Department of Health.

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

MR. SAPERS: Thank you, Mr. Speaker. This is a very, very significant part of the total health care budget, representing expenditures in excess of \$250 million last fiscal year. I think it would be helpful for us all to see the details of this study.

MRS. McCLELLAN: Well, Mr. Speaker, again I propose to accept this with a small amendment, and I think that the hon. member is aware of the amendment. If he isn't, I apologize, because it is my practice to let them know. The amendment will be circulated. It's a very simple amendment:

that an order of the Assembly do issue for a return showing a copy of the laboratory procedure costing methodology validation process initiated in 1992 by the Department of Health.

I believe that is the study that the hon. member wishes. If I am incorrect, then we will have to dispose of this in another way. It was my understanding that this was simply a housekeeping inaccuracy in the title of the document. In order to accept it, I have to have the accurate name to table it in the Assembly.

The hon. member might want to comment, Mr. Speaker.

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

MR. SAPERS: Thank you, Mr. Speaker. I'm aware of the validation of the laboratory procedure costing methodology study and subsequent reports. It is my understanding that starting in 1991 the Minister of Health instructed her department to begin a study on laboratory medicine, and that study was in fact titled the common procedure list cost study. That study identified a number of hospital sites, particularly looking at utilization and looking at the establishment of benchmark costs and values for all laboratory medicine. It could be that there has been some change in the language or the title over the ensuing years between 1991 and to date, but the information that we have is that the study in question is in fact called the common procedure list cost study. If that's not the case, we'd be happy to receive the report that the minister is referring to, but I would like to be able to pursue this further and clarify whether or not we're talking about the same study that's changed names or two different studies.

MRS. McCLELLAN: Well, Mr. Speaker, I continue to propose the amendment because this is the name of a study that we have that we can table. If the hon. member wishes to pursue with me either by phone or verbally a question on another study, we will try to come up with one that is available that's named in a name that he and I can both agree upon. So I simply would recommend the amended motion in keeping with our desire to provide as much information for our colleagues in this Assembly as possible.

[Motion as amended carried]

### Corporate Taxes

M160. Dr. Percy moved that an order of the Assembly do issue for a return showing copies of working documents and reports prepared by or on behalf of the government from January 1, 1993, to February 10, 1994, detailing the costs and benefits of returning the collection of Alberta's corporate taxes to the federal government.

DR. PERCY: Mr. Speaker, the reason for the motion is very simple. We know that the government is concerned about resource allocation, that it wants to make decisions on the basis of clearly demonstrated actions that are beneficial. As we would expect that there would be a benefit/cost study lying behind this, we would appreciate the opportunity of seeing it.

3:20

MR. DINNING: Well, Mr. Speaker, it's a pleasure to rise in this Assembly for the first time today. I was hoping that I would have had an opportunity earlier, but I was deprived of that opportunity. So now having a chance to respond to the hon. member's motion, I would refer him to *Beauchesne* – I refer to him as 'Bowchesnee' – section 446(2)(j). It suggests criteria used to determine if the government papers or documents should be exempt from production:

Papers relating to negotiations leading up to a contract until the contract has been executed or the negotiations have been concluded.

I know how much the hon. member would be interested in the successful completion of these discussions with the government of Canada to have the corporate tax administration of Alberta returned efficiently, more affordably, and effectively into the hands of Ottawa. So on that basis, Mr. Speaker, I would be happy, once the negotiations have been successfully concluded, to share that information with the Assembly and table it in this House. So as not to prejudice or affect the outcome of those negotiations, I would refer the hon. member to *Beauchesne* 446(2)(j) and ask him to wait with bated breath, excited anticipation, just his typical low, quiet approach to these important discussions and ask him to agree with me that it may be a bit premature to provide this information.

MR. WICKMAN: Mr. Speaker, is it a response on the point of order you're looking for or a response on Motion 160?

MR. SPEAKER: The Chair does not believe there was a point of order raised. The hon. Provincial Treasurer was using *Beauchesne* as an authority for saying why he regretfully had to reject this motion.

MR. WICKMAN: Mr. Speaker, I'm going to speak on Motion 160 before the mover, Dr. Percy, concludes debate on it. [interjections]

MRS. SOETAERT: The Member for Edmonton-Whitemud.

MR. WICKMAN: What did I say?

MRS. SOETAERT: Percy.

MR. WICKMAN: I said, "Dr. Percy."

MRS. SOETAERT: You can't say that.

MR. WICKMAN: The hon. member, the very distinguished member, my colleague from Edmonton-Whitemud, that glorious constituency in the southwest part of Edmonton.

MRS. BLACK: Four years, Percy; get it right now.

MR. WICKMAN: It's five years I've been here, Pat, five years.

Mr. Speaker, while I have the floor, can I ask: who is the Acting Premier? With the Member for Barrhead gone . . . [interjections] Thank you, Mr. Speaker. I just want to make sure I'm talking to the top dog; that's all.

I sense a bit of sincerity in the voice of the Acting Premier, and I do believe that he is going to file those documents at the appropriate time. So I guess from that point of view he has pointed out some valid arguments. However, following this we see four other motions, and if the same type of procedure is used there, then I guess that gives one cause to be a bit suspicious. But

on this particular one there does seem to be some validity to his argument – very little, but some.

Thank you.

DR. PERCY: Certainly I regret that the government will not release such documents, even those that just demonstrate that there is a clear benefit to the province of proceeding along this track, because I'm very sure that the government of Canada is aware of the benefit and will try and get whatever margin is there to their benefit. So it's really just an issue, Mr. Speaker, of seeing whether or not in fact such work is done and that it forms the basis for decision-making within Treasury, because clearly the business plans suggest that resource allocation, background studies that highlight net benefits of various actions are an integral part of their actions. So it would be nice to see the type of background material that lies behind decision-making in that department.

Thank you.

[Motion lost]

### Heritage Savings Trust Fund Review

M161. Dr. Percy moved that an order of the Assembly do issue for a return showing copies of internal working documents or reports prepared by or on behalf of the government from January 1, 1993, to February 10, 1994, pertaining to a review of the performance, role, and mandate of the Alberta heritage savings trust fund.

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

DR. PERCY: Thank you, Mr. Speaker. The reason for this request is very simple. Both in the budget and in the throne speech it was stated that a review was going to be undertaken of the heritage savings trust fund. We're still promised that such a review will be undertaken. It's clear that there are certain criteria and objectives that such a review should meet, yet to date we have heard nothing about the formation of a committee for such a review, its composition, or any detail that's been provided to the House other than anecdotal evidence from the Treasurer that something is going to happen. Specific time lines, very clear criteria, and membership would be very much appreciated.

Thank you, Mr. Speaker.

MR. DINNING: Well, Mr. Speaker, the hon. member is asking for information on terms of reference, membership, mandate that have not yet been finalized. I will recommend to the Assembly that once again we might delay this matter, and if it's necessary, then, to defeat this motion, I would so recommend.

I would advise the hon. member that we will be undertaking that public review of the heritage fund. Perhaps the hon. member has some suggestions and ideas as to how that might best be done. The Premier, in this Chamber before the Alberta heritage savings trust fund committee of the Assembly, did advise members of the committee that Treasury was drafting options for the heritage fund to be presented to a review committee. We are in the process of doing just that.

So in light of *Beauchesne* 446(2)(o), I would ask that the Assembly not agree with this motion.

DR. PERCY: Well, we're still waiting, Mr. Speaker, for this long-touted review. It's true, as the hon. Treasurer says, that we heard it from the Premier in the heritage savings trust fund

committee meetings. We also heard it from the Treasurer. I guess we're now four, five, six months just waiting for something to happen in this regard. As we wait, there are all these funds tied up in cash earning a very low rate of return, in fact far lower than the average interest on the debt that we have. It would be very nice – since this government and certainly this side of the House is concerned about dealing with the deficit, dealing with cost efficient ways of doing this without eviscerating core programs such as education and health care, this strikes us as something that ought to be looked at expeditiously.

Thank you, Mr. Speaker.

[Motion lost]

### Audit Committee

M162. Dr. Percy moved that an order of the Assembly do issue for a return showing copies of internal working documents or reports prepared by or on behalf of the government from January 1, 1993, to February 10, 1994, pertaining to the role and functions of the Audit Committee as a mechanism to report on progress towards balancing the provincial budget.

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

DR. PERCY: Thank you, Mr. Speaker. This is a request I feel very strongly about because I think it is the role of the Legislature to . . .

3:30

MR. WICKMAN: Just move it, in case we want to speak. That's it. Sit down.

DR. PERCY: On the request of my hon. Member for Edmonton-Rutherford I'm going to . . .

MRS. SOETAERT: Move it.

DR. PERCY: I moved it; didn't I?

MRS. SOETAERT: Yeah.

DR. PERCY: I did. Well, you're allowed to speak to it at the same time.

MR. SPEAKER: The hon. the Provincial Treasurer.

MR. DINNING: Well, Mr. Speaker, just eight and a half short months after the election, I want to advise the hon. Member for Edmonton-Whitemud that it's not always wise to take advice from the Member for Edmonton-Rutherford, because he often doesn't know what the devil he's talking about, as has just been seen.

