

Legislative Assembly of Alberta

Title: **Tuesday, April 12, 1994**

1:30 p.m.

Date: 94/04/12

[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. COLLINGWOOD: Mr. Speaker, I'd beg leave to introduce a petition signed by 389 residents of Edmonton and vicinity urging "the Government to maintain the Grey Nuns Hospital in Mill Woods as a Full-Service, Active" facility.

Thank you.

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

MS HANSON: Thank you, Mr. Speaker. I beg leave to introduce two petitions, one from 346 Edmontonians "opposing the erosion of government support for health, education, and social services."

The next one is from 153 Edmonton people urging the government to "consult broadly with clients, labour and professionals to determine where savings can be made that will not harm Alberta families."

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

MR. GERMAIN: Thank you, Mr. Speaker. I beg leave of the Legislative Assembly to allow me to file two petitions today, the first signed by 65 residents of Fort McMurray, Alberta, interested in seniors' issues, which is a request

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 . . . funding arrangements.

The second petition, Mr. Speaker, is a request by 67 Fort McMurrayites interested in seniors' issues urging the government not to alter the level of support for benefits to seniors until seniors have been consulted and have agreed to every revision.

head: Reading and Receiving Petitions

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

MR. LANGEVIN: Thank you, Mr. Speaker. I would ask that the petition I tabled on March 31 be now read and received.

CLERK:

We the undersigned petition the Assembly to urge the Government to intervene in the selection of the Poundmaker-AADAC Agency site at Fork Lake since a recreational site is not a conducive environment for this program.

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

MRS. HEWES: Thank you, Mr. Speaker. May I request that the petition I tabled on March 24 regarding the Grey Nuns hospital now be read and received?

CLERK:

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

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

MR. ZARIWNY: Thanks, Mr. Speaker. May I now have the petition I tabled on March 24 read and received?

CLERK:

Whereas we, the undersigned, feel that education is essential to all Albertans, we petition the Assembly to urge the government to reconsider its proposed cuts to education.

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

MR. BRUSEKER: Thank you, Mr. Speaker. I would ask that the petition I tabled on March 23 regarding the government's proposal to restructure the education system be now 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: Notices of Motions

MRS. BLACK: Mr. Speaker, pursuant to Standing Order 34(2)(a) I'm giving notice that tomorrow I'll be moving written questions do retain their places on the Order Paper and that motions for returns also retain their places on the Order Paper with the exception of Motion for a Return 187.

head: Introduction of Bills

Bill 16

Government Land Purchases Act Repeal Act

MR. DINNING: Mr. Speaker, I request leave to introduce Bill 16, the Government Land Purchases Act Repeal Act. This being a money Bill, His Honour the Honourable the Lieutenant Governor, having been informed of the contents of this Bill, recommends the same to the Assembly.

[Leave granted; Bill 16 read a first time]

head: Tabling Returns and Reports

MR. THURBER: Mr. Speaker, I would like to table today the 1993-1994 annual report of the Association of Professional Engineers, Geologists and Geophysicists of Alberta.

MR. JACQUES: Mr. Speaker, as chair of the Northern Alberta Development Council I am tabling four copies of the February position paper and conference summary on the subject of fish and wildlife in northern Alberta.

head: Introduction of Guests

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

MR. STELMACH: Thank you, Mr. Speaker. I am proud to introduce to you and through you to the Members of this Legislative Assembly, seated in the Speakers' gallery, a long-serving, dedicated member who served his constituents in the constituency of Vegreville for many years: Mr. John Batiuk. I'd ask him to rise and receive the traditional warm welcome of the Assembly.

MR. SPEAKER: The hon. Member for Clover Bar-Fort Saskatchewan.

MRS. ABDURAHMAN: Thank you, Mr. Speaker. It gives me a great deal of pleasure and pride to introduce to you and to Members of the Legislative Assembly 15 humanity students from Fort Saskatchewan high school who are here with two of their teachers, just fine individuals who happen to have taught my own children: Mrs. Debra Kelly and Mr. Terry Sliwkanich. I'd ask them to stand - I believe they're in the members' gallery - to receive a warm welcome from this House.

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

MR. WHITE: Thank you, Mr. Speaker. Today it gives me a great deal of pleasure to introduce to you and through you to the members of the Assembly 48 students from Our Lady of Peace school in our city. It's with pleasure that I introduce in particular one special child that is with them today who happens to be a star right winger and sometime centre on the hockey team that I had the pleasure of coaching this year. Mr. Meadows played very well on the team and in fact through his efforts won a city championship. With the students today are two teachers - they are Mr. Bill Parker and Mr. Bert Facciotti - and Mrs. Gail Skutelnik. Would they please rise and receive the warm welcome of the House on both sides.

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

MR. CARDINAL: Thank you very much, Mr. Speaker. I am pleased today to introduce to you and through you to the Assembly 19 members of the northern Alberta job corps situated in Slave Lake. This particular program provides at present over 200 jobs, people participating in work experience programs, and also at the same time provides valuable work for the community. The individuals are sitting in the members' gallery. I'd like them to rise and receive the traditional warm welcome of the Assembly.

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

MR. HENRY: Thank you very much, Mr. Speaker. It's with pleasure that I would like to introduce to you and through you to members of the Assembly 16 young and young-at-heart people who are attending Alberta Vocational College in my constituency. They are currently studying economics in the social 30 program. They're accompanied by their instructors Mrs. Ann Nikolai and Mrs. Laura McGuire-Huston. They're in the public gallery, and I would ask that they rise and receive the warm welcome of the Assembly.

1:40

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

MR. SEKULIC: Thank you, Mr. Speaker. It is my pleasure to introduce to you and through you to the Assembly 26 visitors from the constituency of Edmonton-Manning. Twenty-one

students are here from the Horse Hill school today, and they are accompanied by teacher Mr. Wilson and parent helpers Mrs. Unterschultz, Mrs. Forman, Mrs. Reid, and Mr. Badgley. They are seated in the public gallery, and I would like to ask them to rise and receive the warm welcome of the Assembly.

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

MR. WICKMAN: Thank you, Mr. Speaker. It's my pleasure to introduce to you and through you to Members of the Legislative Assembly a musician from Thunder Bay, Ontario, the Port Arthur side, who in the past has beat the drums with the likes of Fats Domino, Paul Revere & the Raiders, and Bobby Curtola. The musician, Smokey Wickman, is currently playing in beautiful downtown Vegreville. He's in the public gallery. He's accompanied by his aunt Silvia Wickman, who happens to be a constituent of mine. So if they would rise and receive the warm welcome of the House.

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

MS HANSON: Thank you, Mr. Speaker. It's my pleasure to introduce to you and through you to the members of the Assembly a young man who is doing a work experience program in my constituency. He's interested in becoming a politician after he finishes his schooling. Clayton Belcourt is seated in the public gallery. Rise, Clayton, and please receive the warm welcome of the Assembly.

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

MS CALAHASEN: Thank you, Mr. Speaker. It's with great pleasure today that I rise to introduce to you and members of the Assembly a dedicated northern individual who has been very active in Lesser Slave Lake for a number of years now. Ann Findley hails from Slave Lake, and she takes great interest in provincial affairs. She is seated in the members' gallery, and I'd ask her to rise and receive the warm welcome of the Assembly.

head: Oral Question Period

MR. SPEAKER: The hon. the Leader of the Opposition. [applause]

MR. DECORE: Isn't that the way he does it?

Hospital Services in Calgary

MR. DECORE: Mr. Speaker, last Thursday 15,000 Edmontonians marched over the prospective closure of the Grey Nuns hospital. They marched because of the prospective closure. They also marched because they wanted to say that the planning wasn't being done right. They wanted to say that the consultation with their communities wasn't being done right. They don't like the way this system of closure is working. We've now learned that Lou Hyndman, a former Conservative Treasurer who sat in this Legislature, has in fact recommended that four hospitals be closed in Calgary. They are the Grace, Holy Cross, General, and Children's hospitals. Mr. Premier, I'd like you to confirm that you and your colleagues are considering the closure of the Grace, Holy Cross, General, and Children's hospitals in Calgary.

MR. KLEIN: Notwithstanding what the hon. leader of the Liberal Party would like us to confirm, Mr. Speaker . . .

MRS. SOETAERT: Oh, get lost.

MR. KLEIN: Mr. Speaker, I would relinquish the floor to the hon. member sitting over there. [interjections]

MR. SPEAKER: Order. Unfortunately the hon. Member for Spruce Grove-Sturgeon-St. Albert does not have the legislative competency to answer the question.

Supplemental question.

MR. DECORE: Well, I'm waiting for the answer to the first question, Mr. Premier. Give us an answer.

MR. KLEIN: I take it that's the hon. member's second question. [interjections] Mr. Speaker, if they do not allow me to answer, I'll simply sit down, and he'll have an opportunity to ask a third question. Now, are they just going to keep their yaps shut and let me answer?

Quite simply there was a report prepared. That report, as I understand it, now goes to the various chairmen of the hospital jurisdictions in the city of Calgary. They will comment on that report, their comments will be delivered to the minister, and at that particular time we will be ready, willing, and able to comment.

MR. DECORE: Mr. Speaker, I'd like the Premier to tell Calgarians in particular, because I think they've got the same feelings about poor planning and poor consultation that Edmontonians have, what the Premier has done to prove that planning is right, that consultation is right, that this is going to be done in the proper way?

MR. KLEIN: Well, Mr. Speaker, as I understand it, there's been an ongoing planning process for some 18 months now in the city of Calgary involving not the government but certainly those involved with the hospitals. In other words, the planning has been done by the hospitals themselves to achieve exactly what the hon. leader of the Liberal Party was talking about prior to the election, and that is regionalization, rationalization, reducing overlapping and duplication. He's well quoted in numerous publications as saying this. As a matter of fact, he's quoted in numerous publications as saying that if there is rationalization for closing down hospitals both in rural areas and urban areas, then that's what will have to be done. This planning has been going on for 18 months. We sent in a facilitator, Mr. Hyndman, to bring the recommendations together, and his comments will now go to the various administrators and chairmen of the hospital jurisdictions. They will comment, and they will provide their comments to the minister.

Catholic School System

MR. DECORE: Mr. Speaker, yesterday the Premier of Alberta met with the chair of the Catholic school board in his office here at the Legislature. The Premier told the chair that he was prepared to consider suggestions to improve the School Act for members of the Catholic community. The Minister of Education was at the same meeting and apparently clearly heard the suggestion by the Premier that suggestions could be made but walked out to the press and said that there would be no changes to the School Act. My first question is to the minister. Explain how your Premier, how your leader could say that he would welcome suggestions from the Catholic community and how you could go out to the media and say that there will be no changes to the School Act, period.

1:50

MR. JONSON: Mr. Speaker, we had a good meeting with representatives of the Alberta Catholic school board. We exchanged views. Listening is a two-way street, and I expect they were listening to what we had to say. I clearly indicated that we have directions in place. We have legislation now tabled before this House which is designed to implement a restructuring in education for the benefit of all students in this province, public and separate school board students together. This is in the best interests of education in this province, and I intend to pursue that direction.

MR. DECORE: Mr. Premier, your government and you too, sir, have been pretty good at beating down Catholics in the last few months. I want the Premier to tell the Catholic community in Alberta that reasoned suggestions that are going to be made available to the Premier and to his minister are going to be considered and looked at carefully and, if they make good sense, incorporated into the new School Act.

MR. KLEIN: Mr. Speaker, the chairman of the Calgary Catholic school board indicated that she would be sending a letter with some suggestions. I said that we would look at those suggestions and we would consider those suggestions. But as the minister has said, right now we're on course with a plan, and we've got to make sure that our program of creating fiscal equity is not something that can be amended just for the sake of the Catholic school districts, understanding that we will do everything in our power and everything that is legally required of us to protect and respect their constitutional rights.

MR. DECORE: Well, thank you, Mr. Premier, for saying that you're prepared to accept . . .

MR. SPEAKER: Final supplemental.

MR. DECORE: Will the Premier now tell his Minister of Education to turn it around and go into the Catholic community and say: yes, I am going to accept reasoned suggestions, and if they're proper, we will make changes to the School Act?

MR. KLEIN: Mr. Speaker, the hon. minister has already made changes based on what we have heard from not only the Catholic school districts but the public school districts as well. He compromised and I think compromised in quite a reasonable fashion relative to governance; that is, the appointment of superintendents. If there is something that can be achieved, as I say, if there's a better way, another route and it is equal to all and still leads us to our final destination of balancing the budget, which by the way they don't want to see happen – no, they don't want to see it happen for obvious political reasons. [interjections] Well, they're trying to get in the way of every single thing that we're doing.

Private Health Services

MR. MITCHELL: Just because the Premier's cutting doesn't mean he's cutting right, Mr. Speaker. The Premier and his Minister of Health from time to time say that they support the values established in the Canada Health Act. Now most recently we have the Deputy Premier contradicting that stance and saying that he wants to encourage commercial, for-profit, user-pay health care services in this province. To the Premier: why won't the Premier stand in the House today and once and for all clearly and

finally settle this question by saying that his government will not allow the commercialization of health care services in this province? Say it, Ralph.

MR. KLEIN: Well, Mr. Speaker, I would also challenge the hon. leader of the Liberal Party to stand up and refute statements that he made loud and clear supporting private medicine and the commercialization of medicine in this province. I'll be glad to send over the newspaper articles where he stated quite clearly that he supports private medicine.

The simple answer is that as long as privately run institutions do not violate the Canada Health Act, as long as they do not undermine the services that we have an obligation to provide relative to essential health services, then I see nothing in any law that can prevent this from happening.

MR. MITCHELL: Does the Premier not understand that as soon as he and his colleagues begin to talk about a two-tiered health care system and begin to allow it, then what happens is that the health care system that we have, which is one of the best, one of the fairest in the world, begins to be destroyed?

MRS. McCLELLAN: Mr. Speaker, I'd like to just help the hon. member across out on what really occurs in the health system today and the value of the private sector in that system, which in no way contravenes the Canada Health Act. The federal Health minister visited Alberta not two weeks ago and said publicly I think in front of a number of media that she was satisfied that Alberta was completely within the Canada Health Act. Let me tell the hon. member where the private sector has a role today and a continuing role. Today pharmacies, home care services that are under contract to health units operate, and there is a role, and they provide a valuable service. To say that the private sector has no role or to say that if the private sector is in some way involved in health means a two-tiered system simply displays a lack of understanding and knowledge of the health system.

