

Legislative Assembly of Alberta

Title: **Monday, March 28, 1994**

1:30 p.m.

Date: 94/03/28

[Mr. Speaker in the Chair]

head: Prayers

MR. SPEAKER: Let us pray.

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

Amen.

head: Presenting Petitions

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

MR. BRUSEKER: Thank you, Mr. Speaker. I'd like to present a petition with 97 signatures on it. This petition from St. Hubert elementary school located in the Calgary-Nose Creek constituency is expressing concern about the "appointment of superintendents and the seizure of locally levied school" taxes.

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

MRS. HEWES: Thank you, Mr. Speaker. I beg leave to present a petition from over a hundred Albertans urging "the government to resist calls to remove specific books, or types of literature, from Alberta Education curriculum."

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

DR. NICOL: Thank you, Mr. Speaker. I'd like to present a petition from 452 people in Lethbridge requesting that there be a complete investigation of the way the government's been spending their money on such things as NovAtel and MagCan.

MR. SPEAKER: The hon. Member for Redwater.

MR. N. TAYLOR: Thank you, Mr. Speaker. I'd like to present a petition to the House from 1,617 original Albertans from the four nations area of Hobbema asking that this government not establish a liquor store in the town of Hobbema, which is undermining the healing process on a reserve that is doing quite well after they had voted dry for so many years.

head: Reading and Receiving Petitions

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

MR. HENRY: Thank you, Mr. Speaker. I would ask that the petition I tabled on March 10 on behalf of the residents of Kiwanis Place apartments and lodge in my constituency regarding potential privatization of their residence be now read and received.

CLERK:

We, the undersigned, petition the Legislative Assembly of Alberta to urge the Government not to alter funding arrangements for Alberta's Seniors Lodges and Seniors Subsidized Apartments until Seniors have been consulted and have agreed to any revisions to funding arrangements.

MR. SPEAKER: The hon. Member for Spruce Grove-Sturgeon-St. Albert.

MRS. SOETAERT: Thank you, Mr. Speaker. I would ask that the petition I presented on March 14 be read and received, the one concerning the Misericordia and keeping it a full care treatment facility.

CLERK:

We the undersigned petition the Legislative Assembly to urge the government to maintain the Misericordia Hospital as a Full-Service, Active Hospital and continue to serve the West-end of Edmonton, Spruce Grove and surrounding area.

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

DR. NICOL: Thank you, Mr. Speaker. I'd like to ask that the petition I filed on March 8 concerning the future of the community college now be read and received.

CLERK:

We, the people of southern Alberta petition the Legislative Assembly to urge the government to leave all present programming at the Lethbridge Community College in place.

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

MR. DICKSON: Thank you, Mr. Speaker. It's my request that the petition I'd introduced on March 14 from Calgarians concerned about the education restructuring plan now be read and received.

CLERK:

We, the undersigned residents of Alberta petition the Legislative Assembly to urge the Government of Alberta not to implement the plan to restructure the educational system in Alberta, as proposed by the Minister of Education.

We also request the Assembly to urge the Government of Alberta to ensure that every Albertan will have the opportunity for input and involvement in future plans to restructure the educational system in Alberta.

head: Tabling Returns and Reports

MR. KOWALSKI: Mr. Speaker, I'd like to file with the Assembly today copies of a request for proposal for the Grande Prairie timber development area along with the accompanying news release. This request for proposal supports the position of this government to attract new business.

The second document, Mr. Speaker, is the directory of Alberta Women in Science and Technology, a directory project that was undertaken by the Premier's Council on Science and Technology to identify women who are emerging leaders in the science and technology area.

MR. TRYNCHY: Mr. Speaker, I'm pleased to table four copies of the 1992-93 annual report for the Department of Transportation and Utilities.

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

MR. HENRY: Thank you, Mr. Speaker. I would beg your leave to table four copies of a letter addressed to the president of the Canadian Polish Youth Friendship Society of Edmonton. The letter refers to an earlier tabling I had made and clarifies that when I referred to 1,500 letters, it was from the Sacred Heart community, not from the organization, and expresses my most sincere apologies to the president of the Canadian Polish Youth Friendship Society of Edmonton.

Thank you.

head: Introduction of Guests

MR. SPEAKER: The hon. minister without portfolio.

MRS. MIROSH: Well, Mr. Speaker, thank you. I'd like to introduce to you – you've already met this group – and through you to Members of the Legislative Assembly the Alberta Girls' Parliament. They come from all around Alberta. There are 40 visitors: 36 who are students, and four who are leaders. The leaders are Mrs. June Martin, Mrs. Janet Allcock, Mrs. Bernadette O'Connor, and Mrs. Colleen Langemann. I'd like to have the girls rise and receive the warm welcome from this Assembly.

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

MR. ZWOZDESKY: Thank you, Mr. Speaker. I'm delighted to introduce to you and through you five very special visitors to our House today. They're seated in the public gallery. They are known for their horseback riding skills and for their skiing thrills and as excellent house cleaners and cooks and the like. They are also the very, very best friends of my colleague from Spruce Grove-Sturgeon-St. Albert. I would ask Jim, Shallen, Debra, Daniel, and Raymond Soetaert to please stand and receive the cordial welcome of this House.

MR. SPEAKER: The hon. Minister of Advanced Education and Career Development.

MR. ADY: Thank you, Mr. Speaker. It's an honour today to introduce to you and to members of the Assembly some of the players on the University of Alberta Golden Bears basketball team. After compiling an outstanding 18-2 record in Canada West play and then a 3-0 record at the national tournament in Halifax, the University of Alberta Golden Bears have succeeded in becoming the CIAU national champions. For their coach, Don Horwood, this is the culmination of 12 years of work and brings the University of Alberta its first ever national basketball championship. Coach Horwood unfortunately is out of town today, but representing the team are – I'd ask them to stand as I list them – assistant coach, Murray Scambler, and players Scott Karaim, cocaptain; Clayton Pottinger, cocaptain; Tally Sweiss; and Steve Curran. They're seated in the members' gallery, and I'd ask the Assembly to give them a warm welcome.

MR. SPEAKER: The hon. Member for Redwater.

MR. N. TAYLOR: Thank you, Mr. Speaker. It's my honour today to introduce to you and to the Legislature eight members from the combined councils of the four native reserves in the Hobbema area: Ermineskin, Montana, Samson, and Louis Bull. They're in the public gallery, and I'd ask them to stand as I call their names: Wilson Okeymaw, Gordon Lee, Jonathan Bull, Henry Raine, Solomon Bull, Art Littlechild, Morris Small, and Lawrence Saddleback.

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

MR. BRUSEKER: Thank you, Mr. Speaker. In the public gallery I notice we have one of the aldermen from the city of Calgary come join us. Mrs. Joanne Kerr is here today with some members of her family. I'd ask that she rise and receive the welcome of the Assembly.

1:40

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

MR. SAPERS: Thank you, Mr. Speaker. It gives me great pleasure today to introduce to you and to all members of the Assembly Mr. Leonard Dolgoy. Mr. Dolgoy is seated in the public gallery. He is a respected member of the Alberta bar and a leader in the Alberta Jewish community. I'd ask him to rise and receive the welcome of the House.

head: Oral Question Period

MR. SPEAKER: The hon. Deputy Leader of the Opposition.

Gainers Inc.

MRS. HEWES: Thank you, Mr. Speaker. We simply must address the issue of accountability in regards to the \$209 million Gainers fiasco. The former Provincial Treasurer has now stated that cabinet was involved and that most of the losses occurred in 1993 under the present Premier. Cabinet was aware of the Beben decision, and the current Minister of Justice and the president of the PC Party were members of the golden handshake committee. I'm tabling the transcripts from an interview held with the former Provincial Treasurer last week on the 25th of March. My first question is to the Premier. Why did you deliberately restrict the mandate of the Auditor General to prevent him from examining who was responsible for the \$200 million loss of taxpayers' money?

MR. KLEIN: Mr. Speaker, I think there is a fundamental point and a fundamental principle to be recognized here. It was this government who asked the Auditor General to examine the finances and the dealings surrounding Gainers because we wanted to get all the information out, and that is precisely what we did. I think that is a reflection of this government's attitude towards being open and being honest and being straightforward.

MRS. HEWES: Mr. Speaker, you should have given him a chance. Read the report.

Mr. Speaker, the Auditor General states without equivocation: "I have not conducted interviews. The terms of reference . . . did not require an explanation of the reasons for the loss." You tied his hands, Mr. Premier.

MR. SPEAKER: Order. No preambles to supplementals.

MRS. HEWES: Mr. Speaker, my supplementary is to the Minister of Justice. How does this minister justify paying \$650,000 in severance to the former CEO of Gainers? The company was losing \$20 million a year. Mr. Beben says that you had a moral obligation. I suggest you have a moral obligation to the people of Alberta.

MR. ROSTAD: Mr. Speaker, the short answer is that outside legal advice given on the basis of the contract that Mr. Beben had with Mr. Pocklington when he was hired – it was assumed by the province that it was cheaper to pay that fee, which may be distasteful but it's a fact of life, as against going through litigation where it would have cost more.

MRS. HEWES: Moral obligation to Albertans.

Mr. Speaker, my second supplementary is again to the Premier. One says: bizarre. One says: obscene. Now we have two stories. My question is: who is telling the real story about the \$209 million fiasco, Mr. Premier? The former Provincial Treasurer or the current Provincial Treasurer?

MR. DINNING: Mr. Speaker, in response to a number of concerns raised by Albertans, this government got out of the pork processing business. This government and taxpayers have no business being in the business of business. That is why this government under the leadership of the Premier, the Member for Calgary-Elbow, suggested and made it very clear to his colleagues and his cabinet that we were getting out of that business. What the Auditor General's report does is simply confirm the fact that government has no place in the business of business. We've made that commitment, and we are living up to it.

MR. SPEAKER: Second main question. The hon. Member for Sherwood Park.

Paddle River Dam

MR. COLLINGWOOD: Thank you, Mr. Speaker. On March 22 of this year Justice J.B. Feehan found that Alberta environment breached its contract with Opron Construction for the construction of the Paddle River dam and that the department of the environment acted deceitfully and negligently. The justice uses the term fraudulent to describe the information provided by Alberta environment to Opron. The Premier, who was in fact the minister of the environment while the lawsuit was happening, has responded to the court's ruling by asking the Minister of Justice in Saskatchewan to investigate this scandal. My question to the Premier: will the Premier table the terms of reference for this inquiry in the House before it starts so we know it will be more than just a review of the trial transcript?

MR. KLEIN: Mr. Speaker, we want to keep this review as unbiased and as objective as possible. Basically, we have sent the file over, as I understand it, from the Minister of Justice to the Justice minister in Saskatchewan to have that minister make a determination as to the course of action this government should take relative to those specific charges. We take those comments of the justice very seriously. We want to get, as I said, as objective and unbiased a view as possible as to the course of action this government should take regarding those allegations.

MR. SPEAKER: Supplemental question.

MR. COLLINGWOOD: Thank you, Mr. Speaker. We're going to assume that an inquiry is going to take place, so my question is this: will the Premier, then, guarantee that the Saskatchewan Justice minister will have the right to subpoena documents and witnesses including former ministers of this government?

MR. KLEIN: Mr. Speaker, this is not a trial. This is an examination . . .

MR. HENRY: It should be.

MR. SPEAKER: Order.

MR. KLEIN: This again is not a trial. This is a review of some comments made by a Court of Queen's Bench judge relative to the conduct of some employees back in 1982. We want to give the Justice minister in Saskatchewan as much opportunity and as much leeway as we possibly can to make a reasonable determination as to the course of action this government should take, Mr. Speaker.

MR. SPEAKER: Final supplemental.

MR. COLLINGWOOD: Thank you, Mr. Speaker. I'll take that as a no.

My last question to the Premier is: will the Premier, then, table in this Assembly the full report of the inquiry once it's received?

MR. KLEIN: Mr. Speaker, in keeping with the policy of this government to be open and honest and straightforward, yes, we'll be absolutely delighted to do so.

Thank you.

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

Corrections Facilities

MR. DICKSON: Thank you, Mr. Speaker. Albertans continue to be concerned about public safety while the government continues its plans to privatize our jails. We're not told which jails will be privatized, which institutions are on the list, and what services may be privatized. We're simply told that it will happen. My question to the Minister of Justice: will he tell us today which institution is on the list and which institution he plans to turn over to a private for-profit operator?

MR. ROSTAD: Mr. Speaker, this government is concerned with public safety, and I give the assurance that that will be the utmost concern as we tread this road. The hon. member is correct that I will not designate which jail will be privatized, because if he's been listening, we have a pilot project in mind. We are developing a plan that will say what kinds of programs we want conducted inside the jail, what kinds of rehabilitation programs, what kinds of educational programs as minimum, as standard. Once this model is built, we'll then ask for proposals. We'll see where it goes from there and what institution might fit that model.

MR. SPEAKER: Supplemental question.

1:50

MR. DICKSON: Thank you, Mr. Speaker. Even a pilot project needs a site.

Mr. Speaker, will the minister demonstrate as much enthusiasm for alternative measures as he's shown for privatization?

MR. ROSTAD: The short answer is, yes, Mr. Speaker. We have far, far more initiatives right now in alternative measures than we've ever had in concepts of what prisons should be like.

In relationship to the preamble, which we shouldn't answer because they're usually deleterious, of course privatization would require a site, but he is again not listening. First, we have to have the model; then we'll pick the site.

MR. DICKSON: My final question, then, to the hon minister is: what steps will the minister take in his pilot project to ensure that competent personnel are hired by the private sector as guards and correctional officers and program managers?

MR. ROSTAD: Mr. Speaker, as we started out the three-piece question, public safety and security is the ultimate aim of this, and we will ensure that anybody that's working in the prisons will be well qualified, just as we have in our current situation. All of the people working there have public security as their ultimate aim as well.

MR. SPEAKER: The hon. Member for Grande Prairie-Wapiti.

Forestry Project in Grande Prairie Region

MR. JACQUES: Thank you, Mr. Speaker. Last Friday the Leader of the Opposition was in my constituency spreading a message of fear and doom and gloom. On that same day the Deputy Premier was in my constituency with a positive announcement that will benefit not only my constituency but all of Alberta. I am referring to the request for proposals to utilize the unallocated deciduous timber in the Grande Prairie timber development area. My question is to the Deputy Premier, the Minister of Economic Development and Tourism. What economic impact has your department forecast for the construction of a mill such as an oriented strandboard plant?

MR. KOWALSKI: Mr. Speaker, on Friday last we announced plans for an international request for proposals for a deciduous timber berth south of Grande Prairie. Basically the government's indicated that we're making available 583,800 cubic metres of deciduous forest product. By May 31 of this year we're asking proponents to come forward with suggestions with respect to what may or may not or should or should not happen with respect to that timber resource. At this point in time, it would appear that probably the most likable candidate will be one of an oriented strandboard plant with an investment perhaps upwards of \$150 million and indirect and direct jobs perhaps in the neighbourhood of up to 600.

MR. SPEAKER: Supplemental question.

MR. JACQUES: Thank you, Mr. Speaker. My supplementary is again to the Deputy Premier, the Minister of Economic Development and Tourism. What steps and allowances have been incorporated into the planning process to ensure that we are not overcommitting our timber resource?

MR. KOWALSKI: Mr. Speaker, over the winter months my colleague the Minister of Environmental Protection had a timber resource inventory or review done and approximately March 1 of this year, in fact, received such information that quite frankly we seem to have more of a wood supply in northwestern Alberta than we had even believed we had prior to this more recent of all inventories. That's good news for Alberta, and that's good news for the economy of the province of Alberta. In addition to that, in terms of the request for proposals, we're making it very clear to all the proponents who might come forward – it appears there might be between six and 12 who will make a bid or a submission to us. We're asking them to make sure that they undertake a further review in the next several months of the total deciduous inventory in the area.

MR. JACQUES: Mr. Speaker, again to the Deputy Premier, the Minister of Economic Development and Tourism: what impact will there be on the deciduous timber supply on private lands?

MR. KOWALSKI: Mr. Speaker, one of the things we talked about Friday last in the news conference that was held – and I might add that it's really kind of interesting. When you go to a news conference in a dynamic community like Grande Prairie, there's such enthusiasm for what's going on that on at least three or four occasions during the news conference one was met with thunderous, positive applause. We also pointed out that it was extremely important that the proponents that come forward in fact deal with local landowners in the area to see what wood they can buy through the private market. We also pointed out that we

would be most receptive to applications that came forward that in fact encouraged the development of private woodlots for profit. Some wood from northwestern Alberta is going now into British Columbia, and we believe that in fact if a market can be created, there can be a positive market for wood owned on private land that in fact would encourage competition and provide better returns for local landowners with respect to that matter.