Now that I'm on my feet, Mr. Speaker, I'm delighted to respond to the hon. member's motion where he talks about "the Audit Committee as a mechanism to report on progress towards balancing the provincial budget." But I couldn't help but hear the words in the previous motion. The hon. member talked about the heritage savings trust fund and talking about the evisceration of health and education programs. Maybe my ears deceive me, but is this the same member who's a member of the Liberal Party of Alberta whose leader was saying in April and March of 1993 that he was going to cut and cut brutally? Brutal cuts. This is the same party that was talking during the election when the leader of

the party said: you have three alternatives. You continue to cut, you vote for that; or you increase corporate and personal income taxes; or you have a provincial sales tax. This is the party that was talking about that.

### Point of Order Relevance

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

DR. PERCY: Relevancy, Mr. Speaker.

SOME HON. MEMBERS: Citation.

MR. SPEAKER: Order. [interjections] Order please. The Chair has been perusing Motion for a Return 162 carefully in an effort to respond to such a question. The Chair notes the import of the motion is inquiring about a mechanism to report on progress towards balancing the provincial budget. The Chair would say that the provincial budget can be balanced by cutting spending or increasing taxes, all comments that were being made by the hon. Provincial Treasurer. So the Chair would have to rule that what the Provincial Treasurer is saying has some relevance to the motion before the Assembly.

The hon. Provincial Treasurer.

MR. DINNING: Some relevance, Mr. Speaker.

MR. VAN BINSBERGEN: A different point of order.

MR. DINNING: Mr. Speaker, the point of order has been ruled on.

### Point of Order Repetition

MR. SPEAKER: Order please. The Chair understands that the hon. Member for West Yellowhead is rising on a separate and distinct point of order. The hon. Member for West Yellowhead.

MR. VAN BINSBERGEN: Thank you, Mr. Speaker. I'd like to point out – by the way the citation here is 459(2) from *Beauchesne*, and it speaks to that cardinal sin of repetition. I'd like to point out that the Treasurer has overused this phrase. Probably once per day he is using the phrase of accusing us of coming out with campaign literature including brutal cuts. I'd like to point out to the Treasurer that it indicates a certain lack of spiritual guidance, shall we say. Surely the Treasurer can attempt a better explanation than that.

AN HON. MEMBER: Is it not true?

MR. SPEAKER: Order please. The Chair would have to say that *Beauchesne* 459 applies to a debate that goes on to several speakers and different speakers are saying the same thing. That's repetition. Or if a speaker keeps repeating the same thing within his speech, that's repetition. But to say something one day in reference to a measure and practically the same thing with regard to another measure the next day is not really repetition in the sense that *Beauchesne* was trying to attack.

The hon. Provincial Treasurer.

### Debate Continued

MR. DINNING: Well, Mr. Speaker, he's stifling my momentum.

Mr. Speaker, I want to ask the question is this the same Liberal Party whose leader said in early June, quote: there are some things that people are not going to like; I say there has to be a collective ouch; to some that's going to be brutal, said the Member for Edmonton-Glengarry. He also said that people are going to be losing some services that they may well have become used to. Unquote.

This is the same leader, this is the same Liberal Party who took out advertisements in our daily newspapers: "Four reasons to feel good when you vote Alberta Liberal." They say, number one, "We can cut spending." They say:

Our plan will cut total government spending by \$1.1 Billion in the first year . . . will bring the deficit to zero in four years.

Mr. Speaker, Albertans didn't know the truth when the leader of the Liberal Party spoke about reducing spending by \$1.1 billion. He didn't say then - his Liberal researcher, who I called and we called during the campaign said: yes, it means that we're going to cut the \$4.2 million payment to the Beverly nursing home in Calgary and Edmonton, that we were going to cut \$11.3 million from the Central Park lodges of Canada, and that we were going to shut down the funding of \$4.963 million to the George Boyack nursing home. They didn't say it then, but part of their \$1.1 billion package that their Liberal propaganda machine was talking about was shutting down \$616,000 of grants to Henderson College of Business in Calgary. What do they do? They train recipients of welfare to get off of welfare and get back into the work force.

I'm also reminded of the Liberal leader's *The Next Alberta*. What does Laurence - what does it say? Because you don't like me to use names, Mr. Speaker. Quoting from this important document, it says, quote, but Laurence Decore knows that reduced spending is the best way to go, unquote. It's there in spades. The other thing is that he told the students at the University of Calgary - more recently than June of '93, not almost history now, but in January of 1994. He said: there should be cutbacks in the government. We start by having an analysis. There has to be analysis of cutbacks in every department. He suggested three alternatives when the money runs out: keep cutting corporate sales tax, adjust or increase - increase - personal income tax, and implement a sales tax. The Liberal leader is on the record.

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

MR. SPEAKER: Is the hon. Member for West Yellowhead rising on a point of order?

MR. VAN BINSBERGEN: Yes, Mr. Speaker. I'm quite entranced here by what the Treasurer is saying. I was wondering whether he would entertain a question here.

MR. DINNING: Well, Mr. Speaker, given the interest of all hon. members in my remarks, I will try to tone it down. It will be tough, but I would refer the hon. member to a document of the Alberta Financial Review Commission . . .

**3:40**

MR. SPEAKER: Perhaps the Provincial Treasurer didn't hear the request. The hon. member was wondering if the hon. Provincial Treasurer would entertain a question.

MR. DINNING: Certainly, Mr. Speaker.

#### **Debate Continued**

MR. VAN BINSBERGEN: Mr. Speaker, I am deeply honoured by the Treasurer's reply. I'd like to ask him if he would be kind

enough to read the relevant section on education from that platform.

MR. DINNING: Well, Mr. Speaker, I thought the hon. member knew how to read. He is a teacher. But I am reminded of the Member for West Yellowhead's comments in his own home constituency, where I recall the hon. member was calling for the solution, the Liberal solution. He was calling for the government to implement a sales tax. I recall reading about that.

#### **Point of Order Relevance**

MR. SPEAKER: The hon. Member for West Yellowhead has a point of order.

MR. VAN BINSBERGEN: Yes, Mr. Speaker. I asked the Treasurer a question. He still hasn't answered my question. All he has said is that I can read. I can read, but I've asked him to read the relevant section on education.

MR. DINNING: I'm glad he's heard my answer, because that was the answer to his question, Mr. Speaker.

#### **Debate Continued**

MR. DINNING: I would refer the hon. members to the Financial Review Commission, knowing the importance of the work that we must do here in this Assembly this afternoon. I would refer the hon. member to the Financial Review Commission's report where it says that the Audit Committee should be charged with the responsibility of "monitoring and reporting to Albertans on a yearly basis the government's progress in implementing these recommendations."

Mr. Speaker, we have accepted that recommendation, and when the Audit Committee reports publicly before 31 August on year one of our four-year deficit elimination activities and reports on '93-94 by 31 August 1994, I will want to file that report in the Assembly, make it public. Until then, I would ask the hon. member to wait with excitement, although great anticipation, to the results of the Audit Committee's review of our progress to date.

Therefore I would recommend, Mr. Speaker, that the Assembly reject this motion.

DR. PERCY: Mr. Speaker, I will close debate. I will restrict in large part my comments to the motion at hand, though I may wander at some length, as the hon. Provincial Treasurer did.

As the Provincial Treasurer mused on a sales tax, I could not help but think of the Canadian Manufacturers' Association and the document that they had received from the now Premier during the leadership campaign, where the hon. Member for Calgary-Elbow mused on the efficacy of a sales tax. He did more than that, Mr. Speaker. What he also said is: one mechanism by which that might be achieved would be to set up an independent arm's-length committee that would assess the tax options for the province. And lo, it happened, Mr. Speaker, that such a committee was set up.

Would you believe that same committee that was set up by this government and the Premier, who had mused about a sales tax - do you know what it recommended, Mr. Speaker? It recommended a sales tax. Yes, they recommended a sales tax. What can you say, except that consistency is a virtue, and they certainly have been consistent from day one in terms of looking at this option. I will leave that subject alone and go to the motion at hand now.

The motion requests material related to the functions of the Audit Committee. The reason this motion was brought forward



was because the Audit Committee is composed of private-sector individuals, Mr. Speaker: all very capable, very diligent, very skilled individuals. But they're not elected, and it does strike me, in a sense, as peculiar that nonelected officials have access to far more information than is available to members on either side of the House, with the exception of members of the executive committee. To the extent, then, that elected officials have a responsibility and an obligation to understand what is going on, that they have access to full information, it would strike me that it would be useful for all members of this House to have access to such information, that no member of this Legislature should have less information than is available to somebody who is not elected.

So I would again appeal to the Provincial Treasurer to try and allow private members on both sides of the House to have access to more information, because all that I've heard thus far from the Treasurer is no, one way or another. I mean, once you cut through some of the bafflelegab, Mr. Speaker, that is what has been said, and still we're left with no freedom of information Act, no access to information other than to wait and in good time it will be revealed. Just count me as being from Missouri. I just don't like waiting for that length of period or trusting that at some point the Provincial Treasurer will say, "Well, maybe it's time now, and then we'll release the information." I think it is information that all members of this House should have and should have access to.