MR. MITCHELL: Will the Premier please clarify his position on a two-tiered health care system by telling us here now why it is that on the one hand he is in favour of the values established in the Canada Health Act and then on the other hand he is allowing regional health authorities to charge more and more user fees in this health care system?

MR. KLEIN: Mr. Speaker, we see on the Order Paper Bill Pr. 6, the Gimbel Foundation Act. This is a perfect example of what the hon. minister is talking about. Is he willing to stand up today and all members of his caucus and say that they will reject this particular Bill?

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

Catholic School System (continued)

MR. HAVELOCK: Thank you, Mr. Speaker. It's evident that secret meetings do not help the quality of opposition questions. [interjections]

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

The hon. Member for Calgary-Shaw, without provocation, please.

MR. HAVELOCK: Thank you, Mr. Speaker. Yesterday, as was indicated by the Leader of the Opposition, the Premier and the

Minister of Education met with the chairperson and the superintendent of the Calgary Catholic school board. It is my understanding that the meeting was very productive and helpful both to the government and to representatives from Calgary. Nevertheless, I continue to receive calls from my constituents who are still concerned that Bill 19 violates their rights as Catholics to Catholic education. To the Minister of Education: do the amendments to the School Act as part of the government's restructuring plan for education violate the constitutional rights of Catholics?

MR. JONSON: Mr. Speaker, I know that the Catholic school boards of this province have the same goal as I do and as the government does, and that is to provide a quality, basic education to all students in the province. With respect to the question from the member, no, the restructuring plan in the legislation allows Catholic school boards to continue to be governed by Catholic school trustees elected by Catholic voters. The separate school supporters will continue to be able to form separate school districts and operate separate schools. Separate schools will continue to be able to offer religious instruction. All school boards, including the Catholic school boards, will continue to have the right to select, appoint, and employ their own superintendents so that these superintendents can reflect Catholic moral, social, and ethical values. Catholic separate school boards will be able to restrict their enrollment to Catholic students if they so wish. Catholic school boards will continue to have the right to tax if they so choose. However, those boards will have the option to join the tax redistribution plan and the Alberta school foundation fund.

2:00

MR. SPEAKER: It's getting a little lengthy, Mr. Minister. Supplemental question.

MR. HAVELOCK: Yes.

MR. DALLA-LONGA: Have you got an apple with that question?

MR. HAVELOCK: Thank you, Mr. Speaker. We don't give out apples or plums.

If Catholic boards decide not to join the full funding plan, what revenues will they have access to?

MR. JONSON: With respect to the Alberta school foundation fund, it is certainly, I think, worthy to note that it is beneficial for all school boards, for all students in this province to have the school system part of the fund. However, in answer to the hon. member's question, if a Catholic board determines that it will not participate in the Alberta school foundation fund, it will continue to be able to raise revenues from its Roman Catholic ratepayers, both individuals and corporations. A similar provision, Mr. Speaker, has existed in the school foundation program and the legislation supporting it since the creation of that program in 1961. [interjections]

Mr. Speaker, it is also important to note that Catholic school boards will receive per student grants from the provincial general revenue fund equivalent to the per student grants from the general revenue fund going to other school boards. [interjections] For our group across the way who purport to be interested in education in this province and in Catholic separate school boards, they are very disruptive.

MR. SPEAKER: Final supplemental.

MR. HAVELOCK: Thank you, Mr. Speaker. Could the minister please clarify, because it is important to my constituents and

members on this side of the House: do the separate school systems of this province have a constitutional right to undeclared local taxes, be they residential or commercial?

MR. JONSON: In 1971 nonresidential and in 1988 residential undeclared taxes began to be apportioned between public and separate school boards. In answer to the hon. member's question, Mr. Speaker, no, current provisions for the sharing of the undeclared residential and nonresidential taxes are legislative provisions and not constitutional entitlements. Undeclared properties were traditionally public school properties. Providing moneys in the fashion that was provided for in these changes was in addition to the constitutional provisions for the Catholic school boards. In essence, public school taxes have been used to fund the Catholic school system. In doing so, the province was not expanding the rights of Catholic school boards, just providing additional dollars. It is important to emphasize here that the introduction of the Alberta school foundation fund will provide fair and equitable funding to all students.

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

Freedom of Information Legislation

MR. DICKSON: Thank you, Mr. Speaker. The Premier's all-party panel on freedom of information was concerned that right now ministers can destroy documents, they can throw records out, or they can conceal information if they do it in this building. It was for that very reason that the panel recommended unanimously that the offices of cabinet ministers must be included in the Act. But in Bill 18 you rejected that recommendation. Now, my question is to the hon. Premier, sir. Since no other freedom of information law in Canada but one excludes the offices of cabinet ministers, why would you deprive Albertans of access to the same kind of information?

MR. KLEIN: Well, I guess that begs the question: will the Liberals open up all their caucus offices? [interjections] Well, of course not. Of course not.

Mr. Speaker, I really don't know why these questions are being asked at this particular time when the Bill is now in the House. As I understand it, debate starts on the Bill either this afternoon or this evening. If they have amendments that they wish to put, put the amendments, debate the amendments and see how they go forward.

MR. ROSTAD: Mr. Speaker, I'd like to supplement the answer. In the Bill under the definitions section a public body includes Executive Council, which for their help is cabinet ministers, and it also indicates that public body does not include the office of a member of the Legislature, which are the private members as against the Executive Council. So that means that the constituent records, the private records of the individual in that office would not be covered in that respect. Obviously, as an Executive Council member, or a cabinet member, anything you do as a head of a department is included and becomes the same as any other cabinet document. It's obviously taken care of their issue.

MR. SPEAKER: Supplemental question.

MR. DICKSON: Certainly, Mr. Speaker. Let me attempt to make it clearer. If we take for example the Department of Justice – I put this question to the hon. Premier: why does his Bill 18 allow the Minister of Justice to refuse access to a document that

happens to be in this building when the very same document must be made available if it happens to be over in the Bowker Building in the offices of the Department of Justice?

MR. KLEIN: I think the hon. Justice minister answered that question in his first answer: because it is contained in the office of a Member of the Legislative Assembly.

MR. DICKSON: Well, hopefully all members other than the Premier understand the difference between a member of Executive Council and an MLA.

Mr. Speaker, since Albertans witnessed what happened with the destruction of documents about the Principal Group fiasco stored in Connie Osterman's office, why would you not . . . [interjections]

MR. SPEAKER: Order. Supplemental question.

MR. DICKSON: Thank you, Mr. Speaker. My final supplemental question to the hon. Premier is: why would you not support the panel recommendation to ensure that something like that never happens again in this province?

MR. KLEIN: Well, Mr. Speaker, I would suggest that the closest person in this Legislative Assembly to the Principal affair is the hon. Member for Edmonton-McClung, so perhaps he can ask him in more detail what happened to a lot of the documentation relative to that particular incident.

Mr. Speaker, this Act is a good Act. It is an Act that was prepared in consultation with the public of Alberta. It was prepared with the concurrence and the participation of the Liberal Party. That doesn't say that this caucus has to accept all of the recommendations. If hon. members of the Liberal opposition see any deficiencies, see anything that they would like to see corrected in this Act – it is an important Act – then I would suggest that they do as I suggested before, and that is participate in the debate. If they see an opportunity for meaningful amendments, propose those amendments, have those amendments debated in the highest court of the land, which is this Legislature, and if it makes sense, I'm sure that they might or they might not have some success in their attempts. Nonetheless, they will have tried, and they will have made their points.

2:10

MR. ROSTAD: Mr. Speaker, if I could just make a short supplementary to clarify the previous answer. There's obviously a misconception by the hon. Member for Calgary-Buffalo that the head of a department as defined in the Act is a minister. Whether the minister's office is in this building or whether the minister's office is in the building where his department is, he is still the head. So any documentation that he is privy to or is in his control comes under that definition and therefore is open to the thing.

We also have, relative to the last supplementary, a regulation under public works that prevents people from wilful damage and destruction of documents. In the instance of the Principal affair, if he has any evidence of people from government doing that, I'd be willing to take that on advice.

MR. SPEAKER: The hon. Member for Wainwright.

Grain Transportation

MR. FISCHER: Thank you, Mr. Speaker. My question is to the Minister of Agriculture, Food and Rural Development. It's

regarding one of the longest in history unsolved federal agricultural issues, probably one of the most controversial, and certainly it is the most severely penalizing issue to our value-added agriculture industry here. Last June a producer payment panel was formed to review various options on reforming the Western Grain Transportation Act through changes to the method of payment. Can the minister update the status of this panel and whether there's been any reporting to date?

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

MR. PASZKOWSKI: Thank you, Mr. Speaker. Certainly the hon. Member for Wainwright has identified a very important process for the restructuring of agriculture in western Canada. Dr. Tyrchniewicz was commissioned to head a special task force to bring forward recommendations as to how the method of payment should be handled in the future. The technical report that Dr. Tyrchniewicz is presenting was tabled a week ago last Friday and now is in the hands of the stakeholders. The comments on the technical report must be returned by the 15th of April, so it's very important that all of the stakeholders review the report and make their comments immediately.

MR. SPEAKER: Supplemental question.

MR. FISCHER: Thank you, Mr. Speaker. Can the minister enlighten the House on the economic assumptions that are contained in the technical report and whether or not they indicate that a beneficial change to the method of payment is upcoming?

MR. PASZKOWSKI: Yes, I certainly can. Our department's been reviewing the report. To date we have some concerns with some of the models that were used. However, even using the models that the committee has brought forward would show that there's a \$51.2 million advantage to Alberta producers if the changes were made as presented. We are, of course, not in total agreement with many of the models that were used and are reviewing them to recommend the required adjustments.

MR. FISCHER: What, then, is this government planning on doing to address the deficiencies of this technical report regarding achieving a positive reform of the Western Grain Transportation Act?

MR. PASZKOWSKI: Our department is now reviewing the process, and we are reviewing it in the light of seeing that all the models that are presented are correctly structured, because it's very important. This change, of course, is of great importance to the whole agricultural community. We have to make sure that any changes that come forward are the correct changes, because this is going to be the heart of the restructuring of the whole regulatory process of agriculture. So we will be making our recommendations. We're reviewing all the models that were used. We're going to be making recommendations for correcting some of the models that we do not agree with. We'll be submitting that by April 15.

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

Tire Disposal

MR. COLLINGWOOD: Thank you, Mr. Speaker. While the Minister of Environmental Protection fiddles with the Tire

Recycling Management Board, tires burn at a landfill at Bowden, Alberta. The Tire Recycling Management Board was set up to prevent these types of fires, but 18 months after Albertans started paying the \$4 per tire tax, there is still no tire recycling in southern Alberta. My first question to the Minister of Environmental Protection: other than monitoring the situation, what are you going to do about the unacceptable delay in these recycling programs?

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

MR. EVANS: Thank you very much, Mr. Speaker. Well, the hon. member opposite has indicated the main reason why we have a tire recycling management fund. It's to deal with a very severe and substantially very harmful environmental problem, and that is the number of scrap tires that have been landfilled over the past number of years, somewhere between 10 million and 12 million probably, and as well an ongoing stream of scrap tires that amounts to about 2 million per year.

What we have done in northern Alberta is we've entered into a contract with Inland Cement to process about 625,000 tires per year. They use those tires as an alternate fuel. We have entered into an agreement with Alberta Environmental Rubber Products here in Edmonton to deal with high-end recycling of medium to heavier tires by crumbing and creating a mould and, as a result of that mould, creating rubber products. We have gone through a screening report on the environmental impacts of burning tires as an alternate fuel at Lafarge in Exshaw. The decision was made by the director of standards and approvals that there is no environmental problem with that, and therefore we expect quite soon that tires in southern Alberta will be part of a processing at Lafarge. The Tire Recycling Management Board as well is analyzing now the opportunity for yet another tender in southern Alberta to deal with the balance of the tires in southern Alberta and to move forward to a high-end recycling initiative in southern Alberta.

MR. SPEAKER: Supplemental question.

MR. COLLINGWOOD: Thank you, Mr. Speaker. Again to the minister: will the minister stop the charade of vetting and rejecting recycling proposals and make tires available to bona fide recyclers who have markets for their products?

MR. EVANS: Well, clearly, Mr. Speaker, the problem is not making tires available. We have too many tires. We have far too many tires. Unfortunately, there was never any economic opportunity that presented itself to entrepreneurs in this province to take advantage of all those darn tires that we are trying to take care of. So what was done with a board that was set up by this government was to take an advance disposal fee so that we could find some way to move those tires from landfills or from tire shops that were merely storing them over to a processing plant, whether that be a cement kiln or whether it be a high-end recycler. But clearly that was not happening and would not be happening today either if we did not have this incentive of a \$4 advance disposal fee.

MR. COLLINGWOOD: Mr. Speaker, that begs the last supplemental: why doesn't the minister, then, use some of the millions of dollars that are sitting in the tire recycling fund and get some of the scrap tires from stockpiles to tire recyclers? Let's get an industry going here.

MR. EVANS: Well, again, Mr. Speaker, it's very interesting. We have all these tires at the landfills. The mandate of the board

is to deal with the ongoing tires firstly and then to take care of the stockpile. So, hon. member, there are all these tires sitting in landfills that landfill companies, private companies and public companies, have taken tipping fees to store in their facilities. I'm sure they'd be delighted to get rid of them. So if you have, hon. member, some entrepreneurs that are interested in accessing those tires, have them go to the landfills. They can pick them up today.

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

2:20

Education Funding

MR. JACQUES: Thank you, Mr. Speaker. The fear mongering by the Liberal opposition continues. [interjections]

MR. SPEAKER: Order.

The hon. member.

MR. JACQUES: Thank you, Mr. Speaker. My constituents, indeed all Albertans want to know what the real reduction in education funding is going to be, and they want to make informed decisions and informed opinions based on facts and not based on scare tactics. Monday's news announcement concerning the agreement between the Edmonton public school board and the teachers is an example of responsible people doing responsible things. My question is to the Minister of Education. With regard to the 12.4 percent reduction in provincial funding over the next three fiscal years, what is the percentage reduction in total funds available for education when local requisitions are included?

MR. JONSON: Mr. Speaker, I would like to begin by certainly concurring with the hon. member in that it is a very constructive move on the part of teachers in this province and a great assistance with the overall restructuring program and dealing with the fiscal realities of 1994.