This is one of several major, significant economic development announcements that the government is currently working on in the forestry industry in that part of Alberta, Mr. Speaker, and I believe it bodes good news for 1994-1995 for the economy and job creation in this province.

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

Millar Western Pulp Ltd.

MR. BRUSEKER: Thank you, Mr. Speaker. I want to follow up on the Deputy Premier's good news story with respect to the Millar Western pulp mill that has a \$120 million government loan that has accumulated \$86 million in interest owing. In an attempt to help out Millar Western, the government helped negotiate a further \$30 million loan from the Canadian Imperial Bank of Commerce. On the heels of this magnanimous gesture I'd like to ask the Premier: who's going to get paid first, the Alberta taxpayer or the bank of commerce?

MR. KLEIN: Mr. Speaker, to my knowledge nothing has been negotiated, but I'll have the hon. Deputy Premier supplement.

MR. KOWALSKI: Mr. Speaker, what is very clear – and I sincerely hope the opposition party members do not take great glee in the fact that the pulp market has been a very negative one for the Canadian pulp industry in the last 18 months to 24 months. Our information is that totally across Canada the pulp industry has lost over \$2 billion. Now, we also happen to have a modest pulp plant in the province of Alberta in Millar Western, and it's extremely important that on the basis of the arrangements that were made going back some eight years with respect to Millar Western – and Millar Western does have a loan from the Alberta heritage savings trust fund – all efforts be taken to in fact do everything possible to maintain this industry in the province of Alberta and to do it without additional dollars from the province of Alberta. So we exercised our offices to act as a facilitator, and one private-sector bank came forward and put forward an additional \$30 million. There are no government guarantees attached to this or assessed to this, and our sincere hope is that everyone will get paid in the end when prices for the pulp market return.

MR. BRUSEKER: Boy, that answer could have been a lot shorter if he'd simply said: I don't know.

My supplementary question is to the Treasurer. Since neither principal or interest payments have been paid in the last few years, can the Treasurer indicate when or if Millar Western is going to begin repayment of their \$206 million debt to Alberta taxpayers?

MR. DINNING: Well, Mr. Speaker, I heard the hon. minister of economic development responding to the member's question across the way, and I think he gave a full and complete answer.

MR. BRUSEKER: I guess that's another: I don't know.

Well, my final supplementary to the Treasurer again is: why is the Treasurer discussing possible debt restructuring to Millar

Western pulp mill when he earlier reprimanded the Premier on his musings about debt restructuring on loans to Newfoundland?

MR. DINNING: Mr. Speaker, perhaps the Deputy Premier would like to supplement my answer, but clearly what I heard the minister describing was a means by which Albertans through the heritage savings trust fund and Albertans as taxpayers and beneficiaries of economic development in this province will continue to enjoy those benefits. We have members across the way perhaps commenting on the sorry state and the low state of the pulp market in Canada and indeed throughout North America, but there are obviously people in this province, in this country from Millar Western to the Canadian Imperial Bank of Commerce to the heritage savings trust fund from some years past who have confidence in that future market, have confidence in Alberta companies to enjoy the prosperity that will come with higher pulp prices, and I'm confident that Albertans will get their investment back in spades.

2:00

MR. KOWALSKI: Mr. Speaker, perhaps a quick supplement to that just to emphasize once again that it will be the position of this government to help restructuring where it is possible, but our restructuring will not come with additional dollars from the province of Alberta. In the case of Millar Western these additional dollars came from a private bank, the Canadian Imperial Bank of Commerce. If that bank has confidence in the economy of Alberta, it is something the Liberal Party should be enthusiastic about so that we can protect much-needed jobs in the province of Alberta. They should not take glee in an unfortunate economic circumstance caused by international pulp prices.

MR. SPEAKER: The hon. Member for Peace River.

Rural Health Services

MR. FRIEDEL: Thank you, Mr. Speaker. My question is to the Minister of Health. The recent study report Pockets of Good News paints a fairly rosy picture about the situation of physician recruitment and retention in rural Alberta. The report also goes on, though, to say that about 20 to 25 percent of these rural communities have had and will continue to experience problems in recruiting physicians. I'm wondering if the minister could tell us what is being done to help those communities in that 25 percent problem area.

MRS. McCLELLAN: Well, Mr. Speaker, the study on the recruitment of physicians in rural communities was the first step to address supporting community initiatives under the rural physician action plan. We did find in this study that a number of family physicians are indeed leaving Alberta and moving to other areas, but what we found was that they were leaving because they were being recruited by other areas. So one of the things that we have moved immediately to do is to improve communication between the communities and the faculty of medicine. I believe there are some other initiatives that we can follow up on to help the communities with their recruitment methods and work out some ways for them to have that type of dialogue with the faculty, because we're very concerned when we find that they are being recruited by other areas.

MR. FRIEDEL: To the same minister, Mr. Speaker: can you tell us when that provisional registration for licensing of physicians for special purposes is going to take place?

MRS. McCLELLAN: Well, Mr. Speaker, the College of Physicians and Surgeons have asked for changes to the Medical Profession Act bylaws. The bylaws are presently under review, and we will be bringing those forward for approval. I should point out to the hon. member that those provisions would only be for emergent situations and not as a common practice to solve a problem in a particular area.

MR. SPEAKER: Final supplemental.

MR. FRIEDEL: Yes, Mr. Speaker. Again to the same minister: is there going to be any expansion of the nurse practitioner program?

MRS. McCLELLAN: Well, Mr. Speaker, Alberta Health has been working with a number of professional groups to develop guidelines for development of nurse practitioners to further expand that role. We are considering a change in regulation that would permit an expansion in this area. I certainly see an opportunity for the expanded use of nurse practitioners, and I believe the development of those guidelines with all of the professional associations taking part in it will be a very positive move towards that end.

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

Treasury Branches

DR. PERCY: Thank you, Mr. Speaker. The Auditor General's report on Gainers revealed clear evidence of political interference by the government in the operations of the Alberta Treasury Branches. The record is clear. Ski-Free Marine, Alberta-Pacific Terminals, Canadian Professional Munitions, Nanton Spring Water, Willowglen Systems: the list goes on and now Gainers, all examples of the Treasury Branches being used as the political extension of the departments of Economic Development and Tourism and Treasury. My questions are to the Provincial Treasurer. What steps will the Treasurer now take, in light of the Auditor General's report on Gainers, to ensure that the Alberta Treasury Branches operate independently of political pressure?

MR. DINNING: Mr. Speaker, since the day I was appointed the Provincial Treasurer by the Premier, I have made it clear publicly and privately that the Treasury Branches operate at full arm's length from the provincial government, without political interference, and they will continue to operate that way as long as the Premier is the Premier and this Provincial Treasurer remains the Treasurer.

MR. SPEAKER: Supplemental question.

DR. PERCY: Thank you, Mr. Speaker. Will the Treasurer commit now, then, to setting up an arm's-length board of directors to oversee the operations of the Alberta Treasury Branches as recommended by the Financial Review Commission?

MR. DINNING: Mr. Speaker, it is a good idea, and it's one that we would carefully consider as we look down the road. Treasury Branches have a proud history in this province. They provide some banking services and have deposits in excess of \$8 billion, so a large number of Albertans are confident in the Treasury Branches, will have every reason to remain confident. I appreciate the suggestion from the hon. member just as he has read it and just as I have read it in the advice from the Financial Review Commission.

MR. SPEAKER: Final supplemental.

DR. PERCY: Thank you, Mr. Speaker. Then, will the Treasurer now commit to require the superintendent of the Alberta Treasury Branches to report directly to the Legislative Assembly instead of to the Treasurer as is now the case?

MR. DINNING: No, Mr. Speaker. If the hon. member takes his second question to its more logical conclusion, it would be that the superintendent of Treasury Branches would be accountable to the board of directors or to an overseeing body of the Treasury Branches and indirectly of course to the President of Executive Council, who is responsible for his appointment upon the recommendation of the Provincial Treasurer.

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

Liquor Control Board Privatization

MR. RENNER: Thank you. Mr. Speaker, prior to the privatization of ALCB the government operated liquor stores in a combination of owned facilities and leased facilities. When the minister announced the privatization, he also announced that these various properties would be disposed of and provided this House with an estimate of the proceeds from that disposal. With regard to the owned properties, would the minister please update this House on where the sales have taken us to this point in relation to the estimated value?

DR. WEST: Mr. Speaker, when we went into the privatization, we did have to do some evaluations of the properties that we owned and leased. I'm pleased to say today that we estimated probably a total revenue picture of \$50 million with some fairly high losses, because we wanted to hedge our bet, if you like, on the marketplace. Today based on appraised market values, we've sold 113 pieces of property. They had a purchase price of \$46,617,000 and an appraised value of \$41 million. On the owned properties we're moving \$5 million above the market appraised value, and we still have 42 properties to sell with an approximate value of \$10 million. That does not include the massive warehouse complex in St. Albert. We are working on that, and we do not have an estimate of what that will bring. But in the overall picture on the owned pieces of property we are probably close to \$25 million ahead of our estimates.

MR. SPEAKER: Supplemental question.

MR. RENNER: Thank you, Mr. Speaker. Would the minister please advise the same status on the leased properties? What percentage of outlay on leases will be recaptured through the subleases?

DR. WEST: Mr. Speaker, I think the leases were the biggest concern to ALCB, because we had everything from 15-year-old leases to brand new ones that we had just opened up at very high evaluations. Some of the leases were \$13,000 a month. We went into it with some apprehension, but on the 66 leased properties, 28 of these leases have been terminated, surrendered, or assigned leaving ALCB with no further liability. So that was good news. Six of the land leases with owned buildings have been sold. They sold with a purchase price of \$3 million, and the appraised value was \$2 million. Twenty-one leases have been sublet, and we've recovered \$985,000 more than the value of those 21 leases. We also achieved another \$563,000 on the pieces of equipment that

were in them. We only have eight outstanding leases on these buildings out of the 66. Where we had estimated probably a \$10 million loss on our leases, it's a little over \$1 million at the present time, and we still have eight leases to go. So I think the leases were one of the more outstanding deliveries in this privatization model.

2:10

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

MR. SPEAKER: Final supplemental.

MR. RENNER: Thank you, Mr. Speaker. In Medicine Hat there is one specific store that I'm interested in. Could the minister advise on the sublease agreement on the Medicine Hat Southview liquor store?

MR. SPEAKER: Briefly. Very briefly.

DR. WEST: Yes, briefly. The Medicine Hat store had a monthly base rent of \$8,750. We transferred that for the same. They're paying \$8,750. They took over the lease. They also paid \$28,000 for some of the assets plus another \$35,000 for the equipment. So there's one example of those 66 leases which has outperformed our greatest expectations.

MR. SPEAKER: The hon. Member for Redwater.

MR. N. TAYLOR: Thank you, Mr. Speaker. Today I met with a delegation from the Hobbema four nations to discuss their concerns about the potential devastation caused by the presence of liquor stores on freehold land in the middle of the four reserves much against the councils' wishes. They're outraged that their efforts to overcome the heartbreak of alcohol-related accidents, violence, suicide, family breakdown, and crime are being undermined by this government. To the Premier: why did the privatization of the ALCB go forward without formal consultation with the governments of Alberta's First Nations?

MR. KLEIN: Mr. Speaker, basically the program went forward to fulfill the fundamental principles of privatization. As the hon. minister will attest, the whole purpose of the exercise was to get the government out of the business of being in business, and it is totally consistent with our policies. If there are individual cases, such as the case brought to the hon. Member for Redwater, then I would suggest the appropriate person to talk to would be the minister. I'm sure he can come to grips with situation.

MR. N. TAYLOR: Mr. Speaker, this is Whiskey Gap and Fort Whoop-up all over again that the Premier seems to be doing. They have tried to meet the minister. The minister refuses to answer his phone calls and his letters.

Could the Premier immediately suspend this process until this issue is solved satisfactorily to the First Nations? This is all over Alberta, not just here.

MR. KLEIN: Mr. Speaker, give us the specific cases of concern, and I'm sure the minister will deal with these instances. The program, as far as I know, is now complete. We are now completely out of the business of retailing liquor.

MR. SPEAKER: The hon. Minister of Municipal Affairs wishes to augment.

DR. WEST: Mr. Speaker, one of the innuendoes left on this floor was that we have not communicated at all. I have instructed the chairman of ALCB and have read the letter that was sent in communication myself. There has been open communication with ALCB and Mr. Bob King on the issue of the licence on freehold land. There are perhaps 50 examples around the province where there are hotels or other licences in close proximity to many of the nations. They are on freehold land. It is a concern to the tribal councils, especially on the nations where they are dry, but in all due respect it's something to be worked out between the municipality and those that do the licensing. We'll work to the best of our ability, but to say that we have not been in communication on this issue is totally, I believe, out of line for this Assembly.

MR. N. TAYLOR: Mr. Speaker, the hon. minister in charge of . . .

MR. SPEAKER: Final supplemental. [interjections] Final supplemental.

MR. N. TAYLOR: Mr. Speaker, back to the Premier. Would the Premier at least meet with the delegation from the Hobbema First Nations today after question period? If not today, as soon as he can?

MR. KLEIN: I have no problem at all meeting with the members of the Hobbema First Nations or any other of the First Nations in this province relative to this issue or any other issue. I do it on an ongoing basis.

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

Long-term Care

MRS. BURGNER: Thank you, Mr. Speaker. On the weekend I had discussions within my community. I was invited to the Scarboro United Church, where they were holding a discussion group on long-term care. The focus of these discussions was to assist people in planning not only for their own retirement but for the care of their parents. A number of questions were raised with respect to the cost and level of service in the long-term care facilities and the concern that a disproportionate number of rooms are double occupancy rather than single. My question to the minister is regarding the new funding structure. Why has the cost of double occupancy rooms been increased at a higher rate than those of single rooms when clearly the single room is the primary choice?

MRS. McCLELLAN: Well, Mr. Speaker, if private rooms had increased at the same indexation rate applied to standard and semiprivate rooms, it would be a great concern to me that seniors who had no income other than old age security or guaranteed income supplement or the Alberta income program could certainly not have afforded a private room, or if they could, they'd have had no dollars left for personal expenses. We want to ensure that all seniors have access to the type of room that is most appropriate to their needs. So that, I guess, in essence is why the change in this last upgrading of dollars did not occur at the same rate.

MR. SPEAKER: Supplemental question.

MRS. BURGNER: Thank you, Mr. Speaker. To the minister: will there be a review of the ratio of private rooms to semiprivate rooms in the future?

MRS. McCLELLAN: Well, Mr. Speaker, I should point out for the members of the Assembly that that has been occurring for some time. Today as long-term care facilities are built or existing long-term care facilities are renovated, the emphasis is definitely on building semiprivate rooms or private rooms. I should just point out that the percentage in the province today of standard rooms, which are more than double occupancy, is 10 percent, semiprivate is 66 percent, and private is 24 percent. So I think the members can see that we have moved away from the standard type of room that has more than two people occupying it.

MR. SPEAKER: Final supplemental.

MRS. BURGNER: Thank you, Mr. Speaker. My final question is: how can we offer an increased rate for the long-term care facilities when the educational qualifications of the caregivers and the staff levels have been decreased?

MRS. McCLELLAN: Well, Mr. Speaker, I'm not sure that I would agree with that comment. I think that what our long-term care operators are ensuring is that the appropriate care is there for the needs of the people who reside in our long-term care facilities. As more residents stay longer in their homes, the level of care has changed in our long-term care facilities. Certainly for personal care attendants, of which there are more used in long-term care, there has been educational upgrading occur through AVC. I think that what we want to keep in mind is that we want to have the highest quality appropriate care for the needs of the people who are in our long-term care facilities.

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

Alberta Hospital Edmonton

MS LEIBOVICI: Thank you, Mr. Speaker. On several occasions the Liberal opposition has questioned this government with respect to the negotiations at Alberta Hospital Edmonton. Last Friday the Public Service Employee Relations Board found that Alberta Hospital Edmonton had failed to bargain in good faith and has passed a ruling to forbid the hospital from laying off any more staff in certain sections of the hospital. The parties have been ordered back to mediation. My first question is to the Minister of Health, and it's quite simply: will the minister now ask the board to resign?

2:20

MRS. McCLELLAN: No, Mr. Speaker, the minister will not ask the board to resign. I will ask the board to carry out their role in the collective bargaining process, and I am sure they are doing that.

MR. SPEAKER: Supplemental question.

MS LEIBOVICI: Thank you, Mr. Speaker. My second question is also to the Minister of Health. Will the minister reverse the budget cuts that are forcing public-sector employers, such as Alberta Hospital Edmonton, to engage in unfair labour practices?