Thank you, Mr. Speaker.

[Motion lost]

#### Provincial Affairs Management Board

M163. Dr. Percy moved that an order of the Assembly do issue for a return showing copies of internal working documents or reports by or on behalf of the government from January 1, 1993, to February 10, 1994, pertaining to the establishment of a management board structure composed of selected ministers, deputy ministers, and private-sector executives to oversee management of provincial financial affairs and planning activities.

DR. PERCY: The purpose of this request, Mr. Speaker, is very simple. Such material obviously is germane to understanding the evolution of the business plans, the structure of those business plans, and it would be useful for all members of this Legislature over and above those in the cabinet to have access to that material.

Thank you.

MR. DINNING: Well, Mr. Speaker, knowing your desire for brevity but because of 428(gg) and 446(l) in *Beauchesne*, I would recommend that the Assembly do reject this motion.

DR. PERCY: Well, consistency is a virtue, and certainly the Treasurer has been consistent thus far. All I can say, Mr. Speaker, is that I think it's regrettable that we're denied access to that material, to that information that would be of use to all members in assessing the business plans and in assessing the mechanisms by which planning is undertaken in this government.

Thank you.

[Motion lost]

#### Federal/Provincial Fiscal Arrangements

M164. Dr. Percy moved that an order of the Assembly do issue for a return showing copies of internal working documents or reports prepared by or on behalf of the government

between January 1, 1993, and February 10, 1994, pertaining to the reform of federal/provincial fiscal arrangements, including social policy reform and tax collection.

DR. PERCY: At this stage we are interested in seeing what the state of negotiations is with regards to labour market programs. With unacceptably high levels of unemployment both in this province and across the country there are initiatives under way by the federal government, job retraining. There are initiatives by private-sector groups with regards to retraining. There are discussions about promoting greater labour market mobility, discussions under way about reform of the UIC: the things which are long overdue. I think such material is important for formation of good policy. It's important for discussions under way in this House. I might also add that through the federal government's freedom of information Act we are able to get some of this documentation in abbreviated form from the federal government and information that relates to what the province is doing. So if the federal government has no concerns in this regard, I would hope that the provincial government would in fact act in a manner that's consistent with the federal freedom of information Act. If the hon. Provincial Treasurer would like to see the information that we're getting, I'll certainly pass some of it on to him.

Thank you, Mr. Speaker.

3:50

MR. SPEAKER: The hon. Member for Edmonton-Gold Bar.

MRS. HEWES: I'm just waiting to hear his . . .

MR. DINNING: I'd like to hear from . . .

AN HON. MEMBER: Yeah, but you have to say whether you're rejecting or accepting.

MR. SPEAKER: Well, is the Assembly ready for the question?

SOME HON. MEMBERS: No.

MR. SPEAKER: The hon. Provincial Treasurer.

MR. DINNING: I don't think my colleagues want to listen to me, Mr. Speaker, but these subjects are a matter of negotiation between Alberta and the government of Canada. Under *Beauchesne* 446(2)(j), I believe that section does apply. These are matters of ongoing debate, public and private indeed, and I would hope that the hon. member might even entertain the idea of bringing forward such a motion to the Assembly to have this important kind of debate occur in the Assembly.

For the reasons I have described, I would recommend to the Assembly that we do not support this motion.

MRS. HEWES: Well, Mr. Speaker, I must say that I'm disappointed, but of course I'm not surprised, because as the Member for Edmonton-Whitemud suggests, this is consistency and it still bears out the government's secrecy, the government's continuing business of getting plans in place, getting all kinds of documents, getting studies done at public expense and then refusing to reveal them to the very public who need them.

Mr. Speaker, we are all aware of the current review of social policy that has been initiated by the federal government. This is a very important review. We'll make major changes in the economic balance and the economics of this country. We'll make

major changes, one expects, in the situation of unemployment in the country and certainly to social policies that have been in place for decades.

There are going to be public hearings for the social policy reform. People in our communities across this province and across the nation need information. They need to know if the government has information on social policy that can be helpful. These are municipalities of Alberta. They're private nonprofit organizations. They are organizations that are dependent on FCSS for CAP funding.

Mr. Speaker, we're talking about an undertaking on the part of all Canadians to reform social policy, and I believe we need to see some real commitment from this government. If they have information, then let us share it with Albertans. Let us give other Albertans an opportunity to be a part of this process of change that is absolutely essential and necessary to all Canadians. To do anything less, I suggest, is to abdicate our responsibility as legislators. The public pays for these studies. For goodness sakes, Mr. Treasurer, they should be available to the public for their use.

MR. SPEAKER: The hon. Member for Edmonton-Whitemud to close the debate.

DR. PERCY: Thank you, Mr. Speaker. The hon. Member for Edmonton-Gold Bar put the case very eloquently as to why the Provincial Treasurer might want to agree to this request, so I'll just move the motion and close debate.

[Motion lost]

head: **Public Bills and Orders Other than**  
head: **Government Bills and Orders**  
head: **Second Reading**

**Bill 203**  
**Citizen's Initiative Act**

[Debate adjourned March 1: Dr. Massey speaking]

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

DR. MASSEY: Thanks very much, Mr. Speaker. When we adjourned debate last day, I was looking at some of the reasons why citizens are less involved in public policy development and drawing on some of the works of Bahmeuller and his Civitas document. Looking at mistrust in government and how that has developed, I left off, I think, referring to patronage. He also talks to some other reasons why people don't trust government these days. They don't trust government because of the backroom dealing. We saw the kind of roll the dice mentality at the federal level that did everything it needed to do to convince people that there are things going on in the back room. The country's future was being toyed with, and it was only a roll of the dice to the politicians. They're distrustful when they see what they considered at the federal plebiscite on the Constitution as an establishment gang up, where the sitting parties all agreed on the same position.

They mistrust government when government is capsulized in slogans. The famous "read my lips" I think serves as a good example; coming from New Zealand, the "don't blink," talking about cuts; and in the last federal election complex issues such as our social policy were, by at least one candidate, deemed to be too complex to be discussed in a campaign. So sloganism has turned them off and turned them against governments.

A second reason that the citizens have become less involved in public policy development is a growing sense of impotence. They believe firmly that interest groups are in control of the government. They look at groups hired to lobby government, and they're convinced that those lobbies have an inordinate amount of power in determining government policy. They think very firmly that business and government are hand in hand and the interests of the common folk go by the board. You look at the influence in this province of a taxpayers' association, no one in that association an elected member but an association that makes the television cameras every newscast and the front pages of the newspapers.

Their growing sense of impotence with trickle-down economics: for 20 years we watched south of the border as this theory was put into action, and 20 years later the number of billionaires has doubled, the middle class is burdened, poverty has reached new heights, and there is a growing number of children who are homeless. They're feeling impotent when the survival of the richest seems to be the dominant theme in government.

Another reason they have become less involved in public policy development is that there seems to have been fewer central places for policies to be debated. The growing urbanization in our own province has been rather dramatic, and now you tend to hear policy development or some form of policy development on talk-back shows and all the ills that forum presents. Political parties are seen as inappropriate vehicles for discussing policy. You can attend school board or city council meetings across the province and not have to worry about getting a seat because of the sparse attendance at those forums. Our recent roundtables are another example of why people are disconnected to public policy development. They see the results of roundtables; for instance, the K-12 roundtables where kindergartens were supported, where local autonomy was supported, yet government policy comes out directly opposite to that in the latest budget. I think there are fewer places for people to carefully and articulately debate public policy.

The result of citizens mistrusting government, having a growing sense of impotence, and not having a proper forum to have their ideas discussed is a withdrawing from issues that pertain to them personally. I think we've seen that in the mass meetings protesting the cuts to kindergartens, in the petitions that support those same efforts, in the concern in communities about hospitals and changes and cuts to those hospital programs. You see it when there's the threat of a prison being located in the community, and you see it when waste sites threaten the residential areas of our urban centres. So the reaction to this withdrawal has been to focus on local issues.

**4:00**

A second reaction has been the questioning of the role of elected representatives and what those elected representatives should be doing. On one hand we've had the notion of an elected representative as a trustee, who comes to the Legislature or city council and acts as a trustee in the public interest on matters and issues. The second notion that grows, particularly when governments are corrupt or when governments are seen as irrelevant, are calls for the representatives to act as direct agents. That's bolstered by calls for recall, calls for plebiscites, and calls such as this Bill proposes, calls for initiatives. Because we live in such a time when there is a withdrawal of the public from public policy development, I believe a citizen's initiative Bill is needed and necessary, and I hope that all members of this Assembly will support it.

Thank you, Mr. Speaker.

MR. SPEAKER: The hon. the Minister of Labour.

MR. DAY: Thank you, Mr. Speaker. This Bill that we're looking at today is certainly a significant one. Before giving consideration to whether a person gives support to legislation or not, I would hope that certain things would be taken into consideration. There are a number of criteria that I hope people would use when they're contemplating whether they're going to support any piece of legislation.