Mr. Speaker, with respect to the real impact in terms of the reduction in funding for education, we are continuing to fund education in this province, ECS to grade 12 education, at the \$3 billion level throughout the course of our plan. The real impact in terms of reductions in the total expenditure is about 8 percent.

MR. SPEAKER: Supplemental question.

MR. JACQUES: Thank you, Mr. Speaker. The first supplementary: after allowing for a 5 percent reduction in salaries and benefits, what is that residual percentage reduction in terms of total funding?

MR. JONSON: Well, Mr. Speaker, our considered estimate in terms of achieving a compensation rollback of 5 percent across the province for teachers would translate into a percentage reduction of about 4 percent.

MR. JACQUES: The last supplementary, Mr. Speaker: in view of the fact of that 4 percent reduction, what would that equal in terms of dollars that will be realized by increased efficiencies and by simple prudent fiscal management over the next three years?

MR. JONSON: Mr. Speaker, as school boards across this province do their planning, there are many new initiatives taking place, efficiencies, better ways of doing things being adopted, and I think this will go a long ways to dealing with the residual percentages the hon. member refers to. But certainly in terms of the initiatives that we have undertaken which are being followed

through on with respect to reducing governance and administrative costs, we estimate that at the very least there are another \$30 million to \$40 million available there and probably more in terms of dealing with the fiscal realities boards are facing.

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

Liquor Prices

MR. BRACKO: Thank you, Mr. Speaker. I'd like to table four copies of the Alberta Liberal liquor price survey. [interjections]

MR. SPEAKER: Order. [interjections] Order.

MR. BRACKO: Nobody liked Kleineken beer, so we didn't include it in this survey. [interjections]

MR. SPEAKER: After three minutes perhaps the hon. member can proceed with his question.

MR. BRACKO: Thank you, Mr. Speaker. This provincewide survey found that many new liquor store owners are barely breaking even. My question is to the Provincial Treasurer. What research determined that the current flat tax rate was appropriate for the Alberta economy?

DR. WEST: Mr. Speaker, I'm totally amazed by this question coming from a party that believes – or so they say – in a private-sector business world and one that says they understand the economics of private-sector business.

This study that was presented to my desk was done on February 15 before the private-sector model had had time to evolve and to jell within our society. Second of all, they said exhaustive research was done on it. It was 15 products out of 4,000.

The essence of the flat tax, which we're going to review down the road as we go out on this private-sector model, was brought in because we are no longer in the ad valorem markup business. Maybe you could understand this. We're no longer in the retail business. The government used to be in the retail business, the wholesale business, the warehouse business, the marketing business. We were everything in this business. Today we are the collectors of tax and the administrators of a liquor Act to ensure there isn't abuse out there from the different rules and regulations around the licences, but no longer do we set the marketplace test. We don't set the retail value. So you set in a tax that is as fair as it can be, and you let the marketplace set the retail value. When the supplemental comes up, I'll point out and I'll table in this Assembly . . .

MR. SPEAKER: Order. We'll wait for the supplemental. Supplemental question.

MR. BRACKO: Thank you, Mr. Speaker. I asked a simple question and get the runaround. They haven't changed. It's hard to believe that when people want answers, this is what we get.

Based on the first quarter of sales, what is the government's projected revenue as a result of this fair flat tax? To the Treasurer.

DR. WEST: Mr. Speaker, the revenues are right on target and consistent with those that have been coming back to the province in the last two years. In fact, some of the revenues are up a bit because of some unusual trade practices and the stocking up of many of the 350 stores. To answer the question specifically,

they're right on target and up a little because of the unusual market distribution of products.

2:30

MR. BRACKO: Again no specific answer.

My last question to the minister responsible for the ALCB: what research has been completed on the effect on liquor prices of privatizing the warehousing and distribution system? Supply it, please. [interjections]

MR. SPEAKER: Would hon. members please be quiet to allow the minister to answer the question.

DR. WEST: Mr. Speaker, the ALCB constantly markets the pricing structure. One of the unusual things is that as the marketplace evolves, the manufacturers and distillers and the brewers have probably changed their prices on their products more every week than we've ever seen in the history of this industry. In fact, as we go forward, they were moving down case lots of their product almost on a weekly basis so that the marketplace couldn't react fast enough to that.

I have and I would like to table the example of how the free market system works, how we do have here today products at 1993 ALCB prices. I could show you where there are prices 20 percent below that, many more than 15, where on selected products the prices have come down, up and down depending on what the manufacturers and distributors are charging to ALCB. As we privatize the warehousing and the distribution of those products, we'll see another fluctuation depending on the people that take over the warehousing business, how they do their FOB locations within the province. As we review the flat tax, we're going to find out also that the compression created in the marketplace probably changes some of the way . . .

MR. SPEAKER: Order please. [interjections] Order please. The answer is getting a little lengthy, hon. minister. The time is short.

The hon. Member for Lethbridge-West.

Bowden Landfill Fire

MR. DUNFORD: Thank you, Mr. Speaker. I used the Easter break like I'm sure many of the other MLAs did: to speak with constituents. As a matter of fact, at a town hall meeting, while questions came up about education and health care and seniors' benefits programs, actually a couple of people in the audience really pressed me on this \$4 that was collected on the price of tires. Now, my hon. colleague from Sherwood Park and the minister I think ably handled the particular questions that I would have had at that particular time, and I'll check *Hansard*, but he did mention the tire fire at Bowden. So I'd like to direct the question, then, to the hon. minister, if he could provide us with the details of this particular incident.

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

MR. EVANS: Thank you, Mr. Speaker. There was a concern yesterday afternoon certainly that because of a low-temperature fire that was moving over into a heap of scrap tires in a private landfill at Bowden, we were going to have an environmental problem with toxins being given off. In fact, there was a great plume of black smoke given off, but thanks to the very prompt work of both the landfill owner, who brought in a bulldozer, the local fire department, and our own pollution control division staff,

who were on-site immediately after being notified, the fire was put out and the environmental impacts were kept to a bare minimum.

MR. DUNFORD: Just one supplement, Mr. Speaker: will there be any environmental charges laid over this incident?

MR. EVANS: Certainly the preliminary information that I have from my staff is that there will not be, that responsible actions were taken. The problem apparently was that the landfill was being used for pieces of a grain elevator that had been burned down, and because of some embers that were burning, there was a bit of a fire created. We're looking at it very carefully. It doesn't seem to me, hon. member, that there was any negligence, and I don't anticipate any charges being laid.

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

The hon. Member for Edmonton-Meadowlark.

head: Members' Statements

Schizophrenia

MS LEIBOVICI: Thank you, Mr. Speaker. Schizophrenia is an organic brain disease affecting one in 100 people. The number of people in Alberta who suffer from this disease is 20,000, enough to fill a small city. Schizophrenia is commonly referred to as youth's greatest disabler because it generally affects people between the ages of 17 and 30. People who suffer from schizophrenia may experience delusions of grandeur, feelings of persecution, the hearing of voices, disturbances of thought, and fluctuations in mood. As you can see, there is an incredible loss of individual potential, personal anguish, and family hardship associated with this disease.

Schizophrenia costs billions of dollars annually as there is no cure yet, and one in 10 people who suffer from schizophrenia commits suicide. Recently one of my constituents, Mrs. Donna Rudolph, contacted my office about attending a town hall meeting on mental health. She informed my staff that approximately two weeks prior to this meeting her son, who suffered from schizophrenia, committed suicide. The mother discovered that her son had shot himself in their home. The mother was left with the incredible task of having to prepare herself and her family for the death, never knowing really why it had occurred. An article was written in the *Edmonton Sun* entitled: System Failed Mentally Ill Son, Says Mom. The mother believes that her son, if he had been admitted to the hospital, would have been alive today. She feels that the hospital system failed her son. Unfortunately, I can't be a judge or a jury in the case, but I too commend the efforts of this parent to educate the public at large about this misunderstood disease.

I'm deeply concerned about the downsizing of psychiatric beds at Alberta Hospital Edmonton and the impact that this will have on the community at large. Many community agencies are full and have waiting lists of up to two years or more. I urge the government to share with the public stakeholders, mental health consumers, and community agencies their plan so that the system will not fail again.

I would also recommend that all members of this Assembly participate in Mental Health Week in May. By visiting an agency or an institution that provides services or care to the mentally ill, we can all become better informed and educated.

Thank you, Mr. Speaker.

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

Adult Education

MR. DUNFORD: Thank you, Mr. Speaker. In 1971 when the Conservative government took office, Alberta, at 10 percent, had one of the lowest rates in Canada of community-based learning by adults. The new government took steps to correct that situation by forming further education councils and by designating community schools. In 1984 the federal government did the first nationwide study of adult education in Canada, and the participation rate for Alberta was 25 percent. That was the highest rate in Canada. We were termed "Canada's learning province." The province was blanketed with further education councils, but where there were designated community schools in operation, the adult learning rate was up to 10 times higher than in communities without such schools.

In 1992 the OECD identified learning cities in the world. These cities included Gothenburg, Vienna, Bologna, Pittsburgh, and Adelaide in Australia. Among these learning cities and identified as the most effective by the researcher involved was Edmonton. The reason given for the effectiveness was the presence of a local further education council and designated community schools.

Mr. Speaker, we live in interesting times. These times are economically and ecologically dangerous times. We need to be better learners in our community. Currently the average school in Alberta costs \$1.5 million a year to operate. That is one of the largest expenditures made each year in each of our communities. Such schools serve 20 percent of the people for about 20 percent of the waking hours. Designated community schools consciously strive to serve a hundred percent of the people a hundred percent of the waking hours. Therefore, we need to look at the use of lottery money to allow these schools to function. There could hardly be a better use for such moneys than creating life-centred community schools for the times in which we live.

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

2:40 School Board Amalgamation

MRS. SOETAERT: Thank you, Mr. Speaker. It gives me great pleasure today to stand in this Assembly to congratulate the two Catholic school districts of Spruce Grove and Stony Plain. The marriage of these two boards under the leadership of their chairpersons Gerald Bernakevitch of Spruce Grove and Dianne Shennan of Stony Plain has long been in the works. These two boards have long shared resources, ideas, and activities. This regionalization will be more effective and efficient than ever before. They set a fine example of leadership to the rest of the province. This regionalization was aided through Bill 8, a Bill passed unanimously in this House which provided a framework for these two boards to work. This proves that this process can work.

Some boards will need more time than others to regionalize. If we want community-based decisions, then we have to give them the time and flexibility to work together. I was at a meeting of some trustees, and they compared regionalization to a marriage. Mr. Speaker, we do not need shotgun weddings; we need strong, stable unions that ultimately benefit our children – a good marriage, with a decent courtship. The deadline of August 31 may well create shotgun weddings. Let's try and be flexible in the same way we are asking school boards to be flexible.

My congratulations to Stony Plain and Spruce Grove Catholic school boards, who are now the Evergreen Catholic regional school division, a group of fine people who saw the opportunity to save money, join resources, and maintain their number one priority, the education of our children.

Point of Order Scheduling Government Business

MR. SPEAKER: The hon. Member for Edmonton-McClung, on his first point of order.

MR. MITCHELL: Thanks, Mr. Speaker. I would like to first discuss a point of order under Standing Order 7(5), which of course addresses the scheduling of House business. I would like to make two points. One is that last night the government adjourned debate on the estimates review of the Justice department after one hour of debate. It's been the tradition of this Legislature that, generally speaking, when an evening is scheduled to be committed to the debate of a department's estimates, that debate proceeds from 8 o'clock until at least 9:45 or 10 o'clock, which is as much as two hours, and sometimes the government even permits it to go beyond that.

Mr. Speaker, it was unprecedented that the debate should have been stopped last night at 9 o'clock. I understand that there may have been a scheduling problem with one of the parties involved. I won't mention names. It doesn't necessarily have to be that all parties concerned are in this Legislature once that debate begins. I think it also would behoove the government to schedule properly so that they know who is available and schedule properly so those people can fully address the debate at hand. It simply is not acceptable to us and, I believe, to the people of Alberta that the government should count last night as one of the 25 days set aside for estimates debate when only one hour was allocated to the discussion of that department's estimates. That's my first point. We're very concerned that this could become a trend to cutting out and reducing the open discussion of estimates in this Legislature.

My second point is that today we have been told that should the government decide to go to the discussion of Bills this evening after estimates – perhaps, we would hope, no sooner than 10 o'clock – the Bill discussed will be any one of Bills 18, 19, or 20. We have not been given a specific Bill that will be discussed. We have not even been given the order in which those Bills might be discussed, which has generally been the practice in this Legislature. Surely when we are discussing and dealing with Bills of the stature of Bill 18, freedom of information, 19, the School Act, and 20, the health regionalization Act, the government will know which minister is going to be available to discuss it at least 24 hours in advance and can tell us that so that this debate can be done properly. This has not been the practice of this House, that Bills would not be specified. We've always had the impression and the feeling that the government by and large in the past has tried to accommodate and to specify and to organize their side, their schedule properly so that their members can be properly prepared and properly aware of what's going to be on the agenda. It's just common courtesy to us that we should be aware of that.

It's also very, very important to the level of debate, to the quality of debate, to the public, so the public has some sense that there is an order so that if they want to be here for a debate, they can be here for a debate because they have some general idea of when that debate will occur, Mr. Speaker. We'd like to see this kind of problem straightened out by the Government House Leader, please.

MR. DAY: Mr. Speaker, there have been a few times in the years that I have been here – and I believe the member opposite and myself were elected about the same time – when he's been fairly close on point. This is not one of those times at all. I'm amazed at the lack of knowledge that he has not only of the system but also of what the government has clearly indicated we're doing.

On the point, first of all, of estimates. The member opposite indicated that there was only one hour being designated. On March 3 this Department of Justice was designated by the member opposite himself, designated by his caucus to be up for estimates. Since the agreements were made last year on estimates, this is the first time in history there has ever been the opportunity to bring departments back twice at all. That's because there used to be 26, 27, 28, 30 departments, always only with 25 days of estimates. Now with what we do with the subcommittees, with our hon. chairmen of our standing policy committees taking those aside, giving them intensive study, we have 25 days for 16 departments, less four really, for 12. We have every department coming back at least twice, some departments coming back three times. That's unprecedented. It's never happened before in history. [interjections] The member opposite is trying to indicate . . . You know, I tried; I listened quietly to the babble, and I still have to listen to it.