MRS. McCLELLAN: Mr. Speaker, there are some basic principles that we must look at in health care and health budgets. When we are expending about 30 percent of the provincial budget on health, when costs are increasing 12 to 13 percent a year on average, I do not think that we can take the question of health costs out of the discussion. What we are asking is that facilities

operate within budgets that we provide, and I believe that facilities are acting in a very responsible way in ensuring that they provide quality care, appropriate care for today. We cannot stay in the past. The needs in our health care system have changed; the way we deliver our services has changed. We must change with them.

MR. SPEAKER: Final supplemental.

MS LEIBOVICI: Thank you, Mr. Speaker. Just so the minister is aware, an unfair labour practice is illegal in this province.

Will the minister instruct Alberta Hospital Edmonton to stop implementation of its strategic plan until community services are in place?

MRS. McCLELLAN: Mr. Speaker, Alberta Hospital Edmonton has a duly elected board to carry out the responsibilities of that institution.

SOME HON. MEMBERS: Appointed. They're appointed.

MRS. McCLELLAN: Or appointed. Mr. Speaker, the board of that institution – I stand corrected – is appointed. We have elected or appointed and some both; that one is appointed. They understand very clearly their responsibilities. It is entirely inappropriate for the Minister of Health to interfere in the collective bargaining process or in the day-to-day management of the institutions in this province. I am sure through that process they will discharge their duties in an appropriate way.

MR. SPEAKER: The hon. Member for Wainwright.

Canola Exports

MR. FISCHER: Thank you, Mr. Speaker. My question is to the Minister of Economic Development and Tourism concerning canola delivery problems. Japan imports nearly one-half of the canola crop in Canada. Railcar shortage, strikes, and weather problems have put Canada's export program months behind schedule causing the Japanese processing plants to shut down. The president of the Japanese oil processors association said that Canada's inability to deliver canola to its biggest export customer could damage future sales permanently. To the minister: given that Alberta produces one-third of the canola in Canada, what steps are being taken by the Alberta government to correct this serious situation?

MR. KOWALSKI: Mr. Speaker, this is a serious problem. It's a serious national problem. Today the minister of agriculture and rural development is meeting with provincial colleagues from across the country. We've just recently provided information to the hon. Roy MacLaren, Minister for International Trade, with respect to this matter, and we're asking that in essence certain things happen very, very quickly.

In the short-term, Mr. Speaker, it seems that about the most positive thing that will happen is – in essence the port at Thunder Bay should open next week, midweek, usually the first week of April. In fact, there may be some cars allocated from eastern Canada to western Canada with respect to this matter. There are currently about 25,000 hopper cars in the two fleets: Canadian National, Canadian Pacific. There's absolutely no doubt, as the hon. member has said, that Japan has served notice that in fact they can buy this crop from alternate countries, five or six of them in the world, and if Canada does not get this matter resolved

and get it resolved very quickly, this will be very deleterious to the Canadian economy.

MR. FISCHER: Is this a topic with the ministers at their conference this week in Regina?

MR. KOWALSKI: Well, as I indicated, Mr. Speaker, it's been a topic for the last number of days for our minister of agriculture along with other ministers of agriculture and is one that our minister of agriculture and rural development will be taking up again. This problem cannot be underestimated. There are currently, again, about 25,000 cars. In addition to a shortage of cars, part of it was caused by what happened in the American midwest with their floods last year. There's also been an increase in the cycle return, and labour problems at the Pacific coast caused additional problems. It's a high priority item for Canada as a country if it wants to maintain its reputation internationally.

MR. SPEAKER: Final supplemental?

MR. FISCHER: That's fine. Thank you.

Engine Rebuilders Ltd.

MR. BENIUK: Mr. Speaker, on the 15th of February the Minister of Labour stated that the dispute at Engine Rebuilders would be settled. This morning replacement workers were brought in, warping the potential for a level playing field in negotiations. It appears that for organized labour the Alberta advantage is the Mexican advantage. To the Minister of Labour: what plans do the minister and his department have to ensure that this strike does not have us witness the same violence as happened at Gainers and at Zeidlers?

MR. DAY: The Alberta labour code allows for a balance here in a situation where there is a strike. Of course, people who are striking have the opportunity, should they so desire, to pursue other courses of income, and because of that there is also a provision for the employer to balance that out with replacement workers. Even though usually working with less trained and possibly less efficient workers, the employer still can pursue some income. After a strike, once it has been settled – it's made very clear right from the start that the replacement workers are temporary workers only, and those members who have been on strike are then allowed first access to get back to the jobsite. We work to maintain that balance, Mr. Speaker.

MR. SPEAKER: Supplemental question.

MR. BENIUK: Thank you, Mr. Speaker. Is the minister considering amending the labour laws of this province to have a situation, then, where in a lockout replacement workers cannot be brought in?

MR. DAY: No, Mr. Speaker.

MR. BENIUK: Mr. Speaker, is the minister considering any amendments to the labour laws to ensure a level playing field in negotiations, not a big elephant and a labour person but a level playing field?

MR. DAY: As I've already indicated, Mr. Speaker, we always strive for that level playing field. When you assess the number of days in Alberta lost to work stoppage with virtually every other

province, you'll find that we have, if not the lowest, the second lowest level of work stoppage in days lost due to collective bargaining disputes. Some 1,300 collective bargaining agreements out there in the work sector are carefully watched and managed. We do not directly intervene. The parties have to work this out. I encourage all parties not to be a catalyst to reaction on the picket line, but to work carefully to make sure that all energies are directed towards resolving the dispute and not heightening it.

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

Health Services Restructuring

MR. MITCHELL: Thank you, Mr. Speaker. On the one hand the Premier says that he supports the Canada Health Act, while on the other hand he is continuously musing about commercializing hospitals and implementing user fees. The people of Alberta would like to know which one it is. My question to the Premier: is the Premier truly committed to the principles of the Canada Health Act, or is he using these statements in support of it as a smoke screen to hide the fact that he is deliberately wanting to undermine the Act by commercializing hospitals and health care in this province?

MR. KLEIN: Well, Mr. Speaker, I would say that that's sort of a leading question. I'm not musing about private health care facilities, but I'll tell you who has mused about private health care facilities, Mr. Speaker. It is the hon. leader of the . . . Oh my gosh, someone took my press clipping. Anyway, the headline, I believe, read: Liberal leader supports private medicine. There are some people out there, there's no doubt about it, who have indicated to the government that they would like to establish private medical institutions. We have simply said that we would take a look at these proposals. I have also said – and I will say it again just for the record – that this government will not consider anything that violates the Canada Health Act.

2:30

MR. MITCHELL: Well, would the Premier please make that statement mean something more than simple rhetoric by standing in the Legislature today and saying definitively that, no, he will not allow for there to be commercialized hospitals in this province?

MR. KLEIN: Mr. Speaker, how can you possibly say that when they're not illegal? How can anyone stand in this Legislature and say that they are going to prevent something from happening that probably is not illegal or might not be illegal?

MR. MITCHELL: It's only the Premier of the province, and it probably, might not be, maybe isn't.

I wonder if the Premier can give us a definitive answer on some feature of health care, and that is this. Can he tell us what steps he is taking to ensure that the Canada Health Act and its effect will follow those many, many services which are now being transferred from hospitals to the community?

MR. KLEIN: Mr. Speaker, as we move to community health, indeed you will find that we are fully committed to those community health programs being totally and fully consistent with the terms and conditions of the Canada Health Act.

MR. SPEAKER: Order please. [interjections] Order. Order. [interjections] Order. The time for question period has expired, and the Chair has received notice of two points of order.

Point of Order

Question about a Previous Responsibility

MR. DAY: It's a point of order, Mr. Speaker, really on process. The government has clearly demonstrated its willingness to entertain all sorts of questions and input as far as Gainers goes; as a matter of fact, so far as asking the Auditor General to do an in-depth study of that. However, today we heard questions being asked of the Attorney General related to previous elements: with severance contracts, et cetera. Again, the government has been very open about addressing that. Nobody's trying to evade anything. I think questions must follow *Beauchesne* 409, which is very clear in saying, "A brief question seeking information about an important matter of some urgency." It goes on to say that it has to be "within the administrative responsibility . . . of the specific Minister." Then 409(6) is very clear.

The Minister to whom the question is directed is responsible . . . for his or her present Ministry and not for any decisions taken in a previous portfolio.

So I think it's very clear just in terms of process. We're not trying to be evasive or duck anything. Our record on that has been clear, but on that point of process we'd appreciate a ruling.

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

MRS. HEWES: Thanks, Mr. Speaker. I'd just like to draw to your attention and the attention of members that in fact the minister to whom the question was directed is now the Minister of Justice and was, of course, the Attorney General, same portfolio, at the time the events occurred. It's within that light. He is certainly competent in this ministry and was competent then to have made the right decision and competent to answer the question. He has a moral obligation to the people of this province.

MR. SPEAKER: The hon. Government House Leader has raised a point of order about the hon. Member for Edmonton-Gold Bar's questioning of the Minister of Justice with regard to a situation arising out of the Gainers settlement. The Chair understands that the hon. Minister of Justice was also a member of a cabinet committee at the time, and there's probably no one more knowledgeable about that situation than the hon. Minister of Justice. Therefore, that's why the Chair allowed the question.

The hon. Opposition House Leader has a point of order?

Point of Order

Ministerial Statements in Question Period

MR. MITCHELL: Thank you, Mr. Speaker. I rise under Standing Order 7(1), which of course outlines the ordinary daily routine business in the Assembly. One feature of that is Ministerial Statements before question period. I raised this point last week. I know how difficult it is for the Speaker to anticipate that members of the front bench, of the cabinet, might want to push certain rules to the limit, but there was a clear case today with respect to the answer to the question by the Member for Medicine Hat, the answer by the Minister of Municipal Affairs where he was clearly prepared for that question. He clearly was reading from a prepared document outlining the various results of sales of property and leases under the new ALCB privatization.

The point I would like to make is that of course that was tantamount to a ministerial statement. It had a place on the Order Paper where it could readily have been inserted without taking time away from question period, time which is valuable to the members of this caucus but also should be valuable to the members of that caucus. We simply hate to see that a minister would abuse the rules in that way, and we would be more than

happy to have him make those kinds of statements under Ministerial Statements, at which time we could rise and agree and discuss. Our leader would have the opportunity to respond to that in a way that the rules of this House were meant to allow for.

MR. DAY: Well, Mr. Speaker, the usual patience of members opposite is being tested somewhat by this constantly recurring point of order, and I'm sure the good graces of the Chair must be under a considerable burden also. Referring to *Beauchesne* 410, it is abundantly clear. You can almost anticipate when this type of point of order will come up, because after several opposition questions which are clearly of little value and substance, then followed by a government question which is usually more penetrating – and that's even been observed by the media – then there's a feeling of embarrassment by the Opposition House Leader for the poor performance of his own side. So he rises on a time-wasting . . . [interjections] No, he can't even sit down and listen. He can't even take it. So I refer to *Beauchesne* 410(5), which says, "The primary purpose of the Question Period is the seeking of information," and *Beauchesne* 410(6) which says, "The greatest possible freedom should be given to Members consistent with the other rules and practices."

As far as reading, I would hope that ministers would have in many cases information which is typed out and accurate. A casual observation shows that even the shortest questions of members opposite – and not too many are short – are read out word by word from their scriptwriters. [interjections]

MR. SPEAKER: Order please. [interjections] Order please. Order. As the hon. Opposition House Leader has pointed out, the Chair is unaware of any of the questions that are forthcoming.

With regard to the question complained of by the hon. Opposition House Leader, the Chair finds nothing wrong with the main question or the first supplemental. The Chair does feel that the second one could have easily been obtained by a letter or a memo to the minister.

head: **Orders of the Day**

head: **Government Motions**

2:40 **Adjournment for Easter Recess**

16. Moved by Mr. Day:

Be it resolved that when the Assembly adjourns on Thursday, March 31, 1994, at the regular hour of 5:30 p.m., it shall stand adjourned until Monday, April 11, 1994, at 1:30 p.m.

MR. SPEAKER: The hon. Government House Leader.

MR. DAY: Thank you, Mr. Speaker. I hope we have a motion here which we're agreed on.

[Motion carried]

head: **Government Bills and Orders**

head: **Second Reading**

Bill 1

Labour Boards Amalgamation Act

MR. DAY: On behalf of the Premier, Mr. Speaker, I'm happy to advance to second reading of Bill 1, being the Labour Boards Amalgamation Act.

I'd like to make some observations on the intent of this particular Bill and what we believe it will accomplish. The

Labour Boards Amalgamation Act will actually complete the process that has already been under way of amalgamating the Labour Relations Board and the Public Service Employee Relations Board. That process was started in 1993. We'll also see it standardize certain features of the Public Service Employee Relations Act and the Labour Relations Code wherever that might be appropriate. Really it's designed to achieve the consistency of administration between the two labour statutes and minimize administrative costs. There's already been significant administrative savings as a result of this on the administrative side. We hope that with the concurrence of the House we'll be able to see this completed.

Some of the key features of the Bill would involve, first of all and most obviously, I would think, a merger of the boards where we'll have the Labour Relations Board and the Public Service Employee Relations Board merged into one tribunal. The Labour Relations Board itself then would have the responsibility for actually administering both of those statutes.

Another feature would be – and this is for clarification; there have been questions on this – that the Public Service Employee Relations Act does remain in force. There will continue to be a separate collective bargaining statute with different rules that are applicable to the public sector. I know that's been a question that has been raised.

You'll also see a new divisional structure for the LRB. The Lieutenant Governor in Council may designate divisions of the board to hear certain types of cases. Just as an example, in certain types of PSERA cases, if I can just use the acronym PSERA – that does stand for the Public Service Employee Relations Act; it'll save time – or maybe in construction cases there would be the ability to designate those divisions for expediency purposes. Members may be appointed to one or more of these divisions, and this'll recognize the fact that there is really a distinctive nature in labour relations to certain areas of the economy and allow the board to draw in a more efficient way on the specialized expertise that is out there in the province among the stakeholders in each of these areas.

The PSERA will also incorporate the LRB powers and procedures. All of the powers that are given to the board and its members and its officers by the Labour Relations Code will be available when it acts under PSERA. This will broaden the powers of investigation, mediation, adjudication that can be brought into play in a particular PSERA dispute.

Next, we'll see a key feature being vote-based certifications and revocations in the public sector. Certification and revocation provisions in PSERA will be in this Act replaced by those in the Labour Relations Code, and bargaining rights will be gained or lost only by secret ballot vote of the employees in a bargaining unit. That's an important provision there, Mr. Speaker.

Also, we'll see new collective bargaining time lines in the public sector. Under PSERA notice to bargain may be served 60 to 120 days before expiry of an agreement. This is a change from the current 30 to 90 days, and we believe that this will standardize the notice periods between the PSERA and the code that actually exist right now.

Also, there'll be statutory bridging of PSERA collective agreements. The PSERA, that Act, will actually bridge expired collective agreements through to the conclusion of a new agreement or to revocation of bargaining rights. Currently an employer and a union must bargain in the extension of collective agreements past their expiry dates. So that again is what we see as another key feature.

Then we'll see a standard arbitration terminology to remove confusion and complication. Grievance arbitration will be

referred to as "arbitration" or "collective agreement arbitration" under both statutes, and interest arbitration will be known as "compulsory arbitration."

A couple of other features would include new PSERA mediation procedures. Mediation will be available on the request of one party rather than on a joint request, and mediators and arbitration board chairs will be paid by the parties, not by the board. Also, the board will have the power to make rules for the charging of fees for services.

Then there'll be some procedural improvements under the code. We do see these and I think all stakeholders see these as improvements. Amendments to the Labour Relations Code will do a number of things. They'll legislate a 90-day presumptive time limit for unfair labour practice complaints. That was actually adopted as a board rule in 1992, and it will permit a single chair or a vice-chair to grant a notice to attend. Further to that, it will allow a single chair or a vice-chair to make an order that the parties consent to. These are some of what we see as the key features of this administrative amalgamation.

As we've moved to this decision carefully over the last year, or more than a year, we've sensed good support from all stakeholders in this process. We hope there will be a recognition of that in the discussions that follow now in the Legislature. We'd look for concurrence on this so we can move to see a completion of these administrative efficiencies and also the dollar savings that go with them.

Thank you, Mr. Speaker.

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

MS LEIBOVICI: Thank you, Mr. Speaker. Bill 1 is the first Bill in its long list that the government's put forward. I believe approximately 50 Bills are supposed to be put forward in the Legislative Assembly. I've always wondered: as it is just a housekeeping Bill, why is this the first Bill that was sponsored under the Premier's name? I think one of the things that, of course, we're seeing is that the government isn't ready for the major Bills that need to be discussed within this Legislative Assembly, and that has to do with the Municipal Government Act, the Hospitals Act, and the freedom of information and education Acts. So we're looking at a Bill that I think has maybe been rushed through.