Just to name two criteria that I like to follow, number one, a person should ask himself and should ask others what is going to be accomplished if in fact this particular item became law, because that's what we're talking about. What would actually be accomplished? Well, what would be accomplished is that at election time on the ballot there would be up to five requests, a maximum of five requests that the government debate certain items, whatever those requests might be focusing on. It doesn't say the government must do something. It doesn't ask an MLA what they think about something. It would simply be asking the people of Alberta, as they vote for their local representatives, to also say: do you want to see this item debated? Plainly and simply, that's what would be accomplished.

There's been frustration in the past, if I can use the federal government as an example. We won't have to be partisan and name which party, but if I can just use a couple of examples of frustrations the public has had in the past over an apparent inability or an apparent lack of willingness for representatives to discuss an item. We use the issue of capital punishment, and I'm not getting into the capital punishment debate, wherever you may stand on that one, Mr. Speaker. But the fact is that for years Canadians said, "We need to see the debate on this in the House of Commons," and they were frustrated in that. So regardless of whether a person is for or against capital punishment, that's not the issue I'm addressing. It's the fact that they could not get the government to debate the issue, and they wanted it debated. People for the issue wanted it debated; people against it wanted it debated.

The issue of abortion is obviously a very sensitive issue, and again some people are for; some are against. For years Canadians clamoured to get their government to at least debate the issue. That's all they were asking. They weren't saying that it has to be this way or that way. They were saying, "You've got to debate this particular item." So what would be accomplished if this Bill became law is that there would be an enhanced direct access by citizens to the Legislature. Period. That's it.

Also the question people must ask when they're looking at legislation is: who would be affected by the legislation? Well, MLAs would be affected. That is true. I will propose and hope to demonstrate that the effect on MLAs would be a positive one and would in fact enhance their role, not diminish it but in fact enhance their role. The other group that would be affected, obviously, is the citizens of Alberta. They would be affected because they would have available to them, if they so chose – and they may not – another vehicle by which they could have access to the Legislature, plainly and simply. So 2 and a half million people potentially would be affected in what I believe would be a positive sense.

Now, I appreciate that members who are committed to the British parliamentary model of government – and I am one of those – feel that this may offend British parliamentary procedure in that it has been stated that it should be the elected representatives who deal with issues. I want to repeat that I am a believer and strong supporter in the British parliamentary model. If civilization should be here 300 years from now, I believe history

will record that the British parliamentary model served democracies possibly better than any other model. So I'm a strong supporter of that.

I don't, however, believe that the British parliamentary model is being offended, because I believe history shows that the British parliamentary model, which we're a part of today, actually was achieved by a process of evolution. It has never been static. It has never stopped in terms of being a vehicle by which citizens can address the very question of their own government and governing themselves and to really look at and ask ourselves the question: what is the most basic principle of the British parliamentary model? What is probably the most basic principle?

To determine that, I think we can take a ride back in history about 779 years. I hope the math is correct on that. I'm not the Treasurer, so I won't be accountable for it.

DR. L. TAYLOR: Seven hundred and ninety-two years.

MR. DAY: Seven ninety-two. Thank you. You're talking about Magna Carta? Thank you. I appreciate that correction. I can always count on our private members to correct any error.

Go back to the year 1215. Go back to June 15 on a sunny Monday afternoon, and picture Runnymede meadow, not far from London. You could probably see the Thames River from there. You would see King John and a few of his cohorts, and you would see a larger group of barons. They're there to discuss some pretty important things. The history of the situation leading up to that was that King John, though he's in history as being a good administrator, had had a number of failures of late, gone into some ventures and some battles that just hadn't quite turned out the way he'd hoped. There was an increase in taxes on the people. There were also people being arrested without cause. Free men and free women were being put in various towers and dungeons. The barons began to feel they needed a more direct access to government, so they presented a charter, a big charter. That's what Magna Carta means: Magna, big; Carta, charter. A big charter.

AN HON. MEMBER: How big?

MR. DAY: How big? Sixty-three clauses. I'm glad that was asked. Sixty-three different clauses, not counting the preamble, and the very basic freedoms under which we operate today. If you look at the three original copies that still exist today, you'll see outlined clearly the framework that lays out the freedom for us today, and it's very exciting. Clause 39, for one, talks about the fact that you can't arrest a free man or a free woman without due process of law. Later on we saw the evolution of the jury process and our whole system of jurisprudence, based on some of the things that took place that sunny afternoon, June 15, out in Runnymede meadow.

Now, it's important to recognize a couple of things. Was King John doing this because he was benevolent? Well, there were times when he was benevolent, but he was basically looking at the fact that he was outnumbered, that he would lose the protection of the people, even though this was an evolution. It was just the barons now who were being afforded these freedoms. For the servants, their freedom was still to come. But he was looking at the numbers.

That's one concern I have with the Bill, the 10 percent factor, that someone can go out today and get 10 percent of a certain number of people to get one of these questions actually on the election ballot. I would like to see actually a higher percentage. I think that's not a case there of any sense of majority of Albertans. I don't think 10 percent of the people should be able

to give that kind of direction. So I would hope the member would be somewhat willing to adjust that in his proposal.

#### 4:10

John was outnumbered by the people, and he wisely and I think begrudgingly made a decision and signed and a process began. I think it's important, though, to point out that this just didn't happen in isolation. There were movements around the world happening in which people were saying, "We'd like more direct access." There are some real parallels today with groups and individuals who are saying, "We'd like more direct access to government."

King Alfonso VIII in the area around Lyons granted to the barons in that area and to some of the villages increased power. That had happened about 30 years earlier. Again just before the year 1200, a favourite of ours – I know you remember studying in school the Treaty of Constance. Emperor Barbarossa in northern Italy gave to the Lombard League, if you can remember that very boring history class, gave to those cities increased power and say in the government of northern Italy. This was happening because kings were realizing that they could not necessarily control everybody. They had to give more direct access, and more direct access was granted. Then came Runnymede in 1215. Following that, there were other similar charters. Because of what had happened in Runnymede, other areas, other countries, other states also followed suit, and people around the world, as the world began to develop, as a mass began to gain more direct access to government. I think we can agree that that was not a harmful thing; that was a very beneficial thing.

It's happening also today. People are asking for more direct access to government. The exciting thing about what's happening in Alberta today, if I can reflect on the budget as an example, is that what we're doing with the budget is being noticed in other provinces. It's actually being noticed in other states. More positive things are being written on what we're doing with the budget in national media than they are even in provincial media. People are recognizing that Alberta is setting the stage, and already we're starting to influence other jurisdictions in what we're doing in financial and budgetary matters.

I believe the same can be said here about parliamentary procedures. I believe last fall, with the good co-operation of all members here, we saw real gains in terms of free votes, a real breakthrough there, and in electing a Speaker, Mr. Speaker. There were significant gains made in more direct access to government, and this is simply another step along that way. I believe we can set the precedent on this.

I will close my remarks by referring back to something I said at the beginning: I don't believe this will diminish the role of MLAs. In fact, I believe the MLA role will be enhanced. I'll go back to the year 1215. I'll go back to Runnymede meadow to demonstrate that. It was on Monday, June 15, that the Magna Carta was signed. However, discussions took place through the week. Once the barons and the people saw that the king was sincere about signing this, for whatever reasons or pressures that were on him, on Friday of that week – it's very significant; it's not often talked about in history – the barons signed oaths of allegiance to King John. Therefore, the king or the governing source came away from that with an enhanced sense of co-operation from people. They saw his sincerity. His role was not diminished, but he was seen as being sincere and seen as being open to granting more access to people in government. What did he gain from that? A diminished role? No. The barons who had opposed him on the Sunday night were now signing an oath of allegiance to say, "We're with you," on the Friday afternoon.

I believe that as we move towards this – whether this passes or not, we don't know; I think the discussion will continue maybe into the years and months ahead – MLAs will be seen in an enhanced role, and people will have a tendency to have more confidence in them if they move in this direction.

Thank you, Mr. Speaker.

MR. SPEAKER: The hon. Member for Leduc.

MR. KIRKLAND: Thank you, Mr. Speaker. I rise to stand and support the Citizen's Initiative Act, Bill 203. I listened with great intent to the Member for Red Deer-North and his history lesson. I wish I could offer a lesson as articulately and as well thought out as that member, but as we know, he's been around the earth a lot longer than I and thereby closer to history. So I cannot follow those steps.

As I indicated, Mr. Speaker, I'm a strong supporter of the principle and philosophy behind the citizen's initiative. I would suggest it is an extension and complementary to a Bill that we put forth from this side earlier in this session, and that was the right of recall. I was very disappointed to see that particular Bill fail, though I would like to see, in fact, that this one passes and ask all members to look very closely at it. We cannot be afraid to walk into new areas. As the hon. Member for Red Deer-North suggested, it certainly will enhance our position. We have nothing to be afraid of by listening to the people that honoured us by electing us, and I congratulate the Member for Calgary-Shaw for bringing the Bill forward.