Mr. Speaker, the time that has been allowed for estimates is now unprecedented. So we brought it back a second time last night. I think that point's been made. However, in estimates it's a matter of fact, a matter of practice and precedents that from time to time when the members opposite or any members are talking about the estimates of a department, it's sort of a novel approach to mention the estimates. Now, we know that the debate can be wide ranging, and we appreciate that, but if they wanted to talk about over 30 separate votes from the Department of Justice and \$398 million, you would think at least half the time would be spent on the estimates themselves. I listened intently last night. It was painful. I did listen intently, and I reviewed the Blues. Last night member after member stood in their place. I listened intently – you can check it with the Blues – and there was one reference to one vote during estimates that took about three seconds. Now, the debate is allowed to be wide ranging. We recognize that. But since it is in consideration of the estimates, you would think there would be some interest in the estimates. After an hour of covering the entire map . . . [interjection] Somebody should throw that guy over there a fish. He's out of control.

After covering the entire map of jurisprudence, which is fine, we said after an hour: this has been back for the second time; there is no reference to the estimates. We felt they had exhausted themselves, so we drew that session to a close.

On the second point. There was a reference that the members opposite had not been told what Bills would be up for second reading. Again, I'll read directly from *Hansard* of Thursday, March 31, on projected business. I don't know how much clearer I could make it when I make the direct reference that on Tuesday in the evening after estimates there will be second readings – I don't know how clearer it could be – as per the Order Paper. Well, I don't know; we're going to have to check. Our pages are usually very efficient. Did they not distribute the Order Paper? Here it is. Order Paper, Second Reading: Bill 18, Bill 19. What comes after 19? Twenty. Bill 20. Mr. Speaker, I don't know how much more specific we can be. We've laid it out as clearly as possible.

I would like to suggest that there is not a point of order on either of those two items.

2:50

MR. SPEAKER: The Chair would like to respond to the first part of the point of order, with regard to what really is the definition of a parliamentary day, as to how the Chair understands the hon. member's point: that a parliamentary day with regard to estimates is two hours seems to have been the practice. The hon. Government House Leader's argument is that the debate that was

going on was not with regard to the estimates, and therefore a judgment was made by the hon. Government House Leader to take a certain step.

Standing Order 9 provides that the government is in control of the business that is done in the Assembly. [interjections] Order. Order please. The Chair really feels that this is a disagreement between the two House leaders as to the ordering of business. The Chair would suggest that perhaps the House leaders could have some conversations about this, because certainly the time is not specified in the Standing Orders as to what constitutes a parliamentary day. I think all members will recall, though, that generally it goes for two hours. The rest of the rules do provide for the government to be in control of what business is done in the Assembly. So the Chair finds it really rather difficult to resolve this complaint raised by the hon. Opposition House Leader and hopes that perhaps there can be some conversations between the two House leaders to see that things move along.

Point of Order Preambles

MR. SPEAKER: Is there a second point of order, hon. Opposition House Leader?

MR. MITCHELL: Just a quick point of order under *Beauchesne* 410(8). Mr. Speaker, we have been told by you that preambles have to be short, that there are three sentences to the opening preamble. I'd just point out that the Member for Grande Prairie-Wapiti indulged in four sentences. I know it's a small point, but it's a sensitive point, because as you know . . . [interjections]

MR. SPEAKER: Order. [interjections] Order.

MR. MITCHELL: It's a sensitive point, Mr. Speaker, because as you know, you have been reprimanding members for prolonged preambles and preambles to subsequent supplemental questions. I will point out that in fact the Member for Grande Prairie-Wapiti did tread over that line as well, the preamble to supplementals. So I just merely point that out.

Thank you.

MR. DAY: While the Member for Grande Prairie-Wapiti was apparently treading over a line, on nine different occasions – I believe I'm right; it could be eight – this afternoon, members opposite, who are not to make any preamble with supplementaries, leapt over the canyon. They didn't tread over any line. So I think the member opposite needs to be listening to his own members there. [interjections]

MR. SPEAKER: Question period today did leave a lot to be desired; no question about it. I think it would be reasonable to say that the blame could be spread over the entire Assembly.

SOME HON. MEMBERS: No, no. Not true.

MR. SPEAKER: Order, order. Obviously, it can be spread over the entire Assembly.

SOME HON. MEMBERS: Agreed.

MR. SPEAKER: This week has not started off well. The Chair understands the situation for all hon. members coming back from the Easter break feeling bright eyed and bushy tailed, but the Chair would suggest it's time for all hon. members to start

adhering more to the rules, which every single hon. member knows but seems to conveniently forget when it suits their own purposes. So we'll leave that point of order.

Point of Order

Reading from Documents

MR. SPEAKER: The hon. Member for Calgary-North West had a point of order?

MR. BRUSEKER: Thank you. Yes, Mr. Speaker. I rise with respect to the question from the Member for Calgary-Shaw that was directed to the Minister of Education regarding . . .

MR. DAY: Citation, Frank?

MR. BRUSEKER: I'm getting to that. Just a second. I have three in fact.

. . . the response from the Minister of Education.

The citation that I have for the hon. Chair and of course the Government House Leader is *Beauchesne* 496. It says:

A Member may read extracts from documents, books or other printed publications as part of a speech provided that in so doing no rule is infringed. A speech should not, however . . .

And this is the point in particular that I am concerned about, Mr. Speaker.

. . . consist only of a single long quotation, or a series of quotations joined together with a few original sentences.

There were very few original sentences in any of what I heard.

In particular I also refer to the previous page, *Beauchesne* 495(1).

A Minister is not at liberty to read or quote from a despatch or other state paper not before the House without being prepared to lay it on the Table.

The answer from the hon. minister was a lengthy reading of a response from a paper that was typed out and which he had laid on his desk and which all members on this side of the House could see that he was reading from. Therefore, I think it's incumbent upon the minister to table that before the House. Now, if, as I suspect, what we will see ultimately tabled before the House is in fact simply a government news release, then I would also point out *Beauchesne* 409(5) that says, "The matter ought to be of some urgency." The question must have "some present value in seeking the information during the Question Period." If in fact the minister is simply reading from a government dispatch, then it begs the question of why the question should be asked at all by the Member for Calgary-Shaw if indeed the answer can be found in a government dispatch. So either the minister is at fault for reading a document which is not available to the public, or the member opposite is at fault for asking a question to which the answer is already available in the public domain.

MR. SPEAKER: Well, as the Assembly will recall, the Chair did intervene with the hon. minister twice, I believe, on the length of his responses to those questions. The Chair would just refer to *Beauchesne* 417, which says that these answers should be brief.

MR. BRUSEKER: They weren't.

MR. SPEAKER: The Chair agrees that he wasn't, and the Chair would urge hon. ministers to be aware. The Chair was quite surprised at the hon. Minister of Education because he's normally very much within the rules, but as the Assembly noticed, he seemed to stray today on that question, and we trust that he will get back to his normal excellent way that he does answer questions.

Point of Order

Answers by Nonministers

MR. SPEAKER: The hon. Member for Redwater has a point of order?

MR. N. TAYLOR: Yes. I'm going to have to be very careful on this one because instead of criticizing the members on the other side, I am trying to maybe elicit some more information from you, Mr. Speaker.

During the course of the question period the Premier said that if the hon. Member for Spruce Grove-Sturgeon-St. Albert wanted to answer, she could proceed. You stated that the member doesn't have the "legislative competency." Now, that comes under *Beauchesne* section 168 and also 418 and 419. *Beauchesne* 418 and 419: we've been around this before; that's where it says that the government decides who will answer. But at that time you have said that the government could only decide who answered if they sat over there. I've accepted your finding, Mr. Speaker, with reluctance - 418, 419 - because I think that the government can refer to anyone else.

3:00

Nevertheless, that being so, this happened again today. The government referred to someone over here. The criticism from your side leaped onto the recipient, the one that was catching the ball rather than the one that was throwing it. If the government isn't allowed to refer anything but to themselves, then we should be criticizing them when they refer something over here to be answered rather than one of us that are only leaping up to catch a ball thrown at us. Particularly, to say that the hon. member didn't have the legislative competence - competence sort of infers knowledge, and knowing both of them, there's no question that the Member for Spruce Grove-Sturgeon-St. Albert is far superior to the Premier when it comes to knowledge. So I think it was most unfair to use the word "competence." I'm just asking, if the government pulls this act again of heaving a ball in this direction, that you jump down their throat rather than ours for trying to catch it.

Thank you.

MR. DAY: Well, on the purported non point of order, I think it's obvious - and I think that both sides will agree to this if we can just take a couple of steps back from any emotional uptake that happens - that the Speaker in this Assembly never leaps down anybody's throat. Sometimes you may agree, Mr. Speaker, with a point of order or not. For instance, in reference to someone on our own side today the Speaker did not jump down a minister's throat but referred to a certain situation and suggested it not happen again. Now, I've never heard or witnessed the type of action that the member opposite is talking about.

In reference to the Member for Spruce Grove-Sturgeon-St. Albert, what took place was that the member stood up as if to answer a question.

MRS. HEWES: The Premier invited her to do so.

MR. DAY: Correct, and she stood up.

MRS. HEWES: I would, too.

MR. DAY: Right. But what the Speaker commented on was her legislative competence. It had nothing to do with her intellectual competence. She settles that issue every time she speaks. It was

a very clear reference to legislative competence, and the House rules and precedent and *Beauchesne* are very clear: a member opposite cannot stand to answer a question. It was strictly to do with legislative competence, and I'm surprised the members opposite were so touchy when her competence was referred to. I'm surprised they reacted. [interjections]

MR. SPEAKER: Order. [interjections] Order. The answer to this point of order can be found if one consults *Hansard* or Votes and Proceedings for last fall. I'm sorry; the Chair doesn't have the exact date but will provide the hon. member with that date. As far as the use of the word "competence" is concerned, the Chair would refer the hon. member to *The Concise Oxford Dictionary*. The Chair used that word in the sense of "legal capacity." According to the precedents and the ruling previously made, the hon. member does not have the legal capacity to answer on behalf of the government, and that's why the Chair used that term. It was in no sense denigrating her other attributes. It was purely in that sense.

The hon. Member for Edmonton-Whitemud has a point of order.

Point of Order

Preambles to Supplementary Questions

DR. PERCY: Thank you, Mr. Speaker. The citation is *Beauchesne* 410(8). It was with regards to the hon. Member for Grande Prairie-Wapiti's question, in fact the second supplemental, which clearly had a preamble to it. Having been called on that myself on occasion, I think fairness and a level playing field would require you, then, subsequently to call hon. members on that side of the House on that as well.

Thank you.

MR. SPEAKER: The Chair thinks that that's a point well taken. I believe the Chair has intervened against members on that side in that area already, and the Chair regrets that it didn't do it today.

head: Orders of the Day

head: Public Bills and Orders Other than

head: Government Bills and Orders

head: Second Reading

Bill 208

Child Welfare Amendment Act, 1994

[Adjourned debate March 30: Mr. Sohal]

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

MR. SOHAL: Thank you, Mr. Speaker. As my constituency is one of the youngest in terms of demographics, I would be remiss if I did not speak to Bill 208, the Child Welfare Amendment Act. I'm gravely concerned about children who are not free from any form of physical, emotional, or economic exploitation. Children are the shining light in this province's future. They are a group which must warrant the attention of this government.

As Calgary-McCall is largely working class, multicultural, and does not have a high school, a hospital, or a postsecondary institution, one can appreciate that the problems and concerns facing young people in my constituency are unique when compared with other ridings within the city of Calgary as well as those across the province.

There seems to be little argument, from the better side of the House at least, that the wording of this Bill is vague. I suspect, Mr. Speaker, that the real reason nothing substantial has been

included is because it is much safer for the members on the other side of the House to cling to generalities and peddle it to Albertans as a panacea. However, Bill 208 is not a panacea. While I believe the welfare of children should be promoted to its fullest, I'm of the belief that vague legislation will inevitably lead to its true interpretation by the courts, not the elected members in the Legislature, which would define the true limits of this legislation.

I feel that in many respects Bill 208 owes much of its soul to the United Nations convention on the rights of the child. In fact, Mr. Speaker, this Bill provides a new subsection which appears to incorporate the rights of the child under the UN convention. The UN convention is a legal document which sets out legal standards and obligations on a given subject. In this particular convention the rights of the world's children are addressed. Those countries who ratify a UN convention agree to abide by the standards. In the case of this convention approximately 132 countries were signatories to the documents. Indeed, the principles contained in the UN convention are worthy and deserving of support. If successful, this convention on a worldwide scale would help the homeless in Brazil who are killed by death squads every year, eliminate child prostitution in the Philippines, and teenage soldiers in the Middle East.

Canada played a significant role in the development of the convention. The government of Alberta worked with the federal government in developing Canada's position. It should be noted, Mr. Speaker, that despite Canada's active involvement this country did not sign the convention unconditionally. Canada placed two reservations as well as one statement of understanding. One reservation concerned the detention of young offenders, while the other addressed the adoption of children. There was also an understanding at that time that all 10 provinces would bring their legislation in line with the standards contained in the convention. Ottawa ratified the convention on December 11, 1991.

As with Bill 208, the best explanation why the UN convention on the rights of the child has not been ratified by this Assembly is because of the document's weakness. As implication of what in fact the UN convention may mean in practice is unclear, some stakeholder groups are nevertheless worried. While the purpose of the UN convention was to help alleviate the problems of juvenile prostitution, child labour in deplorable work conditions, and slavery, which unfortunately still exists, many of the convention's provisions could be interpreted differently by Canadian courts.

3:10

One of the rights listed under article 5 gives children the right to freedom of expression. This right includes the freedom to seek, receive, and impart information and ideas of all kinds regardless of frontiers either verbally, in writing, or in print, in the form of art or through any other media of the child's choice. Again, I cannot help but – how it will help children who don't live in nondemocratic regimes and it will be interpreted in developed countries like Canada. In the age of information it can be difficult to monitor all of the books, magazines, videos, CDs, computer disks, and trading cards available throughout the marketplace. It could also be argued that some of the articles under the convention tend to contradict one another. When I look at the Bill and other vaguely worded documents like the UN convention, I cannot help but see that these initiatives which protect children would occur after the fact.