The minister indicated in his opening remarks that consultation occurred. When we look at the Bill and look at the drafting of the Bill, there are a number of areas that are questionable – we will talk to them at greater length in Committee of the Whole – in terms of the meaning and I think need to be looked at with a lot more detail. So I wonder whether this Bill is in fact ready to be presented in the Legislative Assembly at this point in time.

In terms of strictly the housekeeping aspect of the Bill, the fact of the matter is that the two boards have been amalgamated. They are amalgamated, and they are working. So cost savings that the government wishes to achieve with regards to this amalgamation are already happening. There is only one chair of the Public Service Employee Relations Board and only one chair of the Labour Relations Board. I think when we talk about trying to hasten the process so that we can cut waste and duplication, in fact that is happening.

One of the commitments that the government has made in its business plan is to reduce these two pieces of legislation into one Act. Again I think what we're seeing now is a hastening. Perhaps there weren't any other Bills ready, and that's why this Bill became Bill 1. I think the point of the fact is that if we are looking at amalgamating the two pieces of legislation, one the Act

and one the code, then that is a process that requires consultation. That is a process that requires very public consultation so that we can get all the sectors of Alberta who are interested in this legislation acting together.

2:50

There are a number of concerns in terms of what happens as a result of this particular Act and what happens with regards to the province's role vis-à-vis mediation services and the charging of fees. One of the things that I think we need to recognize is that we are looking at pieces of legislation coming forward that are in fact addressing cutting of the budget – in other words, addressing not the debt but the deficit at this point in time through budgetary cuts – and are not in fact looking at what in reality is required as services: what is the government's role with regards to services that are being provided in the individual departments?

Now, within the Department of Labour there are the unionized sector and the non-unionized sector – this is very simplistic – that the department looks at protecting the interests thereof. We spoke at length on Bill 4 with regards to the non-unionized sector and the fact that we were concerned that the government was looking at providing fees for accessing services such as investigation of complaints, processing of complaints, et cetera. The minister has tried to alleviate the concerns on this side of the House by indicating that he will be providing the regulations and that in fact that is not the intent of this particular Bill.

I appeal to the minister's goodwill to perhaps allay some of our concerns with regards to Bill 1 as well. I think when we are looking at some areas of fundamental governmental activity with regards to a function that was started many years ago – and that was to in a sense police the labour relations climate within this province so that we do not see breakdowns occurring, or if breakdowns do occur, there is a process in place that would enable both parties in a dispute to come to an agreement – I don't think there is anyone in this Legislative Assembly that would state that they do not want to see agreements being looked at in an organized fashion. As an example, we have a situation of a couple of strikes across the province right now that are crying out for help in terms of resolving the differences between the employees and the employer.

Now, I think what we need to look at is the fact that mediation, supervised strike votes, applications, et cetera, are essentials in the negotiation process and in the provision of the level playing field that my colleague from Edmonton-Norwood addressed in his question this afternoon. I think we hopefully are in agreement that what we need in this province is indeed a level playing field that will allow both the employer and the employee sides of the bargaining table to sit down and come to a resolution. What we are seeing, though, with the charging of fees is that the potential for that may be overlooked by either the employee or the employer groups, who may feel that they don't have the dollars in order to access a mediator. So I think this is a really important aspect within this legislation; that, again, if it was strictly housekeeping, we would not look at the putting into force of fees, and we would not look at making people's lives more complicated, which in a sense is what's happening in terms of the amalgamation of the Public Service Employee Relations Act and the Labour Relations Code. A code, in my understanding, is supposed to be a form of one-stop shopping, but in essence by having references within the public service sector to the Labour Relations Code, what we are doing is complicating people's lives and in effect asking for people to pay more, even to get copies of the two individual Acts. They need to make sure that they've got both of these Acts handy so that they can understand what's happening.

Also, when I read the language within the codes – I know the government has looked at trying to get away from the legalese and having clauses and Acts that use plain English. Again, I don't see that happening. I had a horrendous time – and I'm familiar with the languages that are used – flipping back and forth between these Acts trying to make sure that I had full comprehension of how these two Acts worked in terms of amalgamating into Bill 1 and amendments to the Labour Boards Amalgamation Act.

While I was going through these one at a time, and while our researchers were as well, it became obvious that there were certain areas that just haven't been thought through. There are redundancies within this Act; there are omissions within this Act. I stand to be corrected, but I think there may even be some sections that are misquoted within the Act, and I think it's going to be a messy piece of documentation if we don't look at it clause by clause, article by article and make sure that we've got the right wording to pull it together. So if I can urge the minister between second reading and Committee of the Whole to ensure that that does occur, because I think there are going to be difficulties in terms of the Act itself.

Now, if I can just head back to some of my initial comments in terms of the intent of the department to amalgamate the two Acts and put that out for public discussion, I think that rather than doing a little bit here and a little bit there, it would be a whole lot more effective and efficient in the long run to just look at the two pieces of legislation together, perhaps look at and put out for public debate again whether or not the public service should have the right to strike, look at provisions with regards to the compulsory arbitration aspects, the mediation aspects, the powers of the mediator within the Labour Relations Code and try and come to a cohesive proposal as to what will work within the province of Alberta with regards to labour relations.

Right now we do have the lowest rate of work stoppages in the country. I don't want to be a naysayer or spreading gloom and fear, but I'm just reflecting some of the realities that we are beginning to see: that in effect there are starting to be more work stoppages, that these work stoppages are beginning to become entrenched, that we are seeing examples. Alberta Hospital Edmonton today is just one such example of where employers are being forced into an untenable position because of the budgetary cuts and – I will give the benefit of the doubt to the employer – are having to engage in practices that in turn are unfair labour practices. So I think in light of the very different climate we are in these days and will be, by the looks of it, for the next three years, I think it's important that we relook the Public Service Employee Relations Act and Labour Relations Code to try and see what in effect will best work in this province to ensure that we do have a climate of labour relations that is conducive to productivity, efficiency – I believe there was a question from one of the members – attracting businesses to this province. So those are the kinds of things that I think we need to look at.

Again, in terms of the housekeeping aspect, it's happening already. So if that were the only part of the Act we were dealing with, I think there would be very little disagreement from this side of the Legislative Assembly. It's those other bits and pieces that are thrown into the Act that make it just a little bit more than housekeeping that seem to say to me that we need to look at this Act and perhaps put it forward to the public for consideration before the Legislative Assembly heads further with this particular Act.

With those comments I'll close. Thank you.

3:00

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

MR. BENIUK: Thank you, Mr. Speaker. As I look at this Bill, I'd like to draw your attention and the House's attention to some very interesting sections. Before I begin, I realize that in politics sometimes that which is written has a double meaning; sometimes that which is said is not what is meant to be said. To put it another way, one has to read very, very carefully what one finds in a Bill. Otherwise, one could very easily miss a major item going through. I believe there is a major item going through.

I would like to draw your attention, Mr. Speaker, to page 8 and of course page 9. With your permission I will read you a very important section here. Section 9(2):

When notice to commence collective bargaining has been served under this Act, a collective agreement that applies to the parties at the time of service of the notice shall be deemed to continue to apply to the parties, notwithstanding any termination date in the agreement, until

- (a) a new collective agreement is concluded,
- (b) the right of the bargaining agent to represent the employees is terminated, or
- (c) a collective agreement becomes a collective agreement between the parties pursuant to section 60(2).

Now, the significance that I'm getting to is this. If you look on page 8 at the old section 9, that collective bargaining agreement did not continue. It died unless both sides agreed to continue it. So what we have here, if you look in sections 7 and 8, the only change is in the time period: 30 becomes 60, then 90 becomes 120, and so on.

I'd like to refer you to the old section 7, which says:

When a collective agreement is in effect, either party to the collective agreement may . . . by notice in writing, require the other party to the collective agreement to commence collective bargaining.

So what we have here, I believe, is a very, very interesting situation. A collective agreement will continue, so it will make it very difficult for a strike to take place. Replacement workers become a nonexistent issue. Because what happens here: automatically, if one side says, "Let's talk," by this Act the collective agreement continues. There's no time period for how long it continues. Under the old section it would have continued for a period of less than a year or for an unspecified period while the parties bargained collectively. Under the new section there is no time period, whether it's a month, a year, 10 years. It simply says that three conditions have to apply:

- (a) a new . . . agreement is concluded.
- (b) the right of the bargaining agent to represent the employees is terminated,
- (c) a collective agreement becomes a collective agreement between the parties pursuant to section 60(2).

So the collective agreement continues in perpetuity unless a new one takes place.

This virtually would mean, if I'm reading it right – and I look to the minister for guidance – that a strike becomes redundant, that the violence that took place this morning, I am told, at Engine Rebuilders becomes a nonissue, because substitute workers cannot take place because the agreement continues. So your Gainers situation of old, your Zeidler situation of old cannot take place once these three sections come into force. I find this to be a very interesting situation, especially considering the answers that were given earlier in question period by the minister. I would like the minister to elaborate, if this is the right interpretation of these sections, because I do believe they have a very powerful impact on the labour situation in this province, on collective bargaining agreements, et cetera. I would also like to refer to a few other sections here, but those three sections I believe I would like the minister in his response to focus on quite substantially.

I am, as I have been in the past under Bill 4 and other Bills, very concerned about words like "charging of fees for services or materials." It's wide open. There are no criteria given, no

parameters given. For example, on page 3, section 5: the only change from old 5 to new 5 is the inclusion of being able to charge a fee for services or materials. It's a wide open situation. Now, if the board can charge for mediating, for sending out notices, for inquiries, there is a danger that this will open up employer/employee relations into a more volatile situation if a facilitator like the government cannot step in to act as a mediator because suddenly you have vast fees coming into place. I say vast because we don't know what the amount is. I really would like the minister to comment on that because of the implications that could flow if the fees are too high, with the result that one or both sides will refrain from going to the government to act as a facilitator, resulting in some unpleasant situations on the jobsite or close to the jobsite.

On page 4 at the very top, 1.1, there's an area here that I have some problems with, considering what the labour market is, the difficulty of finding jobs, et cetera. It says here, and I quote:

The Board may refuse to accept any complaint that is made more than 90 days after the complainant knew, or in the opinion of the Board ought to have known, of the action or circumstances giving rise to the complaint.

There are some people who, when you have a massive unemployment situation, will be intimidated about raising a situation, fearing that they might end up losing their jobs. I do believe it is quite crucial to take a good look at this. If you put a 90-day time period on it, and a person builds up courage on the 91st day or the 95th day and goes with a complaint – the time period of 90 days I have problems with. I wonder if the minister will be flexible to the extent that if there are special circumstances, a particular case – like, a person will come and say, "I was afraid I might lose my job if I came at a particular time," – he would in regulation or possibly by amending this have some compassion for the individual. I'm not saying that in the majority of cases this would have to take place but those where there are special cases, where people should have come or may not have been aware that they had the right to go. There are people in that situation, and I do hope the minister will show some compassion in that area, as I am quite confident that he will.

On page 12, section 92, the word "may" is used. Now, I'm finding that when one looks at the Workers' Compensation Act, "may" appears throughout. Here we have once again the word "may": "The Board may govern." We're dealing here with remuneration for travel, for expenses to the chairman, members of the board, mediator, et cetera. It says here, "The Board may" compensate them. Well, the board either will compensate them or it will not. I mean, if you're hiring somebody to do a job, it's assumed that there'll be compensation. So the word "may," I wonder why they're using it. There seems to be this obsession for using the word "may" in quite a few Bills that have come forth, which creates an uncertainty, when in actual fact the word "will" would have been the more appropriate word to use, because I doubt very much if the minister or the board is going to hire someone and then tell them after they've incurred traveling expenses that they're not going to be remunerated for it. So I wonder if the minister would take a look at that one and just see if the word "may" throughout the Act should be there or the word "will." I'm using this as one example.

My major concern is if the minister would be kind enough to elaborate on the first item I raised, which is on page 8, and that's that the collective agreement continues in perpetuity except for three items coming into place that will change the situation.

With those brief comments, Mr. Speaker, I will yield to another member.

3:10

MR. SPEAKER: The hon. Member for Calgary-*Buffalo*.

MR. DICKSON: Thank you very much, Mr. Speaker. I have a number of observations I wanted to make on second reading with respect to Bill 1. You know, the initial difficulty I face in rising to speak to this is that we are only dealing with second reading and we're not dealing with detailed amendments. Yet when we're presented with a Bill which is in pith and substance a housekeeping sort of Bill, an administrative, restructuring kind of Bill, it's difficult if not impossible to stand back and deal with principles without also incorporating specific reference to some of the initiatives within the four corners of the Bill itself.

I wanted to make this general observation and general concern I've got with Bill 1. I think it's been touched on by my colleagues from Edmonton-Meadowlark and Edmonton-Norwood earlier. What we're doing is in effect dealing with two different statutes, and it's clear that there's an effort by the government to, if you will, integrate these two different legislative regimes, yet it's being done in instalments. I take very seriously the observation by my colleague from Edmonton-Meadowlark that if we're going to get in and deal with what is essentially a system, it strikes me as being a bit dangerous to deal with only one component of that system, to deal with only one-half of the equation, leaving the other to come into force, in fact to be introduced and debated at some subsequent time. I think it would be clearly preferable, Mr. Speaker, if what we had was a situation where what we were saying was a complete package and we were able to deal fully with both the Labour Relations Code and the Public Service Employee Relations Act in total, not in fragmented bits and pieces.

Also, I support my colleague from Edmonton-Meadowlark when she raised concerns about the extensive cross-referencing. You know, we're at the time, the point when I think legislation here consistently is plain language, clear written statutes, statutes that any Albertan can pick up and get some direction, that Albertans can with a minimum of difficulty understand whether they're affected, firstly, and, if they are affected, how they're affected.

What we've got here is a Bill that starts out – there's no statement of principle, so we don't know what the objectives of the government are in legislative form, of little assistance to the court if the court should have to interpret it. Let's face it: virtually every statute that emanates from this place at some point is going to be the subject of judicial construction. If we'd had a statement of principle at the beginning of the Bill, then we would have provided the court with a useful aid. So if it has to be judicially construed if there are some questions down the road, then the court has got, if you will, something of a road map to follow in construing and interpreting and clarifying provisions in the statute.

We don't have a statement of principle, so what do we deal with? What do we start from then? Well, we have the introductory comments by the minister in speaking to this when he put it in front of this Assembly for second reading. I listened as closely as I could. You know, I appreciate that this minister is usually very forthright in telling members where he's going, but I was left with some concern that in effect we're only dealing with one part of the equation and the other shoe is going to drop somewhere down the road. If we had a statement of principle in this Bill, then it would be much clearer. I think all members would have a much greater sense of confidence, when we see this legislation ultimately passed in whatever form, that subsequent legislation would be integrated and fit in with this first Bill. I share that concern that's already been brought to your attention.

I think it's always dangerous, Mr. Speaker, when we get into what I call an incremental amendment, an incremental change. Particularly is this a problem when we don't have a clear statement of principle. I think that every minister, every member

of this government, and it should be the top priority for every Parliamentary Counsel when they draft legislation: you start off telling the people of Alberta what the mischief is you're attempting to correct and how you're attempting to achieve that goal. I'm sure this minister is going to be introducing other Bills, and I hope that in future legislative initiatives from this minister he will take my constructive criticism to heart and hopefully incorporate that suggestion – because I only mean to be helpful to the hon. minister – in future pieces of legislation.

I wanted to turn for a moment, Mr. Speaker, to the new divisional structure that is envisaged and indeed will be created by Bill 1. What we see with this – as soon as I can locate my copy of the Bill – is that there is a divisional structure, but other than sort of a blanket mandate, a blanket authority given to the board to create divisions, this Assembly has no further voice and no further control over the creation, the amalgamation, the substitution, the elimination of divisions. One would think that a division of the board would be a sufficiently significant construct, a sufficiently important step that there would be some specific legislative sanction.

So I'm uncomfortable with simply subdelegating or enabling a subdelegation of that authority, because I think it's dangerous. While all of us may have confidence in the current members of the board, that is something that I think is too important a responsibility to subdelegate. I think the responsibility should remain with the Legislative Assembly, and the way we keep that responsibility is we don't allow the subdelegation. We resist it, and we say: if you're going to reconfigure the divisions, do it here, and if you want to change them, come into this Assembly and introduce the appropriate amendment. That's the appropriate way to deal with this, not simply to subdelegate the authority.

I think I've made similar points with this same minister on other legislation that he's brought before the House earlier this session. Now, it may just be that the Bill was printed before he had an opportunity to look back at the comments I made with respect to previous legislation he introduced. There's another possibility, which I would reject out of hand, and that's that he'd find absolutely no merit in my earlier suggestions. I hope it's just a question that Parliamentary Counsel and the printers got ahead of the minister in this case and that we suddenly found Bill 1 on our desk before he had a chance to take to heart those constructive suggestions that were proffered at an earlier time in this Chamber and integrate those constructive, positive suggestions into subsequent legislation such as Bill 1. So I do have that concern with respect to the new divisional structure and the extent to which that's just being subdelegated, Mr. Speaker.