It's been my observation, Mr. Speaker, that the political process and the politicians, for that matter, do not curry the same respect they once did, and I would suggest that in large that is due to the fact that there's been a lack of openness by government. I think it also relates to the fact that governments have strayed into business areas and areas where traditionally they have not belonged. We could get caustic and suggest that in fact \$2.1 billion would leave that taste in a lot of people's mouths in the province of Alberta. I think politicians, generally speaking, Mr. Speaker, are perceived to be somewhat self-serving as well, and I think this has contributed to that lack of respect for the system and the politicians in it. Consequently, Bill 203, in my mind, is very necessary. It's timely, and I think it will go a ways to restoring some of the integrity that in fact is lacking in the system today.

In reviewing the Bill, I did note a few weaknesses, and I think a few weaknesses have been pointed out by several members. Calgary-North and, I recall, also the Member for Sherwood Park pointed out a few weaknesses. I'll attempt to articulate my perception of weaknesses, and I'll do that to assist all members in arriving at amendments for the Bill, if in fact we should be successful in having it go to that stage.

The obvious positive is the fact that we involve Albertans in the voice of the Legislature more so than they are now. It empowers Albertans. I certainly am not afraid of that, and I don't think anyone in this Assembly should be, Mr. Speaker.

I found the reference in one of the clauses indicating that we have a disclosure of finances and expenditures very necessary. I would suggest that it could be tightened up considerably. When I was looking at clause 4, which was the area that outlined when proposals can or cannot proceed, under point (a) it stated that one of the reasons it could not proceed was if the initiative appropriated "any part of public revenues." That did cause to rise in my mind a question, and I will offer a hypothetical situation, Mr. Speaker, to provide clarification in my own mind and perhaps point out that there may be a weakness here. If an initiative was started and was successful and it then required the government to

expend money to examine or explore it, would that constitute expenditure of government funds and thereby disqualify the initiative? That wasn't clear in my mind. I think it would be unfortunate if that was the case. There is cost associated with all things.

Point (b) was the imposition of any tax arising from a citizen's initiative. I have not been convinced by the debate here to date that if the people themselves embrace such a change in the way of doing business for government, we should deny them that opportunity. If I was to add a thought to that, it would be: it could go ahead or proceed, and we could certainly look at a larger percentage of people having to accept the plebiscite or referendum if it was directed in that way.

In looking also at the percentage of people that it takes to launch the initiative, Mr. Speaker, the Member for Red Deer-North indicated that he thought the 10 percent factor was perhaps a little on the low side. I thought that being step one, it was fair and it was reasonable.

#### 4:20

Step two, however, did cause me some concern, and that states, "10% of the votes . . . in each of two-thirds of the electoral divisions in the immediately preceding provincial general election" or "immediately preceding general election." I thought that would be too onerous. I think, as Calgary-Buffalo pointed out, there are some constituencies in the urban areas that have a very high turnover rate. Therefore, when we go back to verify one year later, it might be very difficult to achieve that particular thing.

I think we have to examine some alternatives there, Mr. Speaker. I would suggest, though I haven't looked at the feasibility of it, that we perhaps should look at dividing the province into several quadrants, maybe four or five, and have a look at a percentage associated with that. Now, I understand the need to protect and guard against a regional-driven initiative. I certainly understand the strong need to protect against that, but to me the 10 percent of those two-thirds of the constituency appears very onerous.

If I might, Mr. Speaker, just regress back to the 360 days that the initiative is given to be completed. If in fact we were to look at amending that and reducing it, I would suggest that we would solve part of the preceding problem I identified. I think if we were to look at reducing that particular number of days, the initiative would always be in a timely fashion.

There has been some discussion also, Mr. Speaker, that in fact this probably should be considered a plebiscite as opposed to a referendum. Regardless of what we arrive at, I think it's desirable that it be held in conjunction with the election. I think that would encourage a larger participation.

However, I would share the hon. Member for Red Deer-North's concern about the number of initiatives that would be permitted. I think five will add to confusion on the ballot and also may add to what is sometimes referred to in California as ballot fatigue. We have seen some confusion in California as a result of the number of initiatives down there. I would suggest that as a preliminary we should look at reducing that number, and if it is feasible and working well, we could go back after a time, a trial period, and probably revisit it.

I thought that the suggestion put forth by the Bill itself that we should have a voter pamphlet certainly is very necessary. It also entered my mind that we had to counter the traditional junk mail syndrome that we all have when we pick up our mail. Usually, generally speaking, about 75 percent ends up in the wastebasket. I would suggest that in conjunction with that voter pamphlet we also have a nonpartisan newspaper advertising campaign indicating

when these voter pamphlets would be distributed and to look for them.

Mr. Speaker, Bill 203 certainly empowers the citizens of Alberta. As I indicated, I thought it was an extension and complementary to the right of recall. I am an enthusiastic supporter of it. In the debate today I have not been convinced the initiative should not even be binding. We have seen an example in Saskatchewan whereby they undertook an initiative recently, and the government seems to be sitting on it. I would think that when they received the – and if I'm correct, it was about 68 percent in favour of that particular initiative. I would like to think that's a strong enough percentage that the government should be bound by it. I also think that illustrated to me that there is a shortcoming in this Bill in the sense that it does not address the time frame upon which we have to act, and I think that's another area we have to look at, Mr. Speaker.

In closing, I certainly encourage all members and the hon. Member for Calgary-Shaw to look closely at the Bill and some of the weaknesses that have been identified. I don't think there's a Bill that's ever entered this Chamber that was perfect on first reading. This is no different. I urge all members to give thought to the amending stage and let us take it to that particular stage so we can flush out those weaknesses and perhaps make a very strong Bill.

To recap, the Member for Sherwood Park indicated that there could be complication with the speaker presenting the Bill. I think that can be overcome. I think the Bill has to address that. I would like to revisit the mechanism to address constituencies with high turnover. I've offered a couple of suggestions. I'm not absolutely convinced they'll work, but it's throwing out food for thought. Limiting the number of initiatives per ballot I think is an important area of the Bill to revisit. When we look at the concern expressed, again by the Member for Sherwood Park, that there are always two sides to every debate and an initiative would favour those with money or those with power and influence, if it's possible I think we have to address that in the Bill itself. I identified a time frame upon which the initiative should have to be acted upon, and I think that's an important aspect to deal with as well.

I applaud the Member for Calgary-Shaw for bringing it forth. I encourage all the members of the Legislature to set aside any fears they might have in regard to this Bill. The hon. Member for Red Deer-North articulated very well that it will enhance your role; it will not diminish it. I do not think it will usurp the power of this legislative body nor will it undermine my position. So I offer my support to the Bill at this time, Mr. Speaker.

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

MR. WOLOSHYN: Thank you, Mr. Speaker. I'd like to start off by complimenting my colleague from Calgary-Shaw for taking up what he perceived to be a very, very important issue, and that is to get citizens' direct involvement into the Legislative Assembly. For that I compliment him. I also compliment him for doing an awful lot of work and research in putting this Bill together. However, in so doing, what he has done really is a remarkable job of pointing out perhaps some of the weaknesses of the initiative itself. The previous speaker, the Member for Leduc, although he and I would share the same platform with Calgary-Shaw in terms of having a direct citizen input of some description – that we're very comfortable with – once we get into the mechanism of how, then we enter into some very, very difficult areas. The Member for Leduc did identify shortcomings in the

Bill. However, I would like to say that each time he would correct one of his observations, that would lead to another problem.

One of the many distressing comments I've heard from previous speakers has given me a lot of concern. I for one feel that I'm proud to be a politician, because as such I represent people from a variety of walks of life who have, through a very democratic process, shown faith in me that I will in fact bring forward their wishes to this body. To say that politicians are being maligned may in fact be true, but I don't think this Bill would help it at all. I'm very, very distressed when I hear MLAs saying that people are not being represented or they have poor access, because if in fact that's what you're saying, hon. members, then you're telling the public that you are not doing your job.

MRS. HEWES: Speak for yourself, Stan.

MR. WOLOSHYN: I am speaking for myself when I say I do my job and I feel that people are represented. But members come up and say, and I wrote down, that the representation isn't there and you have poor access to this Legislature.

In terms of bringing forth ideas, a citizen's initiative Act would in fact do that. If it was implemented, it would do that. I would suggest to you that there is a process that currently works. The Member for Red Deer-North alluded to the British parliamentary system on which we model ourselves, and in that system, provided they act responsibly, there's a very meaningful role for the opposition. One of those roles is to provide, in a responsible fashion, alternatives. One of those roles, in a responsible fashion, is to provide constructive criticism of what goes on, of what is presented as government legislation. I would suggest that perhaps if there is anything lacking with the Legislature, this particular function is not being fulfilled adequately. If you have the two differing points of view, you cover a wide spectrum of ideas that are going in.

#### 4:30

We heard mention of the need for bringing some issues up through debate and the difficulty with which they happen. They're usually based on conflicting values. People sometimes are reluctant, but if one gets them on the floor, then we have good things happening. I can point out to you two issues, and I don't know how widespread they were. The public participation when the process got started certainly was not very significant; however, we have a freedom of information Bill that is going to be presented to this House at some point during this session. The public input to that Bill at the hearings was not significant. The input to the Bill from both sides of the House and from the participating members on the committee was extremely significant. I think the members of the committee from both sides of the House who participated in creating that Bill were doing a service to the public that would go far beyond anything that would have been originated in any type of citizen's petition.