Proactive programs should be given greater height than reactive ones. I'm of the opinion, Mr. Speaker, that this government should look toward helping to facilitate better parenting. This could be accomplished through establishing partnerships between the child welfare office and the community through church groups

or as part of the curriculum of career and life management, or CALM, classes. As most people want to be good parents, I feel these tools should be made available to them.

Mr. Speaker, as many of my colleagues have indicated already, I feel that the family home is the ideal setting for rearing children. While I feel that parents should neither be abusive nor too permissive toward their children, parents, not government, should decide whether corporal punishment should be administered. I feel that parents play an important role in the lives and development of their children. Parents, not schools, should be the primary educator of the child. Each parent should have the right to protect, educate, and promote the religion, the values, the ethics, the attitudes, and the politics of his child.

If it is agreed that no two persons are alike, then one can assume that no two parents are alike. Some families are run by two parents; one may have a stepparent; others may include families run by new Canadians or even interracial households. No matter what, every one of these little societies are unique in the problems and circumstances they encounter. While these families are all unique, one thing is for sure: they run on love and respect, things which cannot be legislated or imposed on the parents by any jurisdiction. While some things like traffic can be regulated by government, there are others which cannot be legislated. These include love and respect. This government realizes this and will work towards revising existing and implementing new policies to bring Alberta families closer together, not further apart.

It is for these reasons that I will be voting against Bill 208. Thank you.

MR. SPEAKER: Before proceeding, could we have unanimous consent to revert to Introduction of Guests?

HON. MEMBERS: Agreed.

MR. SPEAKER: Opposed? Carried.

The hon. Member for Pincher Creek-Macleod.

head: Introduction of Guests
(*reversion*)

MR. COUTTS: Thank you very much, Mr. Speaker. It gives me great pleasure to introduce to you and through you a constituent of mine from the village of Cowley. He's a co-owner of a very successful forestry business there. I'd like to introduce Mr. Mike Sodnowski to the members of the Assembly. He's sitting in the members' gallery. Would he please rise and receive the traditional warm welcome of this Assembly.

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

Bill 208
Child Welfare Amendment Act, 1994
(*continued*)

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

MR. HENRY: Thank you very much, Mr. Speaker. I just have a few brief comments. I'm glad the member who spoke before me brought up the issue of the UN convention on the rights of the child. As the record will show, this government does not support the rights of the child as defined by the UN convention. [interjections] I hear hon. members on the other side protesting. I think

the record shows that the members opposite voted against the adoption of the UN convention on the rights of the child.

Mr. Speaker, this points very clearly to the issue that we have to deal with when we talk about child welfare in this province. The days that children are treated as chattels or property must be declared over and done with. We need to be very, very clear that as adults in our society in our province we have a responsibility to our children to ensure that they are well taken care of, to ensure their rights are respected, not to treat them as property or as other things that we might own. In fact, we don't own our children. In many ways as a parent I can say that our children own us, and that's the way I believe it should be.

The criticism I've heard of Bill 208 – and I want to commend the drafter for the excellent drafting – is that the Bill is somewhat vague. I've heard that criticism from more than one member on the other side of the Assembly. Mr. Speaker, I want to point out very clearly that if anything is vague, it's the Child Welfare Act, and what Bill 208 is attempting to do is to provide some more clarity and tighten up in fact the Child Welfare Act. If we were to follow the argument that's been presented by members on the opposite side, we would trash the entire Child Welfare Act and want to rewrite it. I hope that the Minister of Family and Social Services was listening to his colleagues when they talked about the vague wording of the Child Welfare Act. Surely they must be referring to that if they think Bill 208 is vaguely worded.

Mr. Speaker, I just wanted to bring to the members' attention some experience that I've had in dealing with the child welfare system over my personal and professional life. I think many, many observers and individuals and groups who've studied the system have said that one of the problems is that once a child comes into care, too often we diddle around forever and ever it seems before we make any decisions about that child, and in terms of permanency we don't try to bring some permanency soon enough into that child's life.

It's been said to me by a number of professionals in the field as well as a number of people who have received services from child welfare that the mistake we make generically in our child welfare system is that when it is appropriate for the state, for the government, for child welfare to intervene, we don't make the decision whether that family unit is salvageable or not. I believe all members of the Assembly will agree that the best place to raise a child is in the family context when possible, but it's not always possible to do that. Too often we diddle around providing inadequate resources to a family for a number of years prior to making a decision as to whether the family unit indeed can be salvaged and can be functional for that child. I know some hon. members on the other side may think that's funny, but very clearly we need to be putting the interests of the child first, and if it is possible to put resources into the family for as long as those resources are needed to make that family function so that that child can be raised in that family context, then that's what we should be doing.

However, there are some times unfortunately where people become parents biologically without the capacity or without the willingness to become parents, I believe, in the psychological sense or in the social sense. In those instances, when nothing else can help or can reconstruct that family unit, we need to make the decision to remove that child, as unfortunate as that may be in some instances, and ensure that that child is placed in a long-term, permanent situation. Surely that's a weakness in our current system that's been acknowledged over and over and over again.

Mr. Speaker, there are many other things I'd like to speak to in committee, but the last one I want to bring to the attention comes from personal experience as executive director of the

Canadian Mental Health Association. [interjections] I know the hon. Minister of Municipal Affairs is begging for a chance to speak to this issue. Very clearly the difficulty we have is that sometimes well-meaning child welfare workers or, more often, well-meaning courts will direct that a particular child receive a particular service from an agency or receive certain support. I often received those kinds of orders through the Canadian Mental Health Association and often, frankly, because of the economy, because of the lack of government funding the agency was either not able to provide those services because they were already oversubscribed or, in fact, sometimes it was an inappropriate referral.

So there needs to be some sort of assurance – and one section of this Act speaks to that – that the child welfare director making the recommendation to the court is aware of what community services are available, is aware of what the agencies are and what their mandate is, what their current programming is, and what their capacity is.

With those comments, Mr. Speaker, I would urge all members to support this Bill. It's an attempt to clarify an Act that is quite vague right now, and I would urge all members to support the Bill.

Thank you.

3:20

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

MR. AMERY: Thank you, Mr. Speaker. I feel it's important for me to rise and speak against Bill 208. Like many of my colleagues have already stated, this Bill is vaguely worded. It's so vague in fact that I feel it could do more harm than good to Alberta children. It's commendable that the Member for Edmonton-Highlands-Beverly is concerned about the welfare of Alberta's children. However, I feel that in the interest of our future, the children of Calgary-East and of this province would be better served if positive changes could be made to existing and potential legislation by addressing specific issues which affect children today.

This includes enhancing protection for children in the aftermath of a divorce. It has been said that with every divorce comes the destruction of a small civilization. However, I feel I should qualify these remarks by stating that while in many cases it may be better in the long term for a husband and wife who have fallen out of love to not live together, their offsprings nevertheless are the innocent victims. These children are both hurt and confused. It is a tough lesson in life to all children that in many cases few people ever do live happily ever after. While not in all cases, some children in a divorce battle are treated as though they are someone's property, like a condominium or a stereo. As well, the true wishes and feelings of the child are ignored for fear of bruising either parent's ego during a trial. While many grown men and women who have ever had to go to court do not come away with many fond memories, one should imagine how this is seen through the eyes of a nine-year-old. Here children are caught in the middle of what would seem to be a perpetual tug-of-war by the very two people who supposedly love them.

In the courtroom each parent states their circumstances and negotiate custody, adequate maintenance, and visitation rights. In some cases the fighting might continue beyond the arena of the courtroom. It's illogical to think that this government could change legislation and promise all divorces will be settled in a civilized fashion. It is also equally illogical to think that no divorces should be permitted at all. This government does, nevertheless, recognize that some civility or even sanity must be returned to the process. This includes maintenance enforcement, access rights, and grandparents' visitation rights.

The issue of maintenance enforcement rose to prominence when this government recognized that maintenance orders were not being met many years ago. Prior to the maintenance enforcement program's inception in 1986, an estimated two-thirds of court orders for maintenance or support were not being paid. It was not so long ago that the only way a custodial parent would be able to collect on these outstanding payments would be to take his or her ex-spouse to court. Mr. Speaker, this put the creditor at a disadvantage for two reasons; those being time and money. First, the process was time consuming. Waiting for a trial does not put food on the table, nor does it clothe their sons and daughters. Second, a lack of financial resources to retain legal counsel or even locate the ex-spouse has reduced many people's confidence in a fair and equitable justice system. The maintenance enforcement program was a major step in restoring this confidence.

Alberta's program was established after a careful scrutiny of existing programs in other jurisdictions in Canada and in other countries. The director for the maintenance enforcement program is given access to both federal and provincial information data banks for the purpose of locating noncompliant individuals who do not meet court orders. Through such measures as the garnishment of wages or the seizure of assets, many court orders have been increasingly complied with, and many low-income families were able to get the support they needed.

Since the program's inception, Mr. Speaker, more than \$300 million has been collected by the government on behalf of custodial parents. Since the establishment of the Alberta program many other provincial and territorial governments have based theirs directly on the Alberta model or borrowed directly from it. Moreover, I am pleased to see that this has resulted in fewer claims by single parents for social assistance. This has resulted in substantial savings for the Department of Family and Social Services. This means that the ministry can put those previously committed dollars into programs where needs are truly high. However, I feel the greatest impact of the program is that more Albertans have their dignity and pride restored knowing that they do not have to knock on the door of government to ask for financial assistance. I am pleased to see that an impressive 82 percent of maintenance enforcement accounts are paid in full. While I realize collection of the other 18 percent is deemed uncollectible because of special circumstances facing the debtors – like unemployment, disability, or a lack of assets – I feel efforts should be further . . .

MR. SPEAKER: The Chair regrets to interrupt the hon. Member for Calgary-East, but the clock indicates that it is now 3:30, and Standing Orders require that we move to the next order.

head: Motions Other than Government Motions

3:30 Disposal of Government Assets

509. Moved by Mrs. Abdurahman:

Be it resolved that the Legislative Assembly urge the government to formulate a policy to ensure that the disposal and/or sale of government assets and lease agreements reflect market value and that no Albertan has an advantage over another Albertan in purchasing these assets.

MRS. ABDURAHMAN: Mr. Speaker, I rise with pride to move Motion 509, and I feel it's important that it be read into the record. One of the beliefs that I have – and I hope that everyone in the Legislative Assembly has the same belief – is that what Albertans and Canadians are looking for is a restoring of trust and

integrity by their elected officials. To restore that trust and integrity there are certain things that must happen within the legislative system. One of the areas, I firmly believe, has to be an ongoing process of opening up government and ensuring the honesty of government. With this resolution . . .

**Point of Order
Admissibility of Motion**

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

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

MR. DAY: Mr. Speaker, no, it's not entirely something that is practised on a daily basis here. I would like to ask you for some guidance and a ruling that this motion actually be ruled out of order. In fact, it's asking for something to be done that is already fully and completely in place. I would just ask for a ruling from you on that: that it be out of order because it's already happening. [interjections]

MR. SPEAKER: Order please. The Chair is prepared to rule on the point of order, hon. member.

MRS. ABDURAHMAN: Can I speak to it?

MR. SPEAKER: Well, with what the Chair intends to say, it's not really necessary for the hon. member to.

The Chair feels that the point made by the hon. Government House Leader really proves that this is a matter for debate and education, because it's quite open for those who say that there is a policy to enter into the debate and explain to the Assembly what the policy is. There may be some documentation that could be laid on the table to sustain that point of view in the debate. The Chair really feels from what the hon. Government House Leader has said that there are good grounds to expect a lively debate on this question.

The hon. Member for Clover Bar-Fort Saskatchewan.

MRS. ABDURAHMAN: Thank you, Mr. Speaker, and I certainly respect and welcome your decision. I think the fact that the House leader is questioning indeed whether this motion should be allowed to be brought forward in this Legislative Assembly should be disturbing to Albertans. I hope that Albertans will take note that there has been an attempt to prevent this motion, which I would deem as being harmless if indeed government is open and wishes to restore integrity of elected officials, not only within the province of Alberta but within Canada. You know, if you don't have an open-door policy, what is it you're trying to hide?

Debate Continued

MRS. ABDURAHMAN: I would suggest to you, Mr. Speaker, and to members of this Assembly that we've clearly seen demonstration where after an election the question has to be asked: what has happened to the furnishings or the assets that were in former Members of the Legislative Assembly offices? I think something we have to always remember is that we are only there as trustees. We do not personally own anything that we have through the public purse, whether it be the desk you sit before, whether it be the car you drive, whether it be the telephone you utilize. For any Member of the Legislative Assembly or any elected official to believe that they have some prior given right to have a direct advantage in gaining an asset that actually belongs to the people

of Alberta is wrong. It shows a clear breach of integrity and trust as elected officials.

So through this motion what I'm asking for is that indeed we have clearly laid out policies that not only deal with every individual government department but also deal with the assets that we as Members of the Legislative Assembly use in our day-to-day workings on behalf of our constituents, Albertans, that there is a clear policy there.

Now, I'd like to also suggest that it doesn't only restore integrity and trust to Albertans, but it also ensures that the waste that I believe has happened over the decades through departmental waste or assets being sold at fire-sale prices would indeed be curtailed. I'm not going to be so naive to believe that you're going to correct a problem a hundred percent, but I certainly believe we can do a lot better than what we're doing today.

I know through public accounts – and I know that the hon. Minister of Education would agree – that there are areas we can improve upon. We can clearly have an inventory showing what's there. We've seen a demonstration recently where it looks as though relatively new books were actually being dumped in a dumpster. Now, what we should be doing is – we know that certain things are not relevant today.

MR. JONSON: Sixteen groups were contacted, and none wanted these books.

MRS. ABDURAHMAN: I'd like to address that. The minister is pointing out that groups were contacted. I'm sure the groups were contacted, but you don't just stop when you've had a few noes. There are ways of ensuring that assets can be better utilized than being put in dumpsters. If the hon. minister needs some assistance, I certainly will show him how a Scot's thrift could ensure that books are used in a more productive manner. That's just a small example, and I certainly welcome the honesty from the hon. Minister of Education acknowledging that, yes, we can do a better job in that area.

We can move into agriculture or any other government department, and I would defy anyone to tell me that their house is in order and they've got the kind of policies that clearly should be laid out so that when we have to dispose of assets, presently government assets, we get fair market value, we know what the inventories are, and we have a well-thought-out plan how we realize the value of those assets.