3:20

Moving on, if we look at section 1(4), what we deal with there is the amendment: "Section 10(1) is amended by striking out 'a panel consisting of'." I think what we had before was something that was a little more straightforward. I'm hoping that we'll get some explanation from the minister in terms of the reason for this particular change to section 10(1). It always strikes me that if it's important to create a panel, members in this Assembly should have the opportunity to deal with a concrete proposal, a specific proposal. We don't have that opportunity here. So I hope we get some explanation if not here then certainly at second reading.

I see, as I look across, the Minister of Energy, and it reminds me, Mr. Speaker, that when I heard the hon. Minister of Labour introduce this Bill, he said, and I quote: there's good support from all stakeholders. I appreciate that observation, because I think that's something all members like to know, that there has been a full and far-reaching consultation. My reference to the

Minister of Energy – all members will remember that when we looked at section 4(b) in Bill 3, the natural gas marketing Act, we had that hon. minister tell members: this is the subject of extensive consultation, Mr. Speaker, consultation with people in the oil and gas sector and industry; we listened to them, and that of course is why we wanted to increase the prosecution period to 36 months. Well, as it turned out in debate and as I think I'd suggested to you on an earlier occasion, in fact the industry didn't support that at all. We're exceedingly upset at two things: firstly, that the government would proceed to extend that period to be able to prosecute oil and gas companies, many hardworking entrepreneurs who don't feel that they should be subject to that extended type of exposure and liability. That was certainly one concern. The second one: it was represented that they supported it.

So when the Minister of Labour comes forward and says: I've consulted with the stakeholders; there's been good consultation; trust me – I guess I feel that we've been burned in one respect when the minister came forward and said that. So I'm loathe to simply stop my analysis at that point and simply rely on the minister's assertion. He may genuinely feel and no doubt he does – I don't mean to suggest some mala fides. No doubt he genuinely believes that there's been good support from all stakeholders, but I think we still have a responsibility, certainly on this side of the House, to examine the thing further and do an independent kind of analysis.

Section 1(5) on page 3, Mr. Speaker, I think has been touched on by some of the other speakers.

Point of Order Clarification

MRS. BLACK: Mr. Speaker, on a point of order.

MR. SPEAKER: Is the hon. Deputy Government House Leader rising on a point of order?

MRS. BLACK: Yes, Mr. Speaker, under 23(i). Just for clarification on the record. The hon. member has indicated that the Minister of Energy did not consult and have industry acceptance in some Bills that are before the Legislature right now, and I'd like to clarify that position with you. If you would bear with me, I could in fact read off the names of the companies and the associations that participated in the project directly to develop the projects. I'd be prepared to do that at this point for clarification on that.

I can go through on the natural gas simplification project: Alberta Energy Company Ltd., Altex Resources, Amoco Canada, Beaver Drilling, Canadian Hunter, Chevron . . .

MR. DICKSON: Mr. Speaker, is this my time?

MR. SPEAKER: Order please.

MRS. BLACK: Just for clarification, so the hon. member knows.

MR. SPEAKER: If it was a lengthy list, the hon. minister would be able to table the information.

MR. DICKSON: Mr. Speaker, I'm delighted to have the list read into the record provided it's not on my time.

MR. SPEAKER: No. I'm afraid it might be on your time, hon. member.

MR. DICKSON: Well, if that's the case, then, I'd be delighted if the minister would table that list of companies that she consulted with indeed on the minister's time.

Debate Continued

MR. DICKSON: Mr. Speaker, in any event, I have that concern and specifically when I look at section 1(4).

Now, moving on, looking at section 1(5)(g)(iii), the charging of fees. I do have a concern that once again we have subdelegation to the board to set up fees. I hate to be repetitive, Mr. Speaker, but sometimes the situation warrants repetition. I think that repetition is warranted here. We've talked before, in fact, with other legislation introduced by the very same minister about the concern that Albertans should have with the subdelegation of the power to fix fees, fees for Albertans being able to obtain services that we expect the provincial government to provide as part of its protective mandate. What we've got here is a subdelegation with respect to the charging of fees again.

This perhaps would not be such a major concern were it not for the fact that what we've seen is an inordinate number of user fees that have been brought in by this government, a huge number of fees, many of which if not all of which potentially represent an obstacle. They represent an impediment to particularly low-income Albertans being able to access the services they assume they paid for when they paid their taxes. So I've got a difficulty with that. In fact I'll advise the minister that when this gets to committee, I hope to have an amendment that will satisfy him and other colleagues like the Member for Rocky Mountain House, who sat, as I did, listening to numerous submissions on the freedom of information all-party panel where there was a concern in terms of fees. I think it was a tremendous education for all seven of us on that panel about how important fees are and how essential it is when we're talking about fees for any kind of essential government service, that there be some limitation put on those things. That's important.

Section 1(6) strikes me as being somewhat odd; this is the limitation period: (1.1) at the top of page 4. There is now, as I understand it, no time limitation for a complaint to be dealt with, and what the minister now wishes to do is to import a cutoff, a limitation. So I think one is entitled to ask: why is it necessary to bring this kind of limitation in? It may be that the minister feels there's been abuse in the past. It may be that people have not moved in a timely way to raise complaints. If that's the case, then I wish the minister could give us additional information, because from my discussion with people involved in labour relations, this is not a case of major abuse. This is not an area where there is widespread delay. If I might make this observation, (1.1) goes on to say that the complaint can be refused if it's "more than 90 days after the complainant knew." That may be reasonably straightforward, but then it goes on to say, and I quote, "Or in the opinion of the Board ought to have known, of the action or circumstances giving rise to the complaint."

Well, Mr. Speaker, you will appreciate that we've seen all kinds of difficulty in many other cases where statutes have attempted to import an objective kind of fact or criterion like this. How is it determined when somebody ought to have known of the action? In effect what happens: there's a potential for significant prejudice to an individual complainant, and I think that significant prejudice is something that we can't countenance here in this Chamber without far more compelling reasons, a far stronger case than has been made out so far. If there is such a stronger case, then I'm hopeful that the Minister of Labour will before much longer make that case either directly or perhaps through one of the other members of his caucus.

Moving on, Mr. Speaker – and I must be close to the end of my time . . .

3:30

MR. DINNING: Yeah.

MR. DICKSON: And I always appreciate the fact that the Provincial Treasurer is so good with figures he's able to monitor my time with such a high degree of precision, Mr. Speaker.

I just conclude by saying that on page 8 and page 9 I counted at least five items that I think require amendment. I'm encouraged that the very competent Member for Edmonton-Meadowlark will I think in fact draft such amendments, introduce them, and hopefully we'll get the concurrence of the minister, because I know the minister wants the very best possible Bill here for the people of Alberta, and I think that's what we're all anxious to pursue.

Thanks very much, Mr. Speaker.

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

DR. PERCY: Thank you, Mr. Speaker. In this phase of debate we discuss the principles of the Bill. Certainly, on one hand while I view streamlining of government operations as yielding significant benefits for Albertans – and I note that in fact a portion of the administrative streamlining has already occurred – in looking at this Bill, which consists of amendments to the Labour Relations Code and the Public Service Employee Relations Act, I would have much preferred had there been one integrated Bill brought into play. I'm reminded of the fact that in a previous career that I had on occasion I wrote in obscure ways, and it required me to hunt and peck through a variety of different sources. Well, this Bill here is a nightmare in terms of hunting back and forth between sections and trying to put it in context. It's clear that those people afflicted with having to operate with this Bill are going to spend a lot of time jumping around between sections.

AN HON. MEMBER: Lawyers.

DR. PERCY: Yeah, and for lawyers time is money.

If we're going to bring forward a Bill which moves towards consolidation, it would have been better then had we had the entire Bill. But be that as it may, that's the first point. I think that if we're going to integrate, let's do it at once rather than do it incrementally.

The second point relates to the theme that has been raised by a number of speakers on this side of the House, and it concerns the use of user fees. Now, the reality is that I think user fees make sense in a number of distinct occurrences. Where in fact there is a distinct benefit being conferred on an individual, then you want a user fee there so that they incur some of the costs of providing that particular service. But when we talk about mediation services, there are benefits from mediation services, Mr. Speaker, that accrue to Alberta as a whole. The security of employment, the fact that a region gets the reputation as having harmonious labour relations is very important. It acts as an inducement for firms to come. When you have labour relations that are characterized by sort of a blood sport mentality where litigation is the rule of the day, then you run into problems. I would think as we move down the user fee track, this is not an area we should be imposing user fees. We do not want to preclude individuals or groups from using mediation services. Mediation services provide a level playing field for those that do not have the resources to confront those that do, and it's part of the role that we assign

government to provide such services. It's of use, then, in the level playing field for those that are impoverished, do not have the resources, but it also is useful for the province as a whole because it does provide, then, that stability and a set of rules of the game which will ensure that when firms come, they know what the rules of the game are.

So my concern when I look at some of the amendments – for example, I look at the amendment to the Labour Relations Code, (5) section 11(2)(g):

For the charging of fees for services or materials provided by or at the direction of the Board in a proceeding before it or in an application under [it].

That's relatively open ended, and I can understand why in some circumstances you might want to charge fees, but in other circumstances and in fact most circumstances mediation, if successful, reduces labour disruption, ensures that labour is productively employed, ensures that the capital that is in place is productively used. So any barriers that we erect I think are self-defeating, and the small amount of money we may get in fees may be more than offset by the potential for increased labour disharmony and disputes that might emerge.

If we look again at the amendments to the Public Service Employee Relations Act – and I would now go to the amendments to section 46 – here again we see a distinct change. We see that "the expenses and remuneration of the mediator shall be paid jointly by the parties." That ought not to be in place. If we want to ensure the minimum of work stoppages, if we want to ensure the greatest flow of information, I don't think we should be erecting these types of barriers. As I say, Mr. Speaker, when there is a distinct benefit incurred on an individual by drawing upon the services of government, by all means charge a user fee, but when you're trying to speed up the process of achieving labour relations, when you're trying to ensure that contract disputes are amicably settled, such types of user fees I think are counterproductive. So this is not an argument against user fees. It's just that when there are spillovers from the process provided by government, we ought not, then, to be imposing user fees in those areas.

Another area in terms of principle that I have concerns about when I read this Bill is that although the Premier has talked about opening up the system and making it more transparent, when we look at the appointment of members under the Labour Relations Code, "section 9 is repealed and the following is substituted," and it lays out who will be appointed under what circumstances. Now would be the time for the hon. minister to in fact take a stand and say: "The members of this board will go through the review process. Their credentials will be publicly debated, and we will have professionals here." It may well be the case in most instances they are professionals, but let's have it as a requirement that they go through this board, because it helps ensure the transparency of these institutions. It helps ensure the credibility of the institutions. People realize then that it's been an arm's-length board that has been appointed, that there are not in fact members appointed simply because of the colour of their memberships.

Now, the final point I would make concerns a previous point of order, Mr. Speaker. The Minister of Energy was quite willing then to read into the record each of the groups that had been consulted with with regards to a Bill previously discussed. It would be very useful when the Minister of Labour brings in a Bill and refers to widespread consultation if he could go through which groups he has spoken with, what they said, and what their major concerns were, because that would then provide that comprehensive basis of support, and that hasn't been done. We have his word for it that such a process has been undertaken, but it would be I think very useful for all members of this House to

hear exactly how comprehensive the consultations were and for the member to suggest where there were points of disagreement and where the government views that the position that they've taken in this Act is a legitimate one and that the intercessions made by the groups consulted may not have that much merit. It would in a sense, you know, expedite the process that is currently under way.

With those comments, Mr. Speaker, I'll conclude. Thank you.

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

MR. BRUSEKER: Thank you, Mr. Speaker. I just want to add a few comments on Bill 1, the Labour Boards Amalgamation Act, as well. I would like to support this Bill, but I can't, and I'd like to outline why that is.

I started reading through it, and you know, the title and the number are fine. I didn't run into a problem until I saw the first amendment that is proposed in this Bill, and I thought I'd start there. It talks about people will be "appointed as members of the Board by the Lieutenant Governor in Council." I thought: the Lieutenant Governor in Council, that's cabinet, and that's the same group that decided to give \$650,000 as a golden parachute to a fellow who drove Gainers into the ground at \$20 million a whack per year, and I thought that if these are the people making the appointments, I've got some concern about that.

Point of Order Allegations against a Member

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

3:40

MR. SPEAKER: The hon. Government House Leader is rising on a point of order.

MR. DAY: Yeah, on 23(i), which talks about alleging certain things. It's already been made abundantly clear in the House and in the media, for those who read and believe that source of information, that in fact the member dealing with this particular Bill, being the Minister of Labour, was in fact not involved in any discussions regarding severance with any employees at Gainers. It's been made abundantly clear that those principals who were are in fact not here today. So I just bring that out on a point of order, Mr. Speaker.

MR. SPEAKER: The Chair will rule that there's a disagreement between the hon. members as to the meanings of certain things that have transpired.

The hon. Member for Calgary-North West.

MR. BRUSEKER: Thank you, Mr. Speaker. I appreciate that ruling. Obviously, the Minister of Labour has a thinner skin than what I anticipated.

Debate Continued

MR. BRUSEKER: Mr. Speaker, I guess what I'm saying is that rather than have this amendment that says that the appointment shall be made through cabinet, we have a Public Service Commissioner that is in that role of selecting individuals. Why does this particular Bill talk about cabinet, which includes a variety of members, not just the Minister of Labour, in this decision-making process? So I would put that forward as a suggestion for the hon. minister to take under advisement for future, potential I guess, amendments that may come up at Committee of the Whole stage.

Mr. Speaker, as I was reading through this Bill – and the Member for Edmonton-Whitemud alluded to this, too, a little bit

in his comments. I know you will recall that we used to have in this House a minister of consumer and corporate affairs who introduced a Bill and proudly proclaimed that it was a plain language Bill. As I read through some of these different sections in here, I thought, you know, it would really be nice to see that philosophy of plain language applied to other Bills, such as Bill 1. Just as an example here, I'm talking about one section on page 8. It says:

A collective agreement that applies to the parties at the time of service of the notice shall be deemed to continue to apply to the parties, notwithstanding any termination date in the agreement.

MR. DAY: Where was that?

MR. BRUSEKER: The bottom of page 8. It goes on to the top of page 9.

I have no problem with the phrase, because really when you put it in plain English, it says that if you haven't got an agreement by the end of your contract, the old contract keeps going. Now, to me, Mr. Speaker, that would be a simpler way of putting it. I'm just picking out one phrase as an example. There are some further points that actually I included: sub (a) that says "a new collective agreement is concluded."

The point that I'm making here is that this section and indeed the whole Bill I think would be improved by the process of putting it in plain English. The reason I say that in part is that when I consider the individuals most likely impacted by this piece of legislation, it is probably the case that the majority of them were not schooled in the law, in terms of interpreting the finer details of a piece of legislation such as this one or such as this one proposes to amend. If it were written in plain English, in language that was simpler for most people to understand, I think it would be of better service to those whom it is intended to serve. So again I offer that as a suggestion not only to the Minister of Labour but indeed to all members of cabinet, that legislation that comes before this House I think could be improved substantially by following the principles, the concepts of writing them in plain English.

Now, I recall also that when the former minister of consumer and corporate affairs introduced his Bill, he said that part of the difficulty they had in writing the Bill in plain English was that there were not enough people who were schooled in writing it that way. I'm not sure why he was having difficulty in that.

MR. DAY: Lawyers, lawyers.

MR. BRUSEKER: "Lawyers, lawyers," says the Minister of Labour. There may well be some merit to that as well. I guess I would like to see more legislation written in plain English, and I just use that one citation as an example, Mr. Speaker. I'm not picking on that particular section for any particular reason other than as an example.

Mr. Speaker, a question that I would put to the Minister of Labour. When I'm looking at page 2, section 9(6) says, "a quorum of the Board or a panel is the Chairman or a vice . . ."

Point of Order Second Reading Debate

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

MR. SPEAKER: The hon. Government House Leader is rising on a point of order.

MR. DAY: Mr. Speaker, I have been patiently and intently listening to all points raised by members opposite, because I do

believe things can be improved that way. There are areas we may have overlooked that in fact can be improved on. That happened with Bill 4. Who knows? It may happen with this one, even though this is pretty simple and administrative. But *Beauchesne* 659 says, "The second reading is the most important stage through which the bill is [passed]," because the whole principle is at issue, and "it is not regular on this occasion . . . to discuss in detail the clauses of the bill." I was quite patient with the Member for Edmonton-Norwood and the Member for Calgary-Buffalo, but now the Member for Calgary-North West is really getting into substantive detail, not just on clauses but subclauses and details. I would ask that the Chair might consider ruling, which would confine this to the principles at second reading rather than the minute details and clauses, which I'd be happy to address in Committee of the Whole.