Another one that came up in this House within the last five years – and that was as a result of an extensive amount of lobbying – was the business of conflict of interest legislation, which we have become familiar with. That started off as a relatively straightforward idea, but as we all know from our own needs to disclose and some of the things that happened there, it's becoming in some ways a bit of an impediment. However, the intent of the legislation was there. It appeared that somebody wanted it. We went through with it.

Another one which is still controversial, and if you took it to petition it might even fail today – and this has not been addressed in any of the debates that I've heard: what happens if we have

good, meaningful legislation and through this plebiscite process, if you give it a little more teeth, as some members have indicated, it should be overturned? The seat belt legislation that we have in this province and is across Canada now a lot of people don't agree with. I personally do not; however, I buckle up. I buckle up because I'm expected to and I don't want to give out the \$50 fine. More importantly, I have been convinced that if I should have the misfortune of being in an accident, that seat belt will do two things: it will likely keep me from excessive injury for the situation or perhaps death and, in so doing, would even impact on savings to our health care system. However, if you put that out to the public today, I don't know whether we'd have the overwhelming support for it, but it is, I think, very, very good legislation.

We could go through a whole list of these types of things, and I don't know if sufficient thought has been given to what would happen if we start identifying some of these areas by particular interest groups. Now, we're talking about the principle of the Bill, so I won't get into areas that, if it passes, would go through to committee for adjusting. But I would suggest to you that this type of legislation does not empower citizens, and this has been shown very clearly in the United States, which has a totally different form of government, granted. It does, however, provide a vehicle for well-organized special interest groups to function under. Now, you can have a very good idea and a very small group starting the initial petition, but if you look at getting fairly universal coverage – and I agree with that idea. If you're going to have something come to the Legislature, it should in fact be representative of a large section of the province. But I would submit to you that the average citizen would have a lot of difficulty getting the resources and the time to facilitate what may be a very good idea in order to get this particular incentive or position through.

Inflammatory ideas or ones that are built up by the media, for whatever reason, will garner a lot of reaction and support, usually for short periods of time. I would say to hon. members in all sincerity that it would become extremely difficult to have the average citizen have access or have his views felt. I would say that MLAs on both sides of the House who are responding to their constituents are a far better vehicle, because they can and should represent very large segments of opinion as well as very small segments, down to even an individual's concern. That's our job.

If we look at what will happen if we take this initiative and apply it to the provincial scene, then it should be applied as it is to some degree, but it could become much broader on the local scene, on the federal scene, and as the Member for Leduc alluded to, what would we have? We would have some very, very confused ballots. I forget the term that he used: ballots of confusion, or whatever. We'd soon lose focus on what the purpose of the election was. The purpose of the election is to select a representative. No matter how many rules would be put into the equation, you are not going to divorce the election from what is on the petition, because the petition has to be voted on too. I would guarantee members that part of the question as to their representation – and this happens now when you go to a forum – is: would you support this particular initiative; yes or no? If you support the initiative, then all of a sudden you become elected because you support the initiative, which sort of takes away from the fact that you are trying to select a person to represent you on a much broader base as opposed to a single issue, as it would appear on a petition, hon. members.

The history of having this kind of an approach to legislation in the United States, if you follow it, and indeed in Canada has shown that it does not work. Elections in the United States, especially in the states of California and Oregon, are so expensive, not on just electing members but on the money poured into

the differing views that are going to come up as a part of a proposition, and then they have now spawned a whole series of companies whose sole purpose is to promote differing views in a proposition. Now, when that happens, where is the citizen's initiative? We have now come to: he who has the money to pay the piper will get the tune in the end. This is not a criticism of the Bill per se, but this has been shown by what is in fact happening in the U.S. when you take this kind of a direction, and I would certainly caution members to think very carefully of it.

Again I must repeat that the members who have spoken in favour of this particular legislation – their motivation for supporting it is very good. You're wanting to see the citizens you represent have a greater voice in the lawmaking, and nobody would contest that for one moment. However, this process that is proposed by Bill 203 I believe works contrary to what we would want the Bill to actually do. I don't feel that there are a sufficient number of amendments that could be made to this legislation to cure that.

I respect the fact that a good number of us, myself included, like the initiative taken there, but I would ask all hon. members not to support my colleague's legislation simply because it will not work, simply because it will not make politicians any more responsible. In fact, it could work contrary. We could soon be abrogating our responsibilities to make difficult decisions and wait for a referendum, wait for a petition.

Currently we're going through a very difficult process, without getting into the debate of who caused it, on whatever this government has rightly chosen to cut back on spending. In order to achieve that, there have had to be a variety of structural changes that are going to be and are currently being implemented into the system. A knee-jerk reaction to this could be all sorts of petitions. Now, as people who are elected to represent our constituents, we have a responsibility to do this, yes, and we also have a responsibility to make decisions that are made for the betterment of all. Sometimes in the short term they are not popular, and I think in the case of this particular government we are not governing by popularity at the moment. But I'm sure, Mr. Speaker, that as the people of Alberta see what we're doing, they will support us.

On that note I will close, and I urge all hon. members not to support this legislation.

Thank you, Mr. Speaker.

4:40

MR. SPEAKER: Under Standing Order 8(5)(b), all questions must be decided to conclude debate on private members' public Bills which have received 120 minutes of debate at second reading. I must now therefore put the question on the motion for second reading of Bill 203, as proposed by the hon. Member for Calgary-Shaw. All those in favour, please say aye.

SOME HON. MEMBERS: Aye.

MR. SPEAKER: Those opposed, please say no.

SOME HON. MEMBERS: No.

MR. SPEAKER: Call in the members.

[Several members rose calling for a division. The division bell was rung at 4:43 p.m.]

[Ten minutes having elapsed, the Assembly divided]

For the motion:

Abdurahman	Hewes	Smith
Bracko	Hierath	Soetaert
Day	Hlady	Taylor, L.
Dunford	Kirkland	Van Binsbergen
Forsyth	Leibovici	White
Hanson	Massey	Wickman
Havelock	Percy	Zariwny
Henry	Sekulic	Zwozdesky

Against the motion:

Ady	Haley	Pham
Amery	Herard	Renner
Black	Jacques	Rostad
Burgener	Jonson	Severtson
Calahasen	Laing	Sohal
Cardinal	Langevin	Stelmach
Collingwood	Lund	Tannas
Coutts	Mar	Thurber
Dinning	McClellan	Trynchy
Doerksen	McFarland	Vasseur
Evans	Mirosh	West
Fischer	Oberg	Woloshyn
Friedel	Paszkowski	Yankowsky
Gordon		

Totals: For – 24 Against: – 40

[Motion lost]

**Bill 204**

**Retirement Savings Plan Act**

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

MR. HLADY: Thank you, Mr. Speaker. It is a pleasure to rise before the House this afternoon to speak to Bill 204, the Retirement Savings Plan Act. This Bill deals specifically with the various public service pension plans and the enormous unfunded liability that exists because of those plans. Many members in this Assembly and indeed many Albertans are unaware of the true costs that these pension plans are placing on the government and in fact on all Albertans.

Of the eight public sector pension plans only one, the judges and masters pension plan, is fully funded. While this itself may seem like a good thing, the plan itself raises many questions. As every member in this House is well aware, the Members of the Legislative Assembly pension plan has been shut down, with only MLAs elected prior to 1989 receiving pensions from this plan. The Members of the Legislative Assembly pension plan represents a total liability to the province of \$86 million. Five of the public-sector pension plans, including the public service management pension plan, the public service pension plan, the local authorities pension plan, the universities academic pension plan, and the special forces pension plan, have an actuarial liability of \$9.66 billion. These funds have assets totaling \$6.9 billion, and that leaves a total unfunded liability of \$2.776 billion. The teachers retirement fund has an actuarial liability of \$4.76 billion with total assets of \$655 million. That leaves an unfunded liability of \$4.1 billion.

The common assumption among Albertans, especially those who participate in these plans, is that the government is at fault for these liabilities. The truth of the matter is that these funds have been managed comparably with other institutional funds, and their rate of return has been equal to that of other institutional funds.

The problem with these funds is that prior to 1991 the level of contributions made by employees and employers was insufficient to fully fund the obligations of these plans.

I think it might be appropriate at this time to share with the members of this Assembly some of the history behind the public service pension plans in Alberta. The first pension plan of government employees was set up under the Superannuation Act in 1922. It was set up as a defined contribution plan, meaning that when an employee retired, he or she was entitled to their contribution plus an employer contribution made on their behalf plus any interest earned on those contributions while they were in the plan. In 1947 the plan was replaced by the Public Service Pension Act. This plan was set up as a defined contribution plan, meaning an employee and an employer contributed a certain amount of dollars to a pension plan. Benefits are paid out of the fund based on a formula involving a certain percentage of your best years of income. These funds are viable only if the level of contributions going into the fund is sufficient to meet the future liability. Contributions collected under the Public Service Pension Act were deposited in a separate pension fund. In 1951 then Premier Ernest Manning transferred the pension fund assets into the general revenue fund. Subsequent contributions were deposited into the GRF and benefits paid out from the GRF. It is interesting to note that, at the same time, no other government in Canada had established a separate fund to control and manage pension funds.