An area that comes to my mind, Mr. Speaker, is land inventories. What indeed is surplus and what should be in the marketplace? What is the value of those lands? I can think of the lands in northeast Edmonton that were acquired by the previous government. A question: why were they ever acquired? Are they surplus lands? Are they going to be put on the market? How is that going to be done, and are we going to ensure that there's fair market value for them?

Now, we look at the downsizing of government, which I fully support, but the question comes that when you're downsizing government, you not only have physical assets that have to be disposed of; you also have your lease assets. We have seen where government certainly cannot be effective when they get into business. They're not good businesspeople. They should never be in business. They should leave that to the business community. We see them going in and negotiating lease agreements that bear no resemblance to what the true market value is and paying excessive dollars. I'll use the example of Olympia & York, where it was \$4.3 million above the market value. Without clearly defined policies and without having an inventory of what vacant lease space you have, whether they be in the governing city

of Edmonton or in Calgary or in Grande Prairie, how can we determine whether we indeed are going to be able to utilize those freed-up facilities in the most economical way, or how are we going to sell those leases? We need to know what's there. We need to know their value. We need to have good entrepreneurial people negotiating on your behalf so that Albertans' money is protected. You know, we often hear of government space sitting vacant, and then we're out there building new facilities. It's because the right hand doesn't know what the left hand's doing.

So I would say to everyone within this Legislative Assembly that we as Members of the Legislative Assembly owe our constituents openness. We should ensure that integrity is restored to the political system. We should ensure that we as a provincial government and as Official Opposition show leadership in restoring that integrity and restoring that trust. I would say that if anyone votes against my motion, you're giving a clear message to Albertans that there's nothing changed within this government, that you're not open for business, that you don't want to restore integrity. I would also say that we must always remember that we're not here in this Assembly for one-upmanship, and that's what I see continually day in, day out in this Assembly. It's time we were here looking after the value of the dollar that we expend on behalf of our constituents.

Mr. Speaker, I will allow other members of the Assembly to speak to my motion and thank you.

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

MR. SOHAL: Thank you, Mr. Speaker. The issue that has been raised by the hon. Member for Clover Bar-Fort Saskatchewan is an important one. The motion talks about having policies in place so that the government receives fair market value for all government leases or property that it sells. This is a principle that I am proud to rise and support. A responsible government can never ignore issues such as this one. It is very important that we receive the fair market value for all government assets and leases. It is our responsibility to completely manage taxpayers' money. Even at the height of a major economic boom taxpayers wouldn't want us to waste money through inefficient and ineffective sales strategies.

For years the Alberta government has had a policy of selling government assets for their fair market value. However, it is important to note that fair market value does not always equal the amount that we think we should get for something. We all, I'm sure, have had the experience of selling something that we thought was worth a lot more than the market would pay.

3:40

In these tight fiscal times this government has renewed our commitment to getting the fair price for government goods. It has never been more crucial than it is now that we get the most profit from the government sales. That is why departments like public works have sought new initiatives in order to further guarantee that we receive fair market value on all goods. I know that each and every member of the PC caucus would swear to this principle. We campaigned and won on a platform of reducing government waste. Selling goods for less than the fair market value would be an excellent example of a government wasting money.

For the record I support the principle behind this motion, although I don't support the motion itself. Some research through public documents shows clearly that the government has procedures in place to ensure that we'll see fair market value for our goods. Therefore, I would like to move an amendment to the motion. Copies of it are being distributed to all members of the

Assembly. Motion 509 would be amended by deleting the words "formulate a" and after the words "urge the government to" adding the words "reaffirm the." So the amended motion would read:

Be it resolved that the Legislative Assembly urge the government to reaffirm the policy to ensure that the disposal and/or sale of government assets and lease agreements reflect market value and that no Albertan has an advantage over another Albertan in purchasing these assets.

In support of the amendment I'd like to take a few minutes to discuss the procedures that public works has in place for the sale of government assets.

Speaker's Ruling Admissibility of Amendment

MR. SPEAKER: Order please. The Chair has received a copy of the proposed amendment to the motion, and it has some difficulty with the proposed amendment. Members should refer to *Beauchesne 578* with respect to this matter, which says, "An amendment proposing a direct negative, though it may be covered up by verbiage . . ." This motion is very spare. It is not subject to verbiage. Nevertheless, the motion asked for the establishment of a policy, and the amendment would take that out of the motion and substitute "reaffirm the policy." That's what this debate is about in the Chair's view. One side says that there is no policy; the other side says that there is a policy. That is what the Chair feels is before the Assembly, and to accept the amendment would be tantamount to negating the motion, because it would say that there clearly is a policy that is to be reaffirmed. Therefore, the Chair with regret must refuse the proposed amendment.

The hon. Minister of Municipal Affairs.

DR. WEST: Well, Mr. Speaker, I understand your comments on this, but I beg reconsideration. In view of the fact that it's negative verbiage – I don't know how a conclusion can come from an existing policy of government that you're actually just changing the motion to affirm that existing policy because indeed the motion itself is in the wrong tense, how that could become a negative connotation to this motion. I believe this motion's in context.

MR. SPEAKER: The Chair will not take the question as arguing with the Chair. The Chair maybe didn't make itself clear enough, but the proposer of this motion claims there is no policy. The hon. Minister of Municipal Affairs and the hon. Government House Leader say that there is a policy. So therefore that is the classic example of a disagreement and a debate over whether or not there is a policy. The hon. Member for Clover Bar-Fort Saskatchewan says absolutely that there is no policy.

If there is a policy, then the opponents of that motion have the opportunity through their tools of debate to demonstrate how the policy already is in place and what it is and explain it carefully to all members. But the Chair says and the Chair is going to rule that to take out the reference to policy is tantamount to negating the motion. That can be dealt with, the motion can be negated, by a vote following a debate rather than being negated by an amendment to the motion, because the rules prevent us from negating motions by amendments.

DR. WEST: Mr. Speaker, in the interests of democracy if an amendment was brought in that could get agreement by the majority of this household, then would not we entertain an amendment that would do that? With what has just been stated, we now have confrontation.

MR. SPEAKER: Order please. The Chair again does not accuse the hon. member of arguing with the Chair. The hon. member's

asking for some information, and the answer to the hon. minister's question is: certainly if there was a friendly amendment that everybody could agree to, that is perfectly in order. But anybody who reads this amendment would have to say that it is not a friendly amendment. It is an amendment to negative the motion. [interjection] Really, hon. member, we are wasting the time available for debate on this motion by pursuing this point of order because the matter is closed. The amendment is not in order, and we'll proceed with the debate.

The hon. Member for Calgary-McCall.

Debate Continued

MR. SOHAL: Mr. Speaker, I abide by your decision, and I'll take a few minutes to illustrate that we do have a policy in place. I would suggest that we have procedures that public works has in place for the sale of common assets. I want to show the Member for Clover Bar-Fort Saskatchewan that such procedures already exist. I'm sure that this will alleviate her concern and that she will then agree that Motion 509 is not necessary.

The main department concerned with the sale or disposal of common assets or leases is the Department of Public Works, Supply and Services. Other departments such as Transportation and Utilities and Municipal Affairs are occasionally involved with the sale of land but not on the same scale as public works is. Not only does the department of public works handle the disposal of its own assets, but it also acts as a broker for other departments. When public works identifies that there is a surplus in a particular area, whether that be government vehicles, furniture, or any of the real property, their policy is to sell it to the private sector at market value.

The same applies to leased surplus space. To this end they have developed a series of procedures for different situations that ensure that fair market value is received. The sale of real property is always preceded by an independent appraisal to determine the market value. With surplus leased space a review of market lease rates is continued to determine the fair market rate. Public works does occasionally do appraisals in-house but only as a check and balance in order to verify the accuracy of the independent appraisals. It does not make economic sense for the government to try to acquire the expertise to appraise the real market value of various goods when people have the expertise in the private sector. Hiring independent appraisers is in line with our stated goal to get government out of areas that the private sector does more efficiently.

3:50

The primary means of disposal for material surpluses such as vehicles or furniture is through unreserved public auction. In some cases the property is so unique that the local market may not have significant interest to achieve the highest possible value. Whenever this is the case, public tenders are used in order to attract a large enough audience to ensure that the government receives fair market value.

From time to time public works has surplus land as well as surplus goods and lease agreements. In some cases changes in government policy make land unnecessary. For example, on the periphery of Edmonton and Calgary land was acquired under the restricted development area program. The corridor was initially one-half mile wide. The boundaries of the corridor were later reduced, leaving excess land in the government's hands. In order to save taxpayers' money the department is committed to selling the surplus land as soon as possible.

For the sale of any property public works uses a private-sector real estate agent to conduct the transaction and get the highest

possible sale price. This policy has been in place since February 25, 1992, when the department signed a marketing agreement with the Alberta Real Estate Association. The agreement allows public works to use AREA – that is the Alberta Real Estate Association – member firms to sell surplus government properties. Full-time real estate agents have the most up-to-date information and skills, so the procedure increases the effectiveness of public works' sales. The deal is good for real estate agents because they get a standard commission on the sales. This is also a good deal for taxpayers because it enables the government to get the most money possible from the sale of government goods.

Using real estate companies also makes sense because it adheres to the Public Works, Supply and Services Act's requirement that surplus land be sold by public tender. This condition is met by the use of the real estate board's multiple listing service. The process for selection of a real estate firm for sale of a specific property requires AREA to provide three names of agents to the government. The government typically picks the first name on the list. If for some reason that firm doesn't accept the listing from the government, public works then contacts the next name on the list. This system ensures impartiality on the government's side and guarantees an agent will always be available. Firms that are not members of AREA are excluded from receiving a government listing. This is because they don't have access to the multiple listing service, which is necessary to meet the legislated requirements of public tender.

The multiple listing service is the key element in maintaining wide public participation in the sale. About 80 percent of the real estate firms in the province are members of local real estate boards. There are no restrictions on nonmember firms bringing in an offer to the listing agent and negotiating a share of the commission. The agreement is a fair one for the real estate agents, the buyers, and the government.

[Mr. Deputy Speaker in the Chair]

This initiative by public works to streamline their sales procedures while increasing effectiveness is a good example of how this government operates. We have been examining every aspect of government business to see how we can eliminate waste, trim spending, and maintain the quality of services for Albertans. This task has not been easy under the severe constraints put upon us by the deficit. However, the job is possible. It is innovations like the ones I have mentioned in Public Works, Supply and Services that are propelling Alberta forward towards a better future.

Thank you.

MR. DEPUTY SPEAKER: Edmonton-Whitemud.

DR. PERCY: Thank you, Mr. Speaker. It's with great pleasure that I rise to speak in favour of this motion. I think it is long overdue that we have an overarching policy that deals with the disposition of assets owned by the government – I think what we've heard from the member opposite is a discussion on a piecemeal basis of what exists on a department-by-department level – an overall set of principles that guide what government ought to do in disposing of the assets owned by the taxpayers of this province, for it is they who own it, not the government.

What we would like to see, Mr. Speaker, is a policy that sets out very clearly that nobody has unfair access to these assets. For example, let's talk about those types of assets that are in MLA offices. It would be very interesting for the government to table in this House now exactly what the policies are with respect to the materials within an MLA's office, how they're disposed of, if

they are. It would be very interesting for the government to table now exactly how a cabinet minister's car, and anyone else who has a car, is disposed of at the end of a term of a government or when a minister steps down. Do they have preferential access? Are they in fact allocated on the basis of fair market value? Is there in fact bidding for them? Or is it a nice discussion between the minister and public works? It would be interesting, then, for the government to table that now. So those are the types of issues that are addressed in this motion.

What we're requesting, then, is an overall set of policies that says we believe in markets. Now, there are some on that side who profess to believe in markets. They professed, in fact, that everything that is done and is in place now is perfect. What this motion says is that is not so. We see clear loopholes in terms of how some assets are disposed of. We have concerns, for example. You go to downtown Edmonton. You look at downtown Calgary. There is significant space there that is owned by this government under leases, yet we do not know the exact provisions of those leases. We do not know the buyout clauses. We're not sure how they're allocated, Mr. Speaker. How are they going to be disposed of? Are they listed on the market? No. I would ask that this government table now a listing of all the leases that are unused, the buyout provisions that exist with those so that the Assembly can see exactly what the rules of the game are, who has access to them, exactly what price, what cost. That's what we're asking for.

One hon. member on the other side, the hon. minister in charge of privatization, said that this is a motherhood statement, but I'm sure like everything else he'll vote against it, Mr. Speaker. I'm sure he'd privatize that, too, if he had the opportunity.

The issue here is very simple. They can talk against this motion. They can say, "Well, it's already done," because everything that that government does is already in place and is perfect. We're suggesting that in fact you can improve upon it and that in fact a suggestion such as this, which says set out the overarching principles, suggests the rules of the game by which individuals have access to these leases, the exact specifications of the buyout clauses. That's all we're asking for, a consistent set of principles that defines how every Albertan has access to these types of assets that are owned by the government on behalf of all Albertans.

Just as we saw with respect to the Alberta Research Council – there were questions with regards to who had access to proprietary information – so, too, do we see this type of problem here with respect to some assets that in fact seem to fall between the cracks. So we're saying: yes, we believe in markets; yes, we believe in fairness; yes, we believe there's a level playing field that has to be respected. The best way of ensuring that, Mr. Speaker, is to ensure that everybody has equivalent access to these assets as they are disposed of and that not one individual has a differential access by lieu of position or former position. It's that straightforward.

The other side can vote against that, as is their general nature with anything that comes from this side of the House, but we believe the fundamental issue here is fairness, a level playing field, and we in fact are quite willing to debate this motion. I mean, as the hon. Speaker had ruled, there was an effort in fact to in a sense suggest it was a nonissue. It is an issue. We do not believe the rules that are in place span all of the assets that should be dealt with, Mr. Speaker. With regard to leases and those that are vacant, the buyout clauses, the disposition of furniture and materials within MLAs' offices, the disposition of automobiles, just table the documents. That's all we're asking for. Let's see what the overall arching principle is in terms of ensuring that everybody has equal access to these.

In some areas it's very clear, Mr. Speaker, that there is an effort by this government to ensure that these assets are sold and command the highest value. Nobody is denying that certain departments and certain agencies within departments make every effort possible to achieve fair market value.