MR. SPEAKER: Well, as has been pointed out, sometimes there's a little more difficulty in addressing a housekeeping Bill than one that is starting brand new, that's all inclusive. But the fact remains that there is another stage for consideration of this legislation, and to the best of their possible ability, members should stay with the principles that are enunciated in the Bill and not get into too much detail.

MR. BRUSEKER: I appreciate your comments, Mr. Speaker. I was referring to the clause because I was getting at the principle of membership on the committee, so I was using the example to get to the broader issue.

Debate Continued

MR. BRUSEKER: I appreciate the intervention of the hon. Minister of Labour, but the principle that I was trying to raise is: how many folks are going to be on this committee? Because it talks about what constitutes the quorum, but as far as this particular piece of legislation goes that we have before us today, Bill 1, it doesn't talk about how many, the total number, shall be on this particular board or panel as it refers to. So I'm wondering a little bit about the total membership and the principle about who's appointed and how they're appointed and how many are appointed and so on. That's the broad principle that I was getting at, Mr. Speaker, and I did use an example, so I will try to be more careful in crafting my comments.

One of the issues that comes up for discussion in this in a broad principle sort of fashion is the idea about voting and who does what on the committee. One of the issues that is raised in a number of places in the Bill – I know I don't need to refer to a particular clause – talks about the idea that the chairman, whoever occupies that position, potentially has a second vote in the case of a tie. In many of the committees of which this Legislature is involved and certainly the role of the Speaker in the Chamber here, typically the chairman does not cast a ballot except when needed to break a tie. I'm wondering why it is that this Bill seems to deviate from that process, wherein the chair casts a vote only in the event of needing to break a tie. It sounds to me in reading through the different sections in here that in fact the chair can in part create the tie and then in turn break the tie as well. I have some concerns about the concept that someone should get two votes on a committee. I know this is an issue that we have raised in the past with different pieces of legislation, but I have some concerns about that in this particular area as well, because, Mr. Speaker, I think it unfairly weights one person's ability to decide the outcome of whatever may be up for discussion that particular day.

Mr. Speaker, the concept of user fees is one that the hon. Treasurer I know is keen on, and there's reference to user fees again in this particular piece of legislation.

MR. DINNING: Texas audit commission.

MR. BRUSEKER: Taxes on commission?

MR. DINNING: Texas audit commission.

MR. BRUSEKER: Texas audit commission. Don't know anything about it. Never been to Texas.

I would like to just raise a concern that I guess I have with the concept of charging fees, et cetera, et cetera. The issue of fees and charging of fees may well be one that inhibits the inquiry process or the initiation of an inquiry process by an aggrieved individual. So I'm concerned that fees, however they are decided, however they are levied, whatever amount they are ultimately decided at, need to be reflective of the nature of the inquiry that's being questioned. I have a bit of a concern here. The legislation is rather vague as to how or what or where, et cetera, et cetera, a fee shall be charged. I wonder if at some point in his closing comments the Minister of Labour might address that particular issue.

3:50

Mr. Speaker, one of the concerns with legislation sometimes is that you get sort of a clause somewhere in there that suggests that anything is kind of wide open. In the Constitution we have the notwithstanding clause that has created some difficulties. There is a section in here on powers of the board – this is on page 5 – that again throws it open and really seems to leave the door open for broad interpretation by the Labour Relations Board. It says that anything that needs to be involved or is of import to this board can be brought in and will be considered to be part of that piece of legislation. I have some concerns about that from the standpoint that it seems to be much too potentially sweeping in the scope of power that it would attest or attribute to the Labour Relations Board. It simply refers to the idea that even if it's not referred to specifically in the Act, if it's necessary, it can be included as if it were a part of the Act.

[Mr. Deputy Speaker in the Chair]

Well, again, going back to the issue of plain language and the concept of people getting an understanding of what it is that is really involved here, I think it might be prudent at some point, if we were having an amendment to the Bill later on, to list those pieces of legislation that potentially could be considered as being a portion of this piece of legislation. So I'm wondering if at that point the Minister of Labour is going to have a subphrase or an amendment or consider listing potentially inclusive pieces of legislation that might be impacted, if for no other reason than simply to give individuals who might be impacted by this piece of legislation a focus, a direction as to where they should go for additional interpretation, additional legislation, additional direction as to what it is might be impacted or how that might be impacted. Now, that may seem rather vague, Mr. Speaker, and I submit that it probably is, because indeed as I read the Bill in that particular section, it's not clear, at least to this member, what it is referred to by that section. So I raise that again as a question. In order to make it clear and direct for those who are impacted, I think there should be a clear indication of where it is that additional information can be sought.

So with those few comments, Mr. Speaker, I'll leave those with the Minister of Labour and look forward to his comments regarding them. Thank you.

MR. DEPUTY SPEAKER: The hon. Member for Leduc.

MR. KIRKLAND: Thank you, Mr. Deputy Speaker. I'm disadvantaged in light of the fact that I didn't have the opportunity to listen to the hon. Member for Red Deer-North give the explanation as to what was intended by the Bill.

MR. DAY: You missed out big time.

MR. KIRKLAND: Well, I just sure hate to miss some of the great oratories that he directs over here, but that was one I think I'll just have to live without, Mr. Deputy Speaker.

I understand it to be an attempt to capture efficiency, and that being the case, I ask why the Bill has to come forward now, particularly in light – and if I recall correctly, the business plan suggests these shall be amalgamated in 1996-97. So why the Bill receives such priority is a concern in my mind. I would ask the question: when I'm looking and trying to determine exactly where we should go with it, is the Bill really intended simply to force the Alberta union of public employees and some of the hospital groups to take a 5 percent rollback or perhaps more than a 5 percent rollback? Or has the Bill received priority because the government wants to avoid challenges due to the changes made administratively in combining the two boards last year?

As I reviewed the Bill – and my recollection strikes me that the Public Service Employee Relations Act, the groups that were impacted, influenced, or governed by that have for years struggled to restore the right to strike, and I think that when we look at the mind-set of the government today, they are somewhat less than sensitive and friendly to labour. The opportunity to have the right to strike restored is probably as remote as our ability to walk to the moon on a flashlight beam, Mr. Deputy Speaker. However, arbitration has proven to be a reasonable and fair solution when there is no strike provision, and I did not see provision for arbitration in the Bill as I quickly reviewed it. So I think it's unfortunate that it's not addressed, and I think it should be included in some area or some avenue so in fact labour can benefit from that.

As I attempted to determine – and of course I am driven by a suspicious mind when we are in this House, unfortunately. I wondered if, in fact, the other potential reason for bringing the Bill forward is to ensure that no parties can challenge any efforts by the government to force unions into arbitration or to achieve their goals.

In looking at the general principles of the Bill and attempting to stay away from the specifics, as the hon. Member for Red Deer-North would like us to do, one of the general principles that I found in this Bill is one that I see surfacing in many of the legislations that have been brought forth. I could use Bill 2 as an example, where we are in the process of appointing an MLA to that particular board when it has functioned quite effectively without the political interference. I see in one of the clauses here that there is potential for the government to again end up in a position of appointing people who sit on the boards. That, to my way of thinking, is undesirable. We can recall the Auditor General's report of so many months and years ago pertaining to NovAtel, clearly indicated that caused us some difficulty and was part of the reason we ran into that situation. Certainly, again, that collection of power at the bureaucratic or at the minister level is undesirable. I think it has a tendency to channel too much

political power to the decisions that are being made and cost this province considerable dollars over the years, and I would suggest that in fact we should move away from it, Mr. Deputy Speaker.

So with those cursory comments on the Bill as I view it, Mr. Deputy Speaker, I would offer the floor to one of my other colleagues to bring forth their concerns.

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

MS LEBOVICI: Actually, I was just wondering if we could revert to Introduction of Guests.

MR. DEPUTY SPEAKER: Okay. The Assembly is asked if we could revert to Introduction of Guests. All those in favour, please say aye.

HON. MEMBERS: Aye.

MR. DEPUTY SPEAKER: Opposed, please say no.
Edmonton-Meadowlark.

head: Introduction of Guests
(reversion)

MS LEBOVICI: Thank you. I'd like to introduce to you and through you Sidney Pierce and Hollis Pierce and I think a son that I don't know probably or another gentleman with them. Sidney is the wife of Chris Pierce, who ran in the last federal election for the Liberals. If she'd please rise and receive the warm welcome of the House.

MR. DEPUTY SPEAKER: Thank you.
Edmonton-Glenora.

head: Government Bills and Orders
head: Second Reading
Bill 1
Labour Boards Amalgamation Act
(continued)

MR. SAPERS: Thank you, Mr. Speaker. I have a few brief comments that I'd like to make on this Bill, Bill 1, the Labour Boards Amalgamation Act. In particular, what I'd like to do is indeed talk about the principles that the Minister of Labour wants us to discuss, or should I say the lack of principles? The fact is that Bill 1, the first Bill of a session, is sort of a flagship Bill for a government. It's supposed to indicate the tone of the session, the tone of where the government's at. It's supposed to, in fact, in some way demonstrate some kind of leadership. Unfortunately, we don't see that at all in this Bill, and there are two examples that I'd like to point out in particular. Now, I know some of my colleagues have already talked about these, but I would like to add my voice to the record of concern expressed about a couple of points.

4:00

Mr. Speaker, we're told that this is just housekeeping, just a housekeeping Bill. Well, if this is housekeeping, it's a pretty sloppy house indeed. I mean, I can't imagine why a government would say that this is just housekeeping and show such contempt for the legislative process, such contempt for the whole parliamentary tradition of debate before significant policy change, before in fact a law is implemented. What we have here is just another

example of this government yelling, "Ready, fire, aim." They're doing their business. They're going ahead as though this Legislature doesn't exist, and then they have the gall to come in after the fact and ask permission. You know, they really are flagrant in their contempt of the legislative process. They shoot first and ask questions later, if they even bother to ask at all.

Mr. Speaker, the second major concern that I have is about this notion of the cabinet appointing the board. Again, what utter contempt for the process. We have the Premier standing up in this Assembly and in other places talking about the importance of openness, transparency, accountability, how they're under new management, that was then and this is now, just relax, I'm not going to blink, and all of those other homilies that the Premier is so good at uttering. Yet what we see is his Minister of Labour in Bill 1 trying to defend the indefensible; that is, more of business as usual, more of the same old thing. What he is saying is: what we're going to do is just say to the people of Alberta, "Trust us; I'm from the government, and I'm here to help." What nonsense.

We have a government that's supposed to be committed to a whole new process of appointment, supposed to be consulting with stakeholders in a meaningful and an important way. We're supposed to see a process that calls for the open appointment of board members to all government boards and commissions. But what do we have in Bill 1? Cabinet approval, more business behind closed doors, more of the couch committee making the decisions on something as fundamental as the labour laws that govern this province.

Mr. Speaker, I can't support Bill 1. This Labour Boards Amalgamation Act is very poorly thought out. It is quite frankly an insult, I believe, to the Assembly and to the democratic process, and I would urge that all members do not support Bill 1.

MR. DEPUTY SPEAKER: Lethbridge-East.

DR. NICOL: Thank you, Mr. Speaker. I'd just like to bring out a couple of issues on the principle in terms of Bill 1. First of all, this Bill brings together the amalgamation of the Labour Relations Code and the Public Service Employee Relations Act, and this in itself is a good initiative. We have to look at it from the point of view that there's a lot of potential here to bring forth some kind of an efficiency in terms of the serving of the needs of the labour industry. This kind of philosophy has been brought out in many of the other pieces of legislation which are being introduced this session as well.

In this particular case I have to question the direction that this is going. When you start amalgamating boards that have as a mandate serving different sectors of an industry or different functions within an industry, in this case representing the relationship between employers and employees in the private sector and the second one being the relationship between employees and employers in the public sector, we're looking here at a very different mandate in terms of both the operation and the philosophy that has to be evaluated and dealt with as issues come before this board.

The public service sector – we have basically two sides of it that are looking at it from the perspective of competition, from the perspective of alternatives. The employees in that perspective have the option to deal with alternative employers for the same service, the same way that the sector that is being served by that relationship can deal with options if a conflict arises. On the other hand, in the public service sector we have a situation here where by definition the public service is providing service to the people of Alberta in an area that cannot effectively or adequately

be provided through the open-market system, the free enterprise presentation of service.

What we now end up with here is a situation where employees and the government as employer take on a totally different focus than what we had when we had two people operating in the private sector. So I would like to suggest that basically what we're doing here is not bringing together two boards that have the same mandate, that have the same focus to their relationship between the two individuals who are involved in any conflict or in any arbitration that has to be brought about dealing with this solution to a problem.

We have to deal with the provision of service in a public context, especially if we start dealing with things like the health care, safety issues for the public. Any situation that would lead to an interruption of service in that context has to be handled much more severely than in the private sector, where many alternatives exist for a similar service or a substitute service to be provided through the marketplace. So I would suggest that basically here we're not dealing with the simple situation of the combination of two boards which have a similar function that can be easily put together into one board operating with the same mandate. We have a significant conflict in terms of how these different organizations work, and we're asking board members to look at cases brought before them for hearing to be able to deal with these on the same basis.

This ties in with the second point that I'd like to discuss; that is, the board. We've heard comments already that there's no real reference in here to the size of the board. I would like to approach it more from the mandate of the board. We're not looking at any kind of criteria in the definition of the Bill here that gives us an idea of how the composition of the board will be made up. What criteria will Executive Council be looking at in terms of appointing individuals to the board? Are they going to be able to adequately serve as an arbitrator in a private firm context and then either in the same meeting on a different case or in a later meeting be able to deal with the issues that are involved in dealing with labour relations, where they have to deal with public service and public sector labour relations?

So this is basically an issue that in terms of principle goes back to this idea of, you know, are we looking here at putting together boards that have the same functional mandate. I would contend that in this case we're looking at boards that are being combined here that have very different mandates, that the actual operation of these has to be considered separate, and that the mandate they're given maintained under their existing . . .

The other issue that I'd like to deal with in terms of the principle of the Bill goes on to the idea of the charge for service. This again is putting together a situation where we have options in the section that allows the board to make rules that deal with the fees for services. Here basically that comes out. We've heard already expressions that this can discriminate against individuals or groups that don't have the resources to adequately present their case to the board. It's making sure that we have to have some kind of a process built into this where individuals that are not able to deal with the fee can be dealt with.

In context of the principle, basically I'm not opposed to the government charging for services when the recipient of that service has a means of getting a benefit that will accrue from that service that's provided by the government. In this case what we're looking for is equity in front of the law, and this is not something that will accrue back to a true economic benefit to the recipients that are involved. I would charge that in this case we're charging fees for something that the person who brings the complaint doesn't have a means of recovering, any of the benefit

that comes from that fee that's being charged. I think this basically is going to set aside instances in our labour relations negotiations where individuals that have the resources, have the backing of a significant war chest in their union or whatever else can afford to bring cases to the Labour Relations Board, but other individuals on a one-on-one basis will not be able to do it adequately. It may end up setting precedent for cases, then, that can be heard and another situation where the resources are there but the precedent has already been given because the people didn't have enough resource to present their case adequately and fully present the issues before the board.

So I would suggest and ask the minister to really consider putting in extreme regulations or extreme guidelines on cases in terms of where a service fee can be charged, if they insist on including this in their mandate of the Bill, because I see this as a real threat to the ability of individuals in the province to have adequate representation in what I consider to be one of the main frameworks for Alberta. We have to have equity for the people here, and we want to maintain that this does show up in all of our Bills.

Mr. Speaker, that brings up basically the issues that I wanted to address on this.

4:10

MR. DAY: Mr. Speaker, there have been a number of comments that were well founded and of course some that had absolutely no foundation whatsoever under the sun. One of the overriding questions is: why was this Bill 1? Actually, I think one of the members identified it. It might have been the Member for Lethbridge-East who identified that. In fact, Bill 1 really epitomizes what our plan is in this whole session, and that is to look for areas where redundancy can be eliminated, where duplication can be eliminated, and where amalgamation can achieve certain efficiencies. The amalgamation of the Labour Relations Board and the Public Service Employee Relations Board is a model of that, and the intention is to set that tone. It's very clear why Bill 1 is what it is. It sets the tone of what we're doing and shows what can be accomplished not only in saving dollars but in terms of administrative efficiencies. That's clearly why Bill 1 is this particular Bill.