In 1981 the government finally realized the need to establish a separate fund for pension funds; \$1.1 billion was deposited into the Alberta pension fund. These moneys represented the total value, plus interest, of employee and employer contributions made to date. As we are all well aware, since their inception the public service pension plans have amassed an unfunded liability of approximately \$6.8 billion. This represents a liability on behalf of every man, woman, and child in this province of \$2,576. In 1992 the government reached an agreement with all of the public-sector pension plans to retire the unfunded liability. Through a surcharge on present and future participants in these plans, the employees, employers, and the government will eliminate the unfunded liability by the year 2060.

#### 5:00

The government is responsible for paying \$1.759 billion to the five public-sector service pension plans, \$86 million for liabilities in the MLA pension plan, \$2.89 billion for the liability that exists in the teachers' retirement fund. The total government exposure is \$4.74 billion, \$1,774 for every Albertan.

Whether Bill 204 represents the right way to deal with the unfunded pension liability in this province or not, we must begin to discuss this issue publicly. While we reduce program expenditures, employers of public-service employees as well as this government are having to direct an increased percentage of their budgets away from programs to pay their share of the surcharge to pay down the unfunded liability. That share for the provincial government this year alone will be \$18.6 million through the Department of Education and \$39.5 million through the Treasury Department, \$58.1 million this fiscal year being spent on paying down the liability instead of being spent on programs and services.

Employees hired after 1991, who had nothing to do with the unfunded liability that has developed, are being charged for the sins of the past. I have articles from participants in the teachers' retirement fund who wish to leave their pension plan and would gladly take 50 cents on the dollar to get away from paying the surcharge so that older participants can enjoy the benefits of the plan, benefits for which they did not adequately contribute in the earlier years. Essentially, participants must pay an additional

amount to fund a pension for somebody else. We must find a better way to resolve the unfunded liability.

Bill 204 would first and foremost make participation in the various public-sector pension plans voluntary. Secondly, Bill 204 would allow participants in the various public-sector pension plans to opt out of the fund in which they are participating. If participants choose to opt out of the plan, they would receive all of their contributions to the plan plus 50 percent of the employer contributions made on their behalf. Without a compounding effect, there is a 50 percent rate of return. This would have a twofold effect on the pension plans. Firstly, it would reduce the unfunded liability of the plan, depending on how many individuals left the plan and how much service they had built up, and secondly, the other half of employer contributions made on their behalf could be applied to the unfunded liability of the remaining participants in the plan. As well, when an individual leaves the plan, they take their liability with them. This is by no means a perfect solution to the problem. However, I hope that Bill 204 will spark some debate on the unfunded liability problem and we can develop a solution which is fair to all participants and to the taxpayer of Alberta.

One of the key concerns that I have is that new participants in the pension plans, those hired since 1991, are now paying enough in contributions to fully fund the future liability of the funds. On top of their contributions they are being assessed a surcharge to cover for the inadequate contributions made by participants prior to 1991. If 10 or 15 years ago participants in these plans were not paying enough for contributions, shouldn't they be the ones paying for them now – that's a question that needs to be asked – not somebody who was just hired and was forced to participate in the pension plan?

To be fair, the fact remains that in 1981 the government set aside an amount equaling all contributions made by employees and employers to date. If contributions were not sufficient to meet the future costs of the various plans, it is not the fault of those employees who have contributed their fair share. They were told something; that's what it was. To charge the next two to three generations of employees is an inadequate and unfair solution. To say that the members whose contributions were inadequate to fund their pension plan deserve their pension is misleading. They deserve a pension which reflects the amount contributed on their behalf. Average Albertans either participate in a private pension fund through their employer or must plan for their retirement themselves. For the taxpayer of Alberta to fund these plans is an inappropriate use of taxpayer dollars.

I would like to provide a specific example of Bill 204 to the members of the Assembly as it relates to the teachers' retirement fund. By September 1995 all teachers will be paying 6.55 percent of their pensionable earned salary into the fund for current service costs plus 1.6 percent of salary to help pay off the unfunded liability. The government will be contributing an equal amount of 6.55 percent of pensionable earnings for government service costs plus 3.3 percent of pensionable earnings toward paying down the unfunded liability. If a teacher were to opt out of the TRF, the government would still end up paying their 3.3 percent plus the 1.6 percent from the teacher for a total of 4.9 percent of the pensionable salary to cover the liability. With the teacher opting out, the unfunded liability is covered with the government experiencing a savings of almost 5 percent. In addition to the cost saving, the unfunded liability is reduced because the remaining 50 percent of employer contributions can be applied to the unfunded liability, while at the same time the fund no longer has any obligation to pay out a pension.

I think Bill 204 can act as a starting point for talking about and dealing with the unfunded liability of these various public-sector



pension plans. The agreements that the government made with the various pension plans can also provide some remedy to this situation. In those agreements the government can request that these plans become private, nonstatutory plans which would then come under the provisions of the Employment Pension Plans Act. The participants in these plans would have to make some decisions on how they wanted the pension fund to be set up. This decision would move these pension plans out from under the government umbrella and would make them more responsible and accountable for their decisions. This would foster a sense of independence from the government as well as place more responsibility in the hands of plan participants themselves to plan for their retirement.

Mr. Speaker, I have another concern with regard to the public-sector pension plans in this province. In the latest government budget we've announced a reduction in the public service of some 1,800 positions. While a large portion of these are vacant, there is a significant number of individuals that will be leaving the public sector. Other sectors whose employees participate in the various public-sector pension plans will also be faced with restructuring. I would be very interested to know the impact that the reduction in the size of the civil service and the other public sectors will have on the unfunded liability of the various public-sector pension plans.

In 1986 there were approximately 38,000 full-time equivalent positions in the Alberta civil service. In 1994-95 the number of full-time equivalent positions will be reduced to approximately 29,000. If the actuarial studies carried out on these plans were based on a 1 to 2 percent growth in participants, I would hazard a guess that the actuarial studies are no longer valid. If people retired early or were laid off, the cost of their pension would be reduced. Correspondingly, as individuals left the plans, the surcharge payable by the remaining participants would increase if there were no means to cover the loss of contributions. Furthermore, Mr. Speaker, with this government's continued hiring freeze, the various public-sector pension plans will experience static growth rates. It is apparent that either way this government and the people of Alberta will be faced with a real problem regarding funding arrangements over the unfunded pension liability.

This is a very contentious issue. I would hope that all members in this House have taken a very good look at the situation which has developed. Future participants have been handed an unfair burden. Taxpayers are paying off a debt to which they have received no benefit. We must deal with this issue in a more meaningful way than we have in the past. We must find a solution based on equality and fairness in sharing the burden of the sins from the past. I would suggest to the members of this Assembly that the present solution represents neither fairness nor equality.

Thank you very much.

DR. PERCY: Mr. Speaker, I rise to speak against this Bill on principle. I'm not going to go into an elaborate history, but I do think there were some holes left in the little précis that we were given by the hon. member introducing the Bill.

First, let me just note that on January 1, 1994, Bill 68 came into effect, so section 2 of Bill 204 is actually redundant. A number of the plans there that are referred to ceased to exist and are subsumed in Bill 68. This Bill replaced all of the public-sector pension plans that are listed with the exception of the Members of the Legislative Assembly Pension Plan Act and the TRF. What Bill 68 attempted to do was really shift what had been a defined benefit plan into a defined contribution plan, and it was achieved after considerable negotiation by the former Provincial Treasurer from Lethbridge-East and the current

Provincial Treasurer. It was not pulled out of a hat. It was done in consultation with members of the various pension boards.

### 5:10

One thing surprises me as we enter into this debate. As I read Bill 68, the Public Sector Pension Plans Act (No. 2), section 4(2) states:

Notwithstanding any other law, the Lieutenant Governor in Council may amend or repeal and replace existing plan rules only on the Board's recommendation.

Insofar as I know from talking to all of the board members, there is no such recommendation. So I find it surprising that this Bill comes forward.

Let me get to the nub of the plan. What the Public Sector Pension Plans Act did was substantially change the province's financial administrative obligations towards the continuing five plans that were subsumed. Under the Act the province's former guarantee under the Local Authorities Pension Plan Act, the Public Service Pension Plan Act, and the Universities Academic Pension Plan Act was replaced by an arrangement whereby employers, employees, and the government share the cost of retiring liabilities that accrued prior to January 1, 1992.

The hon. member had mentioned that in 1981 the provincial government had put a \$1.1 billion initial contribution to fund the various plans. Unfortunately, even at that time the actual liabilities were \$4.8 million, and the problem had been that many of the revenues that had gone in to the provincial government had not earned interest income, had just accrued into general revenues and had been spent. So when the hon. member talks about paying their fair share, et cetera, the rules of the game that had been set up by the government at the time did not allow the contributions to earn the interest that ought to have been accrued. When an effort was made to rectify that in 1981, not sufficient funds were put in to deal with the problem and the unfunded pension liability continued to grow.