We are suggesting that that is not a comprehensive policy, that it should be extended, and that this House should affirm the principle that every asset owned by this government, if it's disposed of, should be disposed of at fair market value and every Albertan, regardless of where they live in this province, regardless of whom they know, has equal access to those assets. That is all this motion asks for, and I would think that everybody on both sides of this House should be able to support it.

Thank you, Mr. Speaker.

4:00

MR. THURBER: I rise to speak against this motion, not because it's a bad motion but because, as has been said here before, it's already in place. I can assure you, Mr. Speaker, that the policy of this government on the sale or the lease of any assets that we have is to get the best bang for the buck for the taxpayer of this province. That has always been the policy of my department as well as the departments of Municipal Affairs and Transportation and Utilities.

Public Works, Supply and Services appeared in this House with our estimates on March 2, and we outlined certainly most of the things that have been talked about here today. My hon. colleague from Calgary-McCall has outlined in a very general way the way that things are handled through Public Works, Supply and Services and through Municipal Affairs and through Transportation and Utilities.

Public works actually does the majority of the sales of assets or surpluses and basically handles the majority of the leasing of spaces. We take great pains, Mr. Speaker, to make sure that the sale of assets reflects the market value. You can do that in several ways, depending on what you're doing, what you have for sale, or what you have to lease at that time. We're very stringent about going to the marketplace and trying to find the actual market value of these things and then achieving that, as I said before, for the benefit of the taxpayer.

To talk about the sale of surplus lands for just a moment, Mr. Speaker, we're always told from the opposite side of the House that we're not getting market value because we paid such and such for it, but I think anybody with any real estate experience would agree with me and be sure to tell you that if you bought land in 1960 or 1961 and sold it yesterday, you would probably achieve a very big profit on it. We don't hear much about that. But if you bought land in 1982 and you sold it yesterday, you may not achieve a large profit on it.

We try through the Real Estate Association and their multiple listing service to reach a realistic market value on a very local level. We have an agreement with them where most of the sale of land, in particular, is handled through them. Even in areas where they do not have a member in that area, we have other agreements with local real estate people in those areas to try and make sure that the local market value is achieved every time we sell a piece of property. All of these values are supported by independent appraisals. It doesn't matter what piece of property we're selling. We get sometimes three, sometimes more appraisals from local people, and then we put it on the market to test the market.

Lease agreements are put to tender from time to time to test the market and to make sure, again, that the taxpayer is getting the best bang for their buck. In these times of downsizing of government my department is responsible for some 2,500 owned

properties in Alberta and approximately 500 leased properties that we have. We're continually doing assessments of these lease agreements to find out if we can move departments around and amalgamate them and downsize them. I can assure you that we try our very best not to pay any lease on any empty space for any length of time. You must realize, Mr. Speaker, that it's a very large task to do this, and we'll continue to do this. As I said before, we talked about this in our estimates extensively on March 2.

When property such as MLA furniture in the offices is declared surplus, then it is left to Public Works, Supply and Services to dispose of that. The majority of times we dispose of it either by auction or by public tenders. As my colleague from Calgary-McCall had mentioned before, sometimes there may not be enough local interest in a product for it to go to an auction sale, so we put it out to public tender. In that way, if we need to, we will advertise very widely to try to get to the people that are interested in this surplus material and again to try and bring back a price to the taxpayers of this province.

There are times, however, that you must be aware of, Mr. Speaker, where some surplus is disposed of at a nominal price to various nonprofit organizations – the needy, municipalities, charitable groups, et cetera – and I give you a point in example. A year or two ago there was a vast amount of hospital equipment and furniture that was donated to the needy in the Ukraine and was certainly well appreciated there. We do that within this country as well if they can demonstrate the need and can demonstrate that they do not have the money to pay for it.

The policy since I was given the opportunity to be in this department is that we try and achieve a price out of everything we sell that reflects the market value, right down to bedpans and anything else that's declared surplus to our department. We put it on the market, we set a price on it, and we try our very best to get, as you say, market value. That's the policy of this department, and that's the policy of this government.

Most other departments who have surplus equipment or surplus property of one kind or another use the expertise of the Public Works, Supply and Services department. We have built up that expertise over the years. It makes more sense to have it centralized in one department than it does to have each department developing that expertise and building a bureaucracy around it.

Transportation and Utilities is a little bit different in that they do handle some of their sale of property and sale of surplus of their equipment: snowplows, trucks, vehicles, et cetera. They handle that through local auctions for the most part. They try and get right down to that very small area that becomes surplus and put them in an auction sale at that particular place.

The hon. Member for Edmonton-Whitemud talked again about cars. There is a point in a car's life where, at the most opportune mileage and at the most opportune age, it is salable to bring back the best price to the taxpayer, again for the executive fleet of the cars particularly. Over the years and through the experience of our department they have found where this spot is, where this mileage and age match, to bring back the maximum value to the taxpayer, again by this province.

Most furniture that's in MLAs' offices within the annex or within the Legislature Building here is recycled. There's very little of it sold. We've recycled some furniture, and I'm sure that some of the hon. members can attest to that. They have furniture that they didn't really approve of, that they thought should have been traded off a long time ago, but we're very economical in that area. We try and recycle it until the point where it's no longer usable. Then it is offered for sale out of our surplus stores or at an auction sale to, first of all, municipalities and, as I mentioned

before, nonprofit groups, charitable groups, and people like that at a nominal fee sometimes and at other times, the majority of times, we try to get the market price out of it. But we're not that hard-hearted that we won't entertain suggestions by groups that are needy and really need this.

Mr. Speaker, again I'd just like to go back on some of the conversation that was here earlier. The House leader originally got up and said that this was redundant because we're doing it. I agree with that. I know the Speaker ruled that that was no reason not to allow this to go ahead. The amendment again was ruled out of order because it changed the whole context of the motion. It was probably not a friendly amendment, and I accept that.

I stand by my statement that this government's policy is now and always has been to get the best bang for the taxpayer's dollar. When we're selling any kind of surplus, any kind of surplus land, we deal with the RDA area, the development corridor around the two cities. If we're in a position where we have to buy a certain amount of land to get the property that we need and then we have property outside of that that's declared surplus, again we go through the Real Estate Association. I don't know how else you would achieve a fairer market value for it than by going to the local people, to the people that are in the business. We go outside of government. It's not like there's some government employee out there trying to sell the land. We go out to the industry. We believe in the private sector. We've done this on a number of occasions, Mr. Speaker.

It's a little bit outside of the motion, but I would like to enter into the record that we have achieved great savings by a lot of our leasing out of some of the services provided to the government such as our caretaking and maintenance and upkeep on the buildings, on the owned ones and on the leased ones. We've been in a mode for quite some time now of trying to privatize this and outsource it. There's a continual savings, but we do it at market value. We continually go out and try to achieve market value on anything that's possible to be done at that time.

Thank you.

4:10

MR. DEPUTY SPEAKER: Hon. Member for Edmonton-Roper.

MR. CHADI: Thank you very much, Mr. Speaker. I sat here and took it all in with interest, the comments made by the minister for public works. I would have a question for the minister of public works, and that is: if there is such policy – and not only in public works. We not only have one department here that we have to consider within government; we've got about 17 or 18 and Lord knows how many more that are under the direct auspices of each other department. Is there an overall policy of government where it clearly states that there would be or ought to be an inventory of assets that the government owns and also a system for disposition? If there is, I have this to ask: table the thing, and let us have a look at it. Because I want to see it, and every single member on this side of the House wants to see it, and I can bet you that there are members on that side of the House that would love to see it as well.

I suspect, Mr. Speaker, that there is an ongoing policy of disposition within public works, and I can tell you that it probably does work. There is disposition of assets. I know for a fact that there's a government surplus on Fort Road. I'm sure we have the equivalent in Calgary, and we have equivalencies all over the province perhaps. But it's got to go far more than that. We're not only talking about public works here and perhaps maybe one or two departments that are dealing closely with public works.

With all these departments, not only public works handles disposition it seems like.

I can tell you that Municipal Affairs handles its own disposition of property. I'm talking real estate. This is profound. On one hand we're saying that we have a policy and it is one policy that covers it all, yet you look at the different bureaucracies throughout the entire front bench of these departments, and you will find a bureaucracy within Municipal Affairs, you'll find it within Community Development, I'm sure you'll find it within environment, I know you'll find it within public works, and I'm pretty certain you're going to find it in Economic Development and Tourism. Wherever you look, you're going to find a bureaucracy that is handling pretty well the same thing as public works is doing.

All we're saying within this motion is: pull it together; let's have a total inventory. I have stood up in this Legislature, Mr. Speaker, time and time and time again with every single budget estimate and have harped continuously over the fact that we ought to have an inventory of these assets: the computers; the desks and chairs; the cars, as the hon. members on this side of the House were speaking about; the real estate, not only the freehold but the leasehold. There's a wide range of assets here, and we have to understand what there is. We don't know what there is, Albertans don't know what there is, and I can assure you that government members don't know what there is. That is why we need it. Now more than ever we need this inventory.

The hon. Member for Clover Bar-Fort Saskatchewan has an excellent motion here. It is a timely one, timely because not only are we privatizing government entities at this point in time but we're also downsizing. Whenever you have privatization of these entities and you have downsizing going on, undoubtedly you're going to have surplus assets, more so than ever before. So I say to you: this is so timely it is unbelievable. We now are embarking upon a situation where we are going to implement a policy. If anyone votes against this motion, then you're voting against openness and against fiscal restraint and accountability, because that is what this motion has embedded in it.

Mr. Speaker, nobody ran in this last election on the mandate that we were going to spend more, not a single person. Not a single person said: "Give away some of this equipment and our desks and cars. Let's just not worry about that. We've got too much inventory anyway. We've got too much real estate. We don't need to know what we've got because we've got too much of it, and there's no way of us finding out what we've got." No, no way. Every single person who ran, whether they were successful or not, stood up and said: "We have to have fiscal restraint. We have to know what we've got. We have to know what we've got to sell, and we've got to get market value for that product."

So I tell you, Mr. Speaker, that we need to have an inventory of assets from all departments. That's all got to come together. Perhaps public works has to work a little bit harder now to realize that goal, the goal of pulling it all together, bringing it all together and putting it into public works. Maybe, you know, public works might not be the right way to go anymore. The Minister of Municipal Affairs, who does a marvelous job of privatization – perhaps it can all go over there. I think the Minister of Municipal Affairs would do a marvelous job of unloading that. I mean, he does it so quickly. It takes no time at all. He just moves right in and unloads with lightning speed.

I want to also comment on comments made by the hon. Member for Calgary-McCall suggesting that real estate within the government and the departments within government is being listed through the Alberta Real Estate Association. If somebody's not a member of the Alberta Real Estate Association, they could not,

therefore, list the property. I can tell you that every person who is a licensed realtor in the province of Alberta is a member of what we call AREA, Alberta Real Estate Association. The Alberta Real Estate Association themselves – one on one, members came from the Alberta Real Estate Association and met with every single member of this Legislature. They came for one reason, and if you can recall, Mr. Speaker, I could bet that they came to see you too. If you can recall, they asked what they could do to facilitate putting together some kind of policy that would incorporate this real estate, bring it all together. I told them at the time: don't only look at freehold; look at leasehold as well; incorporate that in there as well. You know something? If there was such a policy within government, the Alberta Real Estate Association wouldn't have been coming knocking on our doors asking us to put this thing together.

So, Mr. Speaker, there is a real need here. There is a desire for all members in this House and members within the Alberta Real Estate Association to put such a policy together for the proper disposition of these assets. It would go an awful long way to, firstly, identifying what it is we've got and then the proper disposition for fair market value and realizing the amount of money that we ought to have realized in the first place.

I've watched and debated in the House in the estimates debates time and time again. I notice that capital assets – small numbers, Mr. Speaker: \$2,000 and \$3,000 and \$5,000. Look at all of those departments. Grab the supplemental estimates and take a good look. See what we're spending these moneys on. It's unbelievable when you look and see exactly what they're spending it on. We don't know. It's unbelievable. It doesn't tell you what we're going to buy for that kind of money. You know why it doesn't tell you anything? Because I can bet you a dollar to a doughnut that we already own assets of the same quality, assets that are just hidden away or collecting dust. We go out and we purchase new assets because we don't have an inventory. If we had an inventory, we'd know. We wouldn't have to spend capital funds to the extent that we are expending them. Goodness gracious, how many times does one have to stand up in the House and speak to this subject? This has to happen.

4:20

I can tell you one thing. I am going to take note as to who votes against this motion. It is unbelievable. If somebody votes against this motion, I will come back time and time again to hammer away that you voted against having an inventory of assets and a proper disposition . . . [interjections]

Mr. Speaker, one can get very, very emotional when one knows that there is a great amount of money being wasted when it comes time to sell off assets or identify assets. One knows this thing, and one has to get emotional when you see the amount of money being wasted, when you see the amount of money going towards the purchase of new assets knowing full well that you've got other assets within other departments. I agree with the minister for public works. I'm sure he's doing such a fine job in his department, but what we have to do is take it a step further: carry it through all departments.

Point of Order Questioning a Member

MR. DEPUTY SPEAKER: Hon. Minister of Municipal Affairs, rising on a point of order.

DR. WEST: Would the hon. member before the end of the debate accept a question in good faith?

MR. CHADI: Yes, I would.

DR. WEST: Well, the hon. member has had quite a bit to do with real estate throughout the years, and he's actually had quite a bit to do, through contract through other companies, with working with Alberta Mortgage and Housing and some of the real estate assets that this government owned through them. Did you not use, when you were working out programs or giving consultation, normally accepted fair market principles and find when you were working with Alberta Mortgage and Housing that it was done so?

MR. CHADI: Mr. Speaker, I didn't have anything to do with Alberta Mortgage and Housing ever. I can tell you one thing perhaps for clarification. The minister seems to think that I had something to do with it or contracted or benefited in some way. I had nothing to do with it. Perhaps maybe a company of mine did; who knows? But I can tell you one thing. I can tell you honestly that when assets that were owned by Alberta Mortgage and Housing were about to be disposed of, if all the real estate companies within this city or within this province didn't approach them, they wouldn't have told you about them. I mean, it was a terrible way of putting it forth. I think the minister knows that and now is starting to do something about it. He's not doing a bad job, by the way. It's not a half-bad job. But it doesn't make any difference whether or not . . . [interjection] Hey, it doesn't matter.