Most of the comments of the Member for Edmonton-Meadowlark were reasoned except for the suggestion that why wasn't it a Bill to do with hospitals or freedom of information or education. It would have been grossly inappropriate for us to come out with a Bill, for instance, on education or freedom of information when the consultation process wasn't yet complete. We would be presuming certain things without a full consultation, which is the process that we're in right now in all of those particular areas. Bill 1 has experienced extensive consultation. I would invite every member opposite – you know, the comments were begun by Edmonton-Meadowlark and concluded by Lethbridge-East. Both of those individuals, I would suggest, had some reasoned comments and suggestions, not that I agreed with them all – I didn't – but they were reasoned. In between those two pieces of bread, if I can use the analogy, was a lot of filling. Some of it had some nutrient in it, and some of it had absolutely no nutrient at all and, in fact, was probably waste product, and I'll refer to that in a minute.

We've already accomplished administratively what we had wanted to accomplish. The Member for Calgary-Buffalo talked about a road map and suggested that the Minister of Labour was usually forthright in talking about where legislation is going but not in this case. Obviously, I have to disagree with that because I went over in some detail 11 particular features with this Bill to

show clearly where it's going, I believe a clear road map etched clearly with highways and secondary roads and even different arterial junctions. So I believe that was very clearly laid out. I appreciate the Member for Calgary-Buffalo saying that he was only trying to be helpful. I always appreciate his help, and I will again scan his remarks, albeit with a microscope, to find those areas which may be of assistance.

I have to take some concern with his suggestion on the issue of delegation when it comes to the divisional structures, that all of that subdelegation should be done here in the Assembly. With the amount of considerations that are before the Labour Relations Board at any given time and then to add in that those type of subdelegation decisions be done here in the Legislature clearly indicates that their plan must be to stay in the dome 12 months of the year until midnight every night. I don't want to get into that. I want to show that this government trusts individuals and citizens who come to these positions through a due process, an open process and that we can certainly trust them to do those delegations.

Then the comment that they suddenly found Bill 1 before them, suggesting there wasn't time for them to catch their breath – this was Bill 1. That means it was the first one introduced. This is day 25 of the session, and it's been about 38 days since the session started. If in 38 days, which is – what's that? – a little over six weeks, they haven't found time to stumble across Bill 1, Mr. Speaker, I'm sorry; I can offer nothing more than my condolences to them.

Most of the comments, too, were fascinating to hear. There is an honest restraint on the part of members opposite to just walk across the floor and shake hands and congratulate the government on this good Bill because almost all of them said, "You know, I kind of like this" or "There are some good things about it" or, if I can quote Edmonton-Whitemud: on the one hand I agree with. But then that nagging Liberal conscience sort of set in there and the invisible hand jerked him back from coming out and being supportive and he had to say that he's waiting for the other part of the equation. Being mathematically inclined, of course, I recognize the metaphor. This is the full equation here, and it all adds up to and it equals good government, administrative savings, and efficiencies. That's the whole equation. There's no secret one coming out here.

I would invite especially the Member for Edmonton-Glenora – and I have to say that of all the remarks here this afternoon, those were the most superficial. I mean, an attack is one thing, but do it with substance. Don't blindly come out saying that this is terrible, this is rotten, this is awful with no substance whatsoever. So I can't really appreciate those remarks.

In terms of the comments from Edmonton-Glenora about the cabinet appointing the board, cabinet does have the final say, and we make no apology for that. There is clearly an open, public review process on the assignment of these members. History will clearly show – and you can ask people who lean either to the business side or the labour side of issues, the people who adjudicate these things, "Can you tell us one thing: for the most part are they eminently fair, and do they decide the issues on the merit of the question?" Ninety-eight percent of the time the answer from the business community and the labour community is that, yes, they do deal with the issues on the merit of the question. I think the history of that is abundantly clear from the chairman, who is resigning after 10 years of excellent service, on down through those people he works with.

The Member for Leduc talked about forcing AUPE. I would encourage that member or any other member to just pick up the phone, call the president of AUPE. Though I disagree with the

president of AUPE on a number of items – and we recognize that – I can assure you that in discussions with her, she recognizes this Bill for what it is: an administrative amalgamation that's going to make some progress. She has given her support. As a matter of fact, that element of the labour movement has been asking for this Bill for some time.

So I would encourage the members as we move into committee to be careful about attacking a Bill that has good, strong support on the business side and on the labour side. You're attacking the people who have asked us to do this.

On that, Mr. Speaker, I would now move . . . There's some disorder in the Assembly right here. I think there's still some disorder.

I would now move to call for the question on second reading of Bill 1.

[Motion carried; Bill 1 read a second time]

Speaker's Ruling Speaker Not Recognizing a Member

MR. DEPUTY SPEAKER: Hon. members, I think there has been a little bit of a misunderstanding here. Edmonton-Meadowlark got up to speak for a second time in second reading. You can't do that. Then I said to the Minister of Labour that since no one else is rising – you did not rise; you wouldn't have been recognized anyway – the Minister of Labour should rise, and I said then: to conclude debate. So that does conclude debate. In second reading a member cannot speak two times to it unless there's a substantive amendment – there was none – and the person moving it is the only person that can make a second go at it.

4:20

Secondly, we had some movement in here. You can't move from place to place. [interjections] Thank you, hon. members. That probably arises from our comfort level within the committee. That's why the call of order was given. Once the Clerk of the House arises, that motion is now finished and we're on to the next order of business.

MS LEIBOVICI: Can I . . .

MR. DEPUTY SPEAKER: On a point of clarification, Edmonton-Meadowlark?

MS LEIBOVICI: Yes, on a point of clarification with regards to the substantive amendment. I felt that I did have a substantive amendment in that we were going to be putting forward an amendment to hoist this particular Bill for six months. I felt that the Minister of Labour should have the opportunity to speak to the valid points that the members on this side of the Legislative Assembly had put forward and that at the end of the Minister of Labour's response to ourselves that particular amendment would come forward. So as a point of clarification, that is what we were looking for on this side of the House.

MR. DAY: Mr. Speaker, there's no clarification required. This process is so obvious . . .

MR. SAPERS: He knew it. He knew it.

AN HON. MEMBER: Very dishonest, Stockwell. You should be ashamed of yourself.

MR. DAY: Why don't you close your mouth? This process, Mr. Speaker . . .

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

The Speaker was not aware that a signed, proper, substantive amendment was put forward during your . . .

MS LEBOVICI: It wasn't, no. My understanding was that I would, I guess, open up the debate, and then once the debate was finished, then that's when the substantive amendment would come forward. I guess I misunderstood in terms of the process of this Assembly.

MR. DEPUTY SPEAKER: Yes. It's hopefully put down as a learning experience. It must be done during the course of your debate. If you had a substantive amendment that had been signed, et cetera, then maybe another member could have made it for you during their time, but you can't rise a second time to make an amendment. Once we get into committee, then you can happily make as many amendments as you wish.

Government House Leader.

MR. DAY: I just want the record to show clearly, Mr. Speaker, that I waited patiently, and when the speakers here were all done, I still waited. As a matter of fact, I pointed to every other member. I waited considerably, then I stood, and then the Member for Edmonton-Meadowlark stood. She is saying that she was misunderstood. But I won't have a couple of - well, I'm going to save the adjectives - loony tunes in the back row who don't know what's going on saying that there was a misapprehension of procedure here. There was none.

MR. DEPUTY SPEAKER: Hon. member, there are no members here from loony tunes. Would you please correct that?

MR. DAY: I will withdraw "loony tunes" and replace it with fanciful symphonics. Mr. Speaker, I totally withdraw any indication about the members opposite.

Thank you very much.

MR. DEPUTY SPEAKER: Thank you.

Now the hon. Government House Leader wishes to carry on the next item of business.

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

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

[Mr. Tannas in the Chair]

MR. CHAIRMAN: I'll call the committee to order.

Bill 2
Alberta Sport, Recreation, Parks
and Wildlife Foundation Act

MR. CHAIRMAN: We're now continuing our discussion of Bill 2. Adjourned debate, the hon. Member for Red Deer-North.

MR. DAY: I adjourned debate?

MR. CHAIRMAN: Apparently.

MR. DAY: Okay. That's fine.

I will call the question on this stage of Bill 2.

MR. CHAIRMAN: Are you ready for the question?

Just a reminder again to committee. The Chairman has sometimes been remiss in not insisting that we keep the order of: you are allowed to stand to move from one place to another in the Chamber, but you are not allowed to stand to carry on lively or even unlively discussions and debates, so that you remain seated.

I had three people standing at one time. I believe that Edmonton-Avonmore was the first up, so I would invite debate to continue.

Edmonton-Avonmore.

MR. ZWOZDESKY: Thank you, Mr. Chairman. We weren't clear as to what indication was being given regarding the point at which this particular stage of the Bill debate had adjourned. I'm happy to lead off the discussion this afternoon.

We will recall that the purpose of Bill 2 is in fact to amalgamate the Alberta sports, recreation, parks and wildlife foundation under one; that is to say, to bring together the Alberta Sport Council with the Recreation, Parks and Wildlife Foundation. In fact, it's my understanding, Mr. Chairman, that this particular arrangement has been in place for quite some time now, nearly a year. The difference, of course, is that this time around it appears that the government wants to take it one step further and not only collapse two fine entities under one roof, but they also want to bring in a piece of legislation through this Bill that would see an MLA being legislated to sit on the newly created foundation. Now, we have debated that at some length, but I want to mention again that the central thrust of that particular initiative is definitely wrong and definitely something that I will take . . . [interjections]

MR. CHAIRMAN: Order. Sorry for the interruption, Edmonton-Avonmore. You may continue.

4:30

MR. ZWOZDESKY: Thank you, Mr. Chairman. As I was saying, it is a thrust that I will definitely take every opportunity to oppose, because I can't, for the life of me, see why it is that the government is so intent on pursuing its desire for even more political intervention with some of these bodies that work extremely well on their own and have demonstrated that capability to do very fine work in the community with the many volunteers who come to serve on these boards. I don't think they need this kind of political interference, and I daresay that it would also, in many instances I'm sure, rear itself as political control, which is even worse yet.

The other aspect that I have problems with in this Bill is with regard to the potential conflict that might result when you have a very well-intentioned group of board members who, on the one hand, want to move things forward because they are the right thing to do or because these are initiatives that have come up through the grass roots and in fact the people's will would see them done, yet on the other hand they might be asked to bring in something totally different in order to accomplish the government's agenda. Again, I can appreciate the need for government to have some basic understanding of these foundations and some basic arm's-length involvement with them and even an opportunity to provide advice to them. I can also appreciate that these various foundations that do come under the larger umbrella of government have a need to find out what it is that government is up to from time to time. But I think there are countless different ways that this can be done. I don't think you need to legislate that authority into the actual Bill.

Now, I know that one of the things they've been doing at the ASRPW foundation is operating as if this particular Bill were already law. I think that's perhaps one reason why they're so anxious to move this through, again under the understanding that this is some kind of a simple housekeeping affair. I think in the possible arrogance that this points up, what we have here is a situation that has developed that is going to cause even further disharmony than already exists among the many people who do genuinely try and work with government. In this case something is very much wrong with the process. It's a mockery of the system, a travesty of the democratic process as well, to have operated for an entire year this way and not to have come forward with the cleaner sense of intentions that would otherwise have accompanied the ushering in of some of these motions.

The Alberta Sport Council and the Recreation, Parks and Wildlife Foundation operate rather entirely on the basis of profits that are accrued from the sale of lottery tickets, as we know. A significant portion of people in the province, Mr. Chairman, do buy lottery tickets and support the lotteries because they are of the opinion that not only might they win something but because they know, in whatever way, a portion of that dollar spent goes to support some kind of a cause. In this case some people will have been buying lottery tickets to support either the Sport Council or the Recreation, Parks and Wildlife Foundation because that council and foundation do a very good job in delivering the various programs that they do. They also do a good job in terms of determining where those lottery grants go across the province. But there is going to be some greater reluctance, I would think, on the part of individuals to participate in these programs when they now sense that government is starting to move in in a Big Brother way. The potential then arises for government manipulation here, so we want to try and steer clear of that.

All of these programs require a good deal of money to operate, Mr. Chairman. Government employees who work for the department of recreation, as we know it, aren't obligated in many ways in the same way that some of the other foundation employees are obligated to the common cause of the common person, because of course they have to first of all serve the arm of government. Yet here what's happening is that we're putting an arm of government, perhaps a strong arm of government, directly on the board. We've already seen examples of where that kind of intervention leads to great difficulties, because people no longer become clear on what exactly the original purpose or the original intent may have been. So what we want to do here is caution the government to steer away from that.

One area where they can steer away from it is in administration. I think a good cause and a good case can be made here for keeping government departments separate from the traditionally arm's-length board such as the foundation and council boards here have been. To do otherwise would be to obscure each of their roles, and, in the end, we know that when you try and please too many masters, you frequently wind up pleasing none. That is at the very heart of what is going on in this instance.

Once again, I think this is another example of what one of my colleagues said earlier, in relation to another Bill, about this being nearly a ready, fire, aim approach. We've seen that same approach tried before with regard to the ASB, benefits for seniors, where the government embarked rather hastily on a particular approach, got ready, fired the shot, and now is standing back and taking a little closer refinement of it and now starting to aim. We saw the same kind of thing happen, Mr. Chairman, with the Premier's musings with regard to Newfoundland and the support that he was going to offer there ahead of support that is being screamed for by Albertans here in our own province.

These kinds of examples at some point, I would hope, will mercifully come to an end. I get concerned that as government moves and grows, in the process it also swallows up departments and it swallows up freedoms. Here we had two groups that worked freely and independently of each other. Granted, they were serving many clientele across the province that sometimes overlapped, but the projects were different. Here there is a tremendous fear that the two will not be treated as equals and that with the proportionate amount of dollars going to each of them, neither will be satisfied.

When we're looking at \$14 million, I think it's okay for government to be an advisor. I can even see the need for government to be kept abreast of the different programs and grants that are being administered by each of these two bodies. So again I stress that we on this side are not against that type of streamlining or the need for government to have an ongoing relationship with these boards which would see the sharing of information, the reduction of costs, and hopefully the better delivery of those services. But the principle of this amalgamation, where on the one hand they have already operated this way for a year and now come in with a few fundamental changes that would actually legislate MLAs to sit on there, is entirely wrong. That principle is wrong and at some point has to be addressed in a very strong way.

4:40

So I want to advance another notion here, and that is that not only should government steer clear of interference with these traditionally arm's-length foundations and boards, but it should do everything it can to increase their autonomy. It should do whatever government has the power to do to stay out of the way, to in fact let justice be done by those most capable of doing it. The people coming onto these boards we're told are in fact scrutinized. We're told that they do have expertise in the areas that they profess and the expertise that the government is looking for, which substantiates why they were likely put on these boards to begin with. So I would again like to ask the government to reconsider its position with regard to Bill 2 and not be so hasty in bringing it in by the self-imposed deadline they have of April 1. At least as I understand it, it is April 1.

There is a risk here of not only inhibiting the freedoms that these individuals otherwise enjoyed on these boards, but I think there's also a tremendous inhibition of progress. Surely the government would realize that when you place this kind of restriction and this kind of control overtop of these well-functioning boards and councils, you are taking away initiative and in fact stifling progress. I would hope, then, that the government will back off somewhat and take a sobering look at this, because that would be very, very well justified.

The other part that concerns me here is with regard to the costs. Now, I know that traditionally what happens is that MLAs from the government side get appointed to some of these boards and to some of these councils and to other bodies. What tends to happen is that that appointment is also accompanied by what oftentimes are called honoraria; in other words, they get paid some sort of a fee over and above normal fees for sitting on these boards. At the same time, they also rack up some costs with regard to expenses in attending those particular meetings. So not only is one seat therefore taken away from another volunteer who might otherwise come forward from the community and do a good job, but at the same time it's also costing us more money by having an MLA doing this service, whereas the others would function as pure volunteers, unless of course it's the government's intention in this one instance to impose a special restriction and not allow whomever the MLA might be to receive an honorarium, in which

case I would like to see that brought forward in the discussion or at least some guarantee being given. That would at least give me some level of comfort that we're not spending even more money and placing even more hardships on an already existing problem. That wouldn't take away my other point about political interference, but it would at least, I think, alleviate those people who have a concern about honoraria being paid to MLAs for work that most people out there would say is part of the normal process of government.

So I want to on that vein, Mr. Chairman, comment briefly about expenses in general and suggest to you that in the past when government has lent its assistance to these types of foundations or these types of councils, what has traditionally happened is that government had its budget and whatever kind of work the government's employees did was paid for by that budget. On the other hand, the foundations and the boards had their separate budgets for their separate work, and a very, very high percentage of the budget was allocated specifically for their own programs. But as I read through this Bill, I suddenly realized that there is an opportunity here for the government to possibly slide some of its own work in with the foundation's work. Now, I'm not accusing the government of doing that, unless they have already done it during the last year, but what I'm trying to flag for their attention is that that possibility and that inevitability do exist for government to in fact be enticed, shall I say, into getting some of its own work done at the expense of the foundation.