So this is a long-standing problem that has its roots in the actions of the provincial government, not in any way by the actions of the participants in the plan, because they had no control over what was done with their contributions or how the employer's contributions were invested and the interest earned on that. So I think it's a bit misleading to in a sense argue that there was no role or responsibility on the part of the government.

One of the things that emerged over the debate of the unfunded pension liability was an acceptance by this government, after repeated urgings by the now Leader of the Opposition, Laurence Decore, about the nature of the unfunded pension liability. This was an issue of long-standing public debate in the province from the mid-1980s on, and it was in the late 1980s that in fact the provincial government finally got down to brass tacks to deal with the unfunded pension liability.

Certainly it took some time as well, Mr. Speaker, for the Auditor General to note that this was in fact an obligation of the government, and you can go through the report of the Auditor General where the Auditor General says that this is a liability of the province. So as I say, I think all of the facts should be put in place when we're talking about the evolution of this unfunded pension liability.

What Bill 68 did with regards to the Public Sector Pension Plans Act, then, was to draw a line, and that line was drawn January 1, 1992. The unfunded liability part of that had to be dealt with, and an arrangement was set out under the Act under which the province's share was set out and the mechanism for funding the unfunded liability from employee contributions. From January 1, 1992, forward there is a transition arrangement in

place until 1997, when new funding arrangements will be put in place, and it in fact will almost be equivalent to a defined contribution plan. This was done after negotiation with the participants, after negotiation with the government. Certainly in any type of life cycle trying to correct an unfunded pension liability does impose a redistribution of income from one group, perhaps younger people, in the plan to older people. The redistribution that was agreed upon by the participants, by the members of this plan, and then agreed upon by the government and then ratified in this House was viewed as fair by the participants, perhaps not all of them but by a sufficient majority. All of the plans agreed to the rules of the game that had been set out. So I think we have to bear that in mind, that the unfunded liability that we're talking about with regards to Bill 68 is for the unfunded liability that existed prior to 1992.

It was surprising that in the discussion we heard mention of the teachers' retirement fund, and that's one pension where in fact the government still remains the guarantor of the plan. It would be interesting, Mr. Speaker, to observe what might happen if people bail out of that plan and if a significant rise in the unfunded pension liability might emerge, for which this government would in fact be responsible, since it remains a guarantor now, next year, and into the future. There's no cutoff point as there is for these other public-sector pension plans that are described in Bill 68. I note as well that the hon. member did not talk in any detail about the MLA pension plan and its unfunded liability.

So I think it was sort of an abridged version of the emergence of this unfunded pension liability. It is large. It could have been dealt with in 1981. It should have been dealt with far earlier. It wasn't. It is water under the bridge. We do not have to debate how we got it. We agreed upon a set of rules to deal with it, Mr. Speaker. I might just refer to the discussion when this Bill came up for second reading. I would draw the members to the words of the Provincial Treasurer. This is on page 2700 of *Hansard*, May 11, 1993, in which the Provincial Treasurer says:

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

I think those are reasonable statements.

I also note that when there was an amendment brought forward to the Deficit Elimination Act, it was viewed by members on both sides of the House that this unfunded pension liability had emerged for whatever reasons, absence of government policy at the time. It existed. It was an obligation of government, and it was agreed to under the Deficit Elimination Act that these unfunded pension liabilities for the purposes of assessing the deficit in fact would not be part of the consolidated deficit. That was done because this was viewed as a problem that had emerged over a long period of time, had to be dealt with over a long period of time, and all members of this Legislature agreed to those rules of the game because the object was to set out a fair set of rules. Not everybody may be happy with them, but all of the participants to it ultimately through their representatives agreed. The provincial government agreed.

I feel that the Bill, while it may address some of the concerns of new entrants into the plan, is really not in the best interests of

the plan as a whole. It is certainly not consistent, as I read it, with the governance of the plans, where it's very clear that it has to be recommendations from the board coming to the Legislature that are dealt with. As I say, this is not a set of recommendations that come from any of the boards, so far as I know in discussions with them. This is an issue that we dealt with in a fair manner. It has been agreed to by all members of the House. I think that as a matter of principle we ought not to retroactively change the rules of the game and once more open this can of worms.

On that note, Mr. Speaker, I will sit down.

MR. DINNING: The wisest words he's spoken today.

DR. PERCY: I shouldn't have given you the five minutes.

5:20

MR. DINNING: Mr. Speaker, no, no. I know he had some other comments to make, and I appreciate his allowing me to speak on this Bill.

I go back to my colleague from Calgary-Mountain View. He led us through a very good and very accurate history of the development of these plans, back from the time of Premier Manning to the time in 1981 when \$1.1 billion was placed in these funds to create a pension fund and the state of undercontributing to these funds by employers and by employees: the employers, including the government of Alberta during that time, and the employees, including all the employee participants of the plan. So I think the hon. member gave us an accurate history.

You know, I respect the Member for Edmonton-Whitemud in that in the comments that he made, he wasn't pointing fingers. He said that there was a problem, it was dealt with, and it was dealt with fairly, with full participation and a great deal of consultation among the employers and the employees of these plans, including, from some experience, the teachers' retirement fund during my time in a previous incarnation. There are some members across the way who naturally have a tendency to always want to point fingers, Mr. Speaker, and they spend their entire time in politics looking in the rearview mirror. The sad part of it is that they keep bumping into things because they keep focusing on the rearview mirror, whereas this government, and what I believe the Member for Edmonton-Whitemud was talking about, is looking to solving the problem that's today and solving that problem for the future. So the finger pointer across the way can bump into all the walls she wishes, but the problem has been dealt with.

#### Point of Order Questioning a Member

MR. SPEAKER: Is the hon. Member for West Yellowhead rising on a point of order.

MR. VAN BINSBERGEN: Yes, Mr. Speaker. I really apologize to the Treasurer for interrupting him, but I would like to ask him a question. Would he be willing to entertain one?

MR. DINNING: No, Mr. Speaker. I will carry on because this is an important issue that has been dealt with, as the hon. Member for Edmonton-Whitemud has acknowledged.

#### Debate Continued

MR. DINNING: The history of bringing all of these public-sector pension plans, including the teachers' retirement fund, goes back into the late 1980s, culminating in an agreement in '91 and '92, and it was not without difficulty and not without creating a great deal of uncertainty among the participants of this plan. What

we've been able to do through the consultation and negotiations is put that uncertainty to rest, to ensure that for employers but most importantly for what I believe are some 150,000 Albertans who are members and employees within these plans the uncertainty has been put to bed. I would not want this Assembly to reopen this issue given the host of other issues that are on the public-sector's platter. For us now to revisit and reopen this issue would only create greater uncertainty among a large number of Albertans. I appreciate the Member for Calgary-Mountain View wanting to air this issue, to spark debate, to discuss the issue publicly. That's exactly what we've done. While he was smarter than many of us, out earning his money in the private sector in the investment business, this Assembly was dealing with exactly that at that time, and we have, as I say, tried to put the matter to bed.

It does interest me, however, that the one aspect of the Bill that seems to be missing is that if we were ever to entertain this notion of allowing or encouraging or enabling people to opt out, while they may be interested in taking their own employee contributions and they may be naturally interested in taking half or some portion of the employer's contributions and they're naturally interested in taking their fair share of the assets of the plan, I would be more interested as the Provincial Treasurer in hearing how they're also going to take their fair share of the liabilities of the plan. The concern that I have is that what is left, should Bill 204 pass, is a liability whose burden would have to be carried entirely by the taxpayer in this province, and I don't think that's a further burden we should place on the shoulders of taxpayers in this province, Mr. Speaker.

So while I applaud the hon. member for bringing forward this Bill for debate and would encourage him to continue to bring forward these important financial issues relating to public policy, this is one where I would ask members in the Assembly to respect the work that the previous Legislature in this province dealt with,

dealt with fairly, dealt with with the full participation of the members, both employer and employee members of the various plans, and allow the 40-year or more plan to fund these public-sector pension plans to evolve and unfold completely and fully as Albertans have agreed it ought to.

Mr. Speaker, perhaps in light of the hour, might I move that we adjourn debate?

MR. SPEAKER: The hon. Provincial Treasurer has moved that debate be adjourned on this item. All those in favour, please say aye.

SOME HON. MEMBERS: Aye.

MR. SPEAKER: Opposed, please say no.

SOME HON. MEMBERS: No.

MR. SPEAKER: Carried.

MR. DAY: Mr. Speaker, I move that the Assembly do adjourn until 8 o'clock tonight, at which time we will return to find ourselves in Committee of Supply.

MR. SPEAKER: The hon. Government House Leader has moved that the Assembly adjourn until the Committee of Supply rises and reports. All those in favour, please say aye.

HON. MEMBERS: Aye.

MR. SPEAKER: Opposed, please say no.

[The Assembly adjourned at 5:28 p.m.]