Now, the foundations would tell you that they are already strapped for the many projects that they have to provide adequate funding for, and they would not like to see any moneys from either the council or from the RPW Foundation drained off in order to accomplish a specific government program as such. Here in this particular Bill, however, I do see that there is a possibility for that to happen. That would be a travesty if that were to happen. I think that government doesn't have a good record of fiscal management, as we all know, and here would be yet another wound potentially opening up should they choose to pursue it. So I want to try and assure Alberta taxpayers and, at the same time, also the many, many thousands of supporters which the Sport Council has as well as the many thousands of supporters that the Recreation, Parks and Wildlife Foundation has that there would be no possibility for government to in fact try and slip in some of its own programs or some of its own agenda items and have the foundation pay for that. Now, that's just with regard to programs.

The other side of that coin that I would like to also flag for caution is the notion that sometimes the government's agenda has to be accomplished through special additional employees or additional work or additional contractors or whatever. In that case we would see yet a further use of Recreation, Parks and Wildlife Foundation and Sport Council dollars to again accomplish a purpose other than perhaps the original purposes which the foundation and the council may have had to begin with. So those are a couple of very cautionary notes that I would like to bring forward.

I would like to therefore encourage the government to consider an additional amendment, which I would like to present to the House at this time. I would like to move that Bill 2 be amended by striking out section 7 and substituting the following:

If the Minister and the Foundation consider it necessary, the Minister may provide to the Foundation the services of employees of the Government under the Minister's administration to assist with the work of the Foundation, at no cost to the Foundation.

So I would like to table this amendment at this time. I know that several of my colleagues would welcome an opportunity to speak to it, because there must be a provision within this Bill to

preclude the possibility of one government department taxing another government department by levying some sort of a fee for its services. I'm sorry; I have the original here.

Thank you, Mr. Chairman.

MR. CHAIRMAN: The hon. Member for Leduc.

MR. KIRKLAND: Thank you, Mr. Chairman. I stand up to speak in favour of the motion.

MR. CHAIRMAN: Sorry. I did that without looking.

On the amendment, hon. Deputy Government House Leader.

MRS. BLACK: Mr. Chairman, I'd like to move that the committee adjourn debate on Bill 2 in Committee of the Whole.

MR. CHAIRMAN: Right. The hon. Deputy Government House Leader has moved that we now adjourn and rise and report. Is that . . .

MRS. BLACK: No. Adjourn debate.

MR. CHAIRMAN: Adjourn debate. Okay. All those in favour of adjourning debate on Bill 2, please say aye.

SOME HON. MEMBERS: Aye.

MR. CHAIRMAN: Those opposed, please say no.

SOME HON. MEMBERS: No.

MR. CHAIRMAN: Call in the members.

[Several members rose calling for a division. The division bell was rung at 4:49 p.m.]

[Ten minutes having elapsed, the Assembly divided]

For the motion:

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

Against the motion:

Abdurahman	Dickson	Percy
Beniuk	Kirkland	Sapers
Bracko	Langevin	Sekulic
Bruseker	Leibovici	Taylor, N.
Collingwood	Nicol	Zwozdesky

Totals: For - 40 Against - 15

[Motion carried]

Bill 5**Oil and Gas Conservation Amendment Act, 1994**

MR. N. TAYLOR: I was hoping that the minister would have some answers from second reading, because there are holes in this Bill that you could drive a truck through, Mr. Chairman.

MR. DAY: You could drive a four by four through them.

MR. N. TAYLOR: I was thinking more of the House leader with his ears out myself. My invitation is always open, Mr. Chairman, to take him for a ride. Of course, there's the old answer that all we Liberals have to do is drive on the grass; I think the opposition over there is smoking it.

One of the things that bothered me a bit was that there's no right of appeal in Bill 5 and that the ERCB is more than looking after orphaned wells, Madam Minister, but the ERCB has taken on the authority to encourage the timely abandonment. That kind of worries me. You or I might be sucking on a gas well or pumping away a little water and oil and still think we're making ends meet, and the ERCB comes along and says that we should abandon. I don't think as a general rule they're going to interfere, but you never know what a bureaucracy will do. So I think there should be some sort of an amendment, Mr. Chairman, or some sort of thought given to an amendment that there be an appeal of an ERCB ruling in case the owner of the well does not want to abandon. Of course, there could be a number of reasons they may not want to abandon, because abandonment usually means pulling the casing out, cutting off, and so on. The operator may well want to use the well as an injection well or an observation well down the road. All these are reasons why the well shouldn't be abandoned or there should be some appeal of the ERCB's ruling.

Maybe I'll ask a couple, and then let the minister answer, because this is after all committee stage, so I'll be able to bounce up and down. The other one is that a well licence fee of \$10,000 is applicable to all new or first-time applicants for a well licence. Now, I think, Mr. Chairman . . . [interjection] You want to pull the seat out from under me.

AN HON. MEMBER: No, just you.

MR. N. TAYLOR: Okay. I think, Mr. Chairman, what I'd like to ask the minister here: applicant. Now, I can see the first-time operator, if you're the operator of a well. But an applicant? There may be three, four, five, 10 names on the licence. I would think that all the minister is really after is the operator, whoever is going to be responsible for drilling and completing the well. They use the word applicant rather than operator, although operator does come up other times in the course of the Bill being defined.

Now, it says that all applicants for well licences are required to file a list of working-interest owners in the well. Now, is this \$10,000 applicable to the first-time applicants for a well licence? Are you going to go through the whole list or just stick to the operator? I would think that it should only stick to the operator rather than try to collect \$10,000 from every - if three of the working-interest owners are new, you've never heard of them before, and they haven't paid their \$10,000, will they have to put up \$10,000 as well as the operator? I should hope not, but I mean, it might be a point to consider.

It says that all new licensees for well licences must formally acknowledge their responsibility. Well, there again is a change from the way the oil industry's operated for years. You have the operator, and the government only looks to one person. Why

should they have to look to all the other working-interest owners? If that is so, if they're going to start acknowledging the well licences, the responsibility is on the ERCB licensee, does that mean then that jointly and severally they're going to be responsible for each other or just their share? In other words, if I have 10 percent of a well, is all the ERCB going to be able to come back on me is for the 10 percent of the cost of abandoning or whatever it is, or am I going to be squaring for all the partners at the same time? In other words, they're getting involved in a lot of things that have normally been handled by law rather than by fiat, I guess is the right word.

I'm now fumbling through this. I think, Mr. Chairman, I've got enough questions for the minister to chew on a bit while I find what's going on so I'm not holding up the process of government, the wheels of democracy, the progress of the 21st century, I assume.

SOME HON. MEMBERS: Question.

MR. CHAIRMAN: The question has been called. Are you ready for the question?

The hon. Member for Edmonton-Whitemud.

5:10

DR. PERCY: Thank you, Mr. Chairman. With regards to Bill 5, I too like my colleague from Redwater am concerned about some of the issues related to surface reclamation. I think this is an important issue that ought to have been integrated into the Bill to streamline. Although the Bill allows for rights of entry under section 92, there are no standard criteria for surface reclamation set out in the Bill. I think increasingly the issue of surface reclamation is going to be important. Certainly it's the one issue that provokes many people with regards to the industry in these orphaned wells. So my question specifically on this is: what is going to be done about surface reclamation? Is there a consultation process in place that will see this issue addressed, and ought it not be addressed within Bill 5? Because there are many positive elements of Bill 5: the consultation process, the focus on setting up an orderly set of procedures. But the issue of surface reclamation for many of us is important, and we think it ought to be addressed within this Bill just to get the issue behind us.

With those comments, I'll conclude.

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

MR. COLLINGWOOD: Thank you, Mr. Chairman. My comments with respect to Bill 5 also relate to the issue of surface reclamation. It was clear in Bill 5 that surface reclamation was not included as part of the costs for which the abandonment fund could be used in the overall reclamation of the site both in terms of down hole and in terms of surface reclamation. I don't think it's clear in the Bill itself, and perhaps the minister could give us some assistance here as to why it was that surface reclamation was specifically excluded from the abandonment fund in terms of these orphaned wells.

Other members today and previously have made comment that the process in Bill 5 was an excellent process. The terms and conditions of the abandonment fund in terms of what constitutes abandonment and the down-hole reclamation is clearly set out. Industry is very happy with that. What industry is not happy with is the uncertainty that continues to sort of pervade the whole issue of surface reclamation. It seems that it would have been much easier to deal with that issue here in Bill 5, to deal both with the down-hole problem and with the surface reclamation problem of

orphaned or abandoned wells, and it appears that the government has gone out of its way to exclude surface reclamation.

I just wonder if the minister might assist in giving us some idea as to why in fact it was specifically excluded leaving the Department of Environmental Protection with some uncertainty as to how the inspector is going to react in terms of his reclamation order, the reclamation inquiry. It's much clearer in Bill 5 as to how reclamation can occur, the parameters, the terms of reference, than it is in the Environmental Protection and Enhancement Act, where it's left to a great extent to the discretion of the investigator on that orphaned site.

So with those comments, Mr. Chairman, I'd ask the minister to explain on behalf of the government why we specifically left surface reclamation out, or more to the point why we can't put it back in at this point.

MR. CHAIRMAN: The hon. Minister of Energy.

MRS. BLACK: Thank you, Mr. Chairman. I think that if we go back to the very basic principles of what Bill 5 is trying to establish and do – remember, this is an amendment to an existing Act. At this point, I would like to just remind hon. members of the intention. It was to give the ERCB a clear jurisdiction to order abandonment of wells and a method of ensuring compliance for that abandonment. Secondly, it was to ensure that if there was a transfer of the ownership of the well, that would be clearly identified to the ERCB so records would be there for ultimate claiming; and also to provide for an industry-driven and industry-funded fund to deal with orphaned well sites, which I think is a major step forward. I have to applaud the industry for coming forward to work with not only the government but the public to deal with some of these issues that have been there and also to provide the ERCB with a clear jurisdiction to regulate the storage treatment process in the disposal of oil field wastes.

Mr. Chairman, as we have gone through changes, we have made regulation changes and amendments to clearly continue to update our legislation in conjunction with industry so that we have an orderly development of our oil and gas industry and one that is responsible. This Bill today deals with those basic principles. It does not deal with reclamation. That is under a different Act of this Legislature that was passed about two years ago under the Alberta environment protection Act. There is a process in place for that under a different ministry and a different piece of legislation. Today we're dealing strictly with the Oil and Gas Conservation Act and an amendment to that Act. There are lots of questions on reclamation that have to be dealt with, and I believe that's a discussion for the department of environment in conjunction with the Department of Energy, agriculture, et cetera, for all departments, but it's not part of this legislation.

So I would hope we would focus on what we're trying to accomplish here today on these basic principles and not go off into other areas that are not present within this Bill. I think it's a good piece of legislation, and again I applaud the industry for coming forward with the . . . [interjections]

MR. CHAIRMAN: Order.

MRS. BLACK: Thank you, Mr. Chairman.

I applaud the industry for coming forward with the concept and working with us, and I have to say again for the benefit of Calgary-Buffalo that this was industry driven in co-operation with government, CAPP and SEPAC, and of course the work of the Department of Energy to come forward with this. It's a fund that,

again, I applaud the industry for looking at. I think it clarifies the jurisdiction, which was very important.

One of the questions the Member for Redwater asked about: the licence holder. One of the things that's important is that in a joint venture group, if you have the licence holder, who usually would be the operator, no longer being the operator for various and sundry reasons, it would be appropriate for another working-interest partner to be able to assume that position and have the licence transferred to that working-interest partner. In order to have a trail of the partnership arrangements under a joint venture arrangement, you would want to have a listing of the joint venture partners on file. I think that's an important element to have so that the balance of the partners can, in fact, go in and take over, say, an abandonment situation and carry on if an abandonment order is given. Even though the licensee may not be around any longer, the joint venture partners can assume that role and that responsibility. So I think it's an important part of it.

Mr. Chairman, just as a thought, there was an indication that there was an overlap or a duplication, and we have tried all along to have the Energy Resources Conservation Board's regulations in line with the Alberta environmental protection group so that there is no conflict. In fact, they run parallel. We've brought our regulations into line over this last year to ensure that in fact elements in this industry are dealt with in the same realm as other industries under the Alberta environmental protection Act. So it's not an overlap. In fact, it's a streamlining, as far as I am concerned, because at the same time we have been reviewing under the ERCB the regulations that are, in fact, there for our industry to make sure that they are appropriate for today, that they are in keeping with the desires of the government and the public interest, and that that public interest is in fact protected and dealt with in an effective way so that everyone understands the rules up front.

So I'd ask, Mr. Chairman, that we don't read into it something that isn't there. This is a very straightforward Bill. I think it's a positive move that has come from full consultation with our industry, and I would ask hon. members to support it.

5:20

MR. CHAIRMAN: Lethbridge-East.

DR. NICOL: Thank you, Mr. Chairman. I just want to bring up an issue that seems to be becoming a common practice by the government right now. What they're doing is passing on costs to the people who are responsible in an industry and using this means to subsidize groups that aren't. The funding process for the Bill here is a levy against industry. They're not telling us whether it's going to happen before or after. If we're looking at an abandoned well the reclamation of which cannot be funded by the firm that was responsible for it, in essence we're penalizing those other businesses who have kept themselves current in the industry, viable in the industry.

I would suggest that there are other methods that are available to deal with this in the sense of asking that people be bonded before they get a licence to drill. In other words, pass this on to an insurance concept so that the people who are involved are the ones who are actually covering the costs of this. You know, they're talking about firms that go delinquent or partners that become delinquent. If they had to have a bond in place before they could get a licence to drill, that bonding firm or the bonding process would in essence cover these costs and we wouldn't be passing it on to the firms in the industry who were effectively conducting their business on a viable, economic, and rational basis, being good partners in the industry, and looking after their responsibility for cleaning up after they are finished with a well.

I would suggest that creating a fund in this manner probably is just another method of creating an operating agency that doesn't need to exist. So I'd like the government to consider that option of looking at a different way of dealing with this as opposed to dealing with it by direct taxation of the people who are being responsible.

Thank you.

MRS. BLACK: Mr. Chairman, that was a question actually that came up the other day from the Member for Redwater. Actually the task force group did look at the idea of bonding. After they went through their deliberations, they found out that many of the companies would have difficulty obtaining bonds unless they were majors. They felt it would be quite a financial burden on the juniors and the intermediates entering into it, because bonds have limited lives and are difficult to administer. So they felt that that wasn't the appropriate way; rather the annual levy would be more appropriate to build the fund up.

I wanted to just make a correction, hon. member. Please. This is not dealing with reclamation; this is dealing with down-hole orphaned wells. That's what this is dealing with. It's not dealing with surface reclamation; it's down hole.

MR. N. TAYLOR: I thank the minister for that answer on the bonding, although I think it's cheaper to buy an insurance bond than to put up \$10,000 and the government would be better served.

The reclamation part has also another side to it that the minister didn't cover and we hadn't got around to. You must remember that before a reclamation permit can be given to the operator of a well, it needs the permission of the surface owner. As long as the surface owner withholds that permission, which is what's happening a lot of times now, the operator has to continue paying rent on the well. So what we have is a bit of a way for a surface owner that's overpicky to really blackmail the operator and get another two, three years' rent. So I think it should be all rolled into one. I think that certainly the surface should be reclaimed, but there should be no way that the reclamation can go on for years.

I was looking at some wells the other day, and they're being reclaimed. I think the surface owners held out for nearly 11

years, and there's really no material change. Yet all the time the reclamation hasn't been done, the oil people have to pay rent. Now, I think that if this were all rolled into one or the ERCB also not only was determining that it's okay to abandon the hole beneath the surface but it's okay - if the surface had been restored, it could be a lot better all rolled into one. It would be in with this government's idea of stopping the bureaucracy.

I think that by the look of the hour now I'd like to move that we rise and report with the right to sit again another time.

[Motion carried]

[Mr. Clegg in the Chair]

MR. TANNAS: Mr. Speaker, the Committee of the Whole has had under consideration certain Bills. The committee reports progress on Bill 2 and Bill 5. I wish to table copies of all amendments considered by the Committee of the Whole on this date for the official records of the Assembly.

MR. ACTING SPEAKER: Thank you, hon. member. All in favour of that report by the hon. Member for Highwood.

HON. MEMBERS: Agreed.

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

MRS. BLACK: Mr. Speaker, I move that we do now adjourn until 8 o'clock this evening, when we'll reconvene in Committee of Supply.

MR. ACTING SPEAKER: You've heard the motion by the hon. Deputy Government House Leader. Are you all in favour?

HON. MEMBERS: Agreed.

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

[The Assembly adjourned 5:29 p.m.]