Debate Continued

MR. CHADI: The fact of the matter is, Mr. Speaker, that we have to have an inventory of those assets and the listing has to be dispersed amongst every Albertan so every Albertan can see them, whether they're in the real estate business or whether they're in the surplus furniture business or in the computer business or in the computer programming business. Perhaps maybe we can sell that.

You can recall, Mr. Speaker, that it wasn't long ago that the University of Alberta hospital was developing a computer program, and in the same breath the hospital in Peace River was doing the same thing. I mean, these guys were duplicating. They were doing the same thing, and the government didn't have a clue about what was going on. It's the same thing when the government doesn't have a clue about what department has what and what department is selling what and what department has real estate and what department doesn't. Who knows if the department of public works out there isn't going out and leasing more property? We've asked time and time again in the department of public works' estimates, and I can tell you that time and time again we've had no responses whatsoever to an inventory of leasehold and an inventory of property that is out there for sale.

Now, come and tell us. If you've got such a policy, table it. If you've got an inventory, table it, because we want to see it, not only members on this side of the House but, I can tell you, members on that side of the House. Mr. Speaker, I'd love to show my constituents. I'm going to go back to my constituents now, and I'm going to say to them exactly what was mentioned here today. I'm going to tell my constituents that indeed there is no inventory, because if there was one this government, my government, all our government, all Albertans would know it and have it.

Mr. Speaker, it's quite easy; it's quite simple. You're either going to vote for it or you're not going to vote for it. If you're not going to vote for it, then that means you're not interested in it. If you are interested in creating an inventory of property and assets, then produce it.

So with that, Mr. Speaker . . .

AN HON. MEMBER: Give him some plum juice.

DR. L. TAYLOR: No plums, just apples, Sine.

MR. DEPUTY SPEAKER: This is not a vegetable market.

Please, would you continue, hon. Member for Edmonton-Roper.

MR. CHADI: Thank you very much, Mr. Speaker. One sometimes after getting so emotional and doing a fair amount of talking would need a glass of water, at least to wet one's throat every once in a while. When you do not even have the opportunity to do that, it makes it very difficult, so I thank you very much for that opportunity.

Mr. Speaker, something else that has to be mentioned here that hasn't been mentioned yet pertains to real estate. It pertains to real estate because I noticed not long ago we had something else within the different government-owned entities, and that is 354713 - I think that's what it was; I can't remember for sure - Softco, and there was Holdco and N.A. Properties. Now, when you look at those three - and then there was SC in there as well. But now we've got them coming together, and we're going to put these three government entities together. Why? Because you know what it's for? It's for the disposition of real estate. [interjection] Okay. Thank you very much.

MR. DEPUTY SPEAKER: I hesitate to interrupt the hon. Member for Edmonton-Roper, but under Standing Order 8(4) I must put all questions to conclude the debate on Motion 509, as proposed by the hon. Member for Clover Bar-Fort Saskatchewan.

All members in favour of the motion, please say aye.

SOME HON. MEMBERS: Aye.

MR. DEPUTY SPEAKER: Opposed, please say no.

SOME HON. MEMBERS: No.

MR. DEPUTY SPEAKER: Defeated. Call in the members.

[Several members rose calling for a division. The division bell was rung at 4:28 p.m.]

[Ten minutes having elapsed, the Assembly divided]

For the motion:

Abdurahman	Germain	Pham
Bracko	Hanson	Sapers
Burgener	Havelock	Sekulic
Carlson	Henry	Soetaert
Chadi	Hewes	Taylor, N.
Collingwood	Kirkland	Vasseur
Dalla-Longa	Leibovici	White
Decore	Lund	Zariwny
Dickson	Nicol	Zwozdesky
Forsyth	Percy	

Against the motion:

Ady	Haley	Oberg
Amery	Herard	Paszkowski
Black	Hierath	Renner
Calahasen	Hlady	Rostad
Cardinal	Jacques	Smith
Coutts	Jonson	Sohal
Day	Kowalski	Stelmach

Doerksen	Langevin	Taylor, L.
Dunford	Magnus	Thurber
Evans	Mar	Trynchy
Fischer	McClellan	West
Friedel	McFarland	Woloshyn
Gordon	Mirosh	
Totals:	For - 29	Against - 38

[Motion lost]

4:40

MR. DEPUTY SPEAKER: May we have unanimous consent from the Assembly to revert to Introduction of Guests? All those in favour, please say aye.

HON. MEMBERS: Aye.

MR. DEPUTY SPEAKER: Opposed, please say no.
Spruce Grove-Sturgeon-St. Albert.

head: Introduction of Guests
(reversion)

MRS. SOETAERT: Thank you, Mr. Deputy Speaker. It's my pleasure today to introduce Marie and Sandy Cameron* from Calgary. Marie is the provincial CWL president, and both Sandy and Marie work tirelessly for their community. I would ask them to please rise and receive the warm welcome of this Assembly.

[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'd call the Committee of the Whole to order. Order. [interjections] The Chair is trying to exercise patience here, but it's very trying.

Bill 5
Oil and Gas Conservation Amendment Act, 1994

MR. CHAIRMAN: The Committee of the Whole is reminded that we are discussing in particular amendment A1 as moved by the hon. Member for Redwater. So that members do appreciate what we're considering there, in case they have not kept their copy, I'll read it out. Section 2(c)(y.1) is amended by deleting "but does not include" and substituting "including" so that section now reads "including the cost of surface reclamation."

The second part, which is consequential, is that section 11 is amended by renumbering 56.1(2)(c) as 56.1(2)(d) and further amended by adding 56.1(2)(c) "to pay for the costs of surface reclamation."

With all of that in mind, we'll invite further debate on the amendment as moved by Redwater.

The hon. Member for Edmonton-Centre.

MR. HENRY: Thank you, Mr. Chairman. I don't want to take a lot of the committee's time on the amendment. I have spoken once to the amendment, and I recognize I can speak as many times as needed. I raised a couple of issues with regard to the

amendment and the inclusion of the costs of surface reclamation as well as the well reclamation for orphaned wells. I raised a number of issues with regard to the impact on the tourism industry as well as the impact on the independent landowner, and I've not heard any response from the minister or the government that would lead me to not support this motion or to perhaps suggest that my colleague withdraw the motion. I would very briefly restate those concerns and ask that the minister or perhaps any other member of the House who is more knowledgeable about the industry than I could help me with this.

Number one. As I understand it, there's a concern that this Bill deals with those wells that either have been owned by companies that no longer exist or have otherwise been abandoned - "orphaned" is the word that's used - and therefore need to be reclaimed. This Bill would set up a fund to deal with that. It seems to me that if we're going to do that in the public interest, to ensure that those orphaned wells are reclaimed, we would also want to ensure that the surface is also reclaimed. Because certainly if we want to develop and encourage a tourism industry in Alberta, we want to have not a view or a landscape where we have a whole series of wells that don't belong to anybody anymore and in fact are unsightly and frankly would not appear great on a postcard. Certainly we would want to see those reclaimed and put back into their natural state. Then what we would want to ensure as well is that not only do we want to bring down the heavy hand and say, "These must be reclaimed, and the site must be returned to its original state," but we also want to make sure that these costs are not unfairly put on to the individual landowner, who perhaps has rented his land out to one of the oil and gas companies.

Mr. Chairman, my concerns are specifically to do with the surface and what's going to happen to that. It's fine to say, "Well, let's establish a fund and a mechanism for dealing with the orphaned well." But what about the surface reclamation, and whose responsibility is that going to be? Are we just going to leave these little messes all over the place and hope that somebody cleans them up or hope that they disappear in time? So I would ask that the minister perhaps try to enlighten me. Perhaps there's another mechanism through the Department of Environmental Protection or through public works or through the Department of Energy that actually addresses those concerns, in which case I would certainly be willing to reconsider my position on the amendment.

Perhaps with that I would leave the floor. If any of my other colleagues or in fact if the government members or the minister would like to provide more information, I'd be willing to listen.

Thank you.

MR. CHAIRMAN: Okay. The hon. Member for Fort McMurray.

4:50

MR. GERMAIN: Yes. Thank you very much, Mr. Chairman. The Member for Redwater has filed and has presented to this House a policy difference concerning his approach and what he feels is appropriate in connection with how the costs should be attributed and how costs should be assessed. If members opposite and members on this side have had a moment to reflect on the amendment - and I recognize that the debate is a little bit fractured because it's a continuation of a debate on an amendment - what the Member for Redwater wishes to do is add to the definition of well abandonment costs the fact that surface reclamation will be treated as part of the well abandonment cost. That seems, frankly, to be a pretty practical and straightforward

*This spelling could not be verified at the time of publication.

approach. If you've got a well that's abandoned, and you're going to reclaim it, the question becomes: at what extent does it stop becoming a reclamation cost and become something else?

Now, the minister may well respond to this by saying that this is covered in other legislation. She may well want to urge the Assembly to not mix the two issues of surface reclamation and well abandonment costs. But I believe that for industry, for researchers, for people who are looking for concise, clear answers from the Alberta legislation, we should outline if it is the intention of this House that when there is a well abandonment cost to be established, it will include or exclude the surface reclamation rights. Now, the government's approach to this is to exclude them. That seems to me to be an odd approach, unless the government's sole answer is that it's found elsewhere. Well, if it's found elsewhere, then what would be wrong with having it also found in this particular section and in this particular legislation?

The Member for Redwater's amendments also deal in a similar vein with section 56.1(2), where he indicates that his application and his amendment to this Assembly is to add to 56.1(1), "to pay for any other costs prescribed by the regulations," which must include surface reclamation costs. Again, that seems to me, in the absence of a clear and concise explanation to the contrary, to be a reasonable approach in the amendment by the Member for Redwater.

I would urge all Members of this Legislative Assembly to vote for and support that amendment unless there is clear and cogent information provided in this Assembly that would indicate that that is inappropriate, because as an outsider looking in, you might well say: what's wrong with having a well abandonment cost also including the surface reclamation around it?

That is my submission in support of the Member for Redwater's proposed amendment, Mr. Chairman.

MRS. BLACK: Mr. Chairman, we seem to be going over and over a very straightforward amendment to the Oil and Gas Conservation Act. I'll take the hon. members back probably for the fourth time to the objective of the Bill, which is to bring forward a fund voluntarily by the industry to look at historical situations that have occurred in this industry called orphaned wells.

Under the Energy Resources Conservation Board, they have jurisdiction for subsurface. They do not have jurisdiction over the full surface; that comes under Environmental Protection. So when we're dealing with this, we've asked our industry to come forward and to participate in abandonment of orphaned wells, to go through a process. We've also asked them to fund that, to set up a fund. No other industry has been asked to do that. This industry has come forward and through a social responsibility and a professionalism has offered to do this.

What we are asking for clearly is a process of subsurface abandonment. The vehicle for surface reclamation is in fact in place. It is under the environmental protection Act and is dealt with through environmental legislation. To put that in place here again is not necessary. It's redundant and should not be brought in.

Concern was raised, Mr. Chairman, about equipment being strewn around the lease, not picked up. Well, I can tell you that if there is equipment around, the ERCB is likely to take the equipment and sell it off to help pay for some of the abandonment costs. It won't be left there. It's not rational thinking, and it's not realistic.

There was also a concern that the landowner wouldn't receive any money for these orphaned wells. Well, that again is not accurate. I really wish that hon. members would do a little more research on that before they come out with suggestions such as

that. The Surface Rights Board in fact steps in and supplements the rental to the landowner.

Please don't confuse issues that are not there with a very simple process to put this fund in place. When you're dealing with the surface, certainly there are two elements: there are Energy department related issues and there are environmental issues. I really wish that hon. members would not try to combine those under one jurisdiction, because in fact they are not.

So I would ask hon. members again today to please not support this amendment, because I don't feel it is appropriate when in fact the control is already there under the Environmental Protection and Enhancement Act. I would also ask hon. members: please don't try and create scenarios that realistically do not exist. This industry has come forward in good conscience to deal with the situation. I can tell you that anyone from the city of Calgary will remember a few years back when there was an episode on the Bow River, a creosote plant cleanup. There was no industry involvement in the cost of cleaning that up; that fell to the public purse. This fund is set up so that the public purse is not held financially responsible for these cleanups. This is a very responsible move by this industry, and I applaud them tremendously for coming forward on this. I would really hate to see this not proceed in a fashion which has been worked out with that industry to deal with these orphaned wells.

I've heard everything, Mr. Chairman, from what happens to gasoline storage tanks to things about equipment left on the fields, ruts in the dirt, grasslands being torn up. Please, really please, don't fabricate all of these things and these scenarios, because it's an embarrassment to go back and look at the *Hansard* dealing with some of this. I really wish the members opposite would applaud this industry for coming forward, accept it, deal with it, and let's get on with it.

So I would ask you to reject the amendment by the Member for Redwater, and let's move on with this Bill.

MR. CHAIRMAN: Are you ready for the question?

HON. MEMBERS: Question.

[Motion on amendment lost]

MR. CHAIRMAN: Are you ready for the question?

Okay. The hon. Member for Calgary-West.

MR. DALLA-LONGA: Mr. Chairman, I'd like to move that Bill 5 be amended as follows. Section 15 is amended by striking out in section 93.1(3) where it says "a lien under this section shall be first and prior to any other lien, charge, mortgage, or other security interest" and substituting:

a lien under this section shall be subordinate to any other lien, charge, mortgage, or other security interest.

MR. CHAIRMAN: We'll just take a moment while the pages are passing out the amendment as proposed by Calgary-West. The Table also affirms that we have signed copies.

Calgary-West, on the amendment.

5:00

MR. DALLA-LONGA: Thank you, Mr. Chairman. Our reason for wanting to make this amendment is quite simple. I know that the hon. minister has gotten the approval of SEPAC and CAPP on the specifics of this Bill and the concepts involved with this particular section, and this section deals with the event that if an orphaned well has to be cleaned up by the fund, then the govern-

ment has the right to lodge security against any remaining assets which may exist and take a first priority position over any previous charges against that property.

Now, I spoke to SEPAC and CAPP, and they are in agreement for the most part with some of these sections. It was my understanding and my feeling that they didn't initially fully understand the impact of what this Bill does. I know the minister often threatens to show *Hansard* to the industry for any amendments that we make, but in this particular case I speak with a bit of knowledge. I think this whole Bill was brought about . . .

Point of Order Imputing Motives

MRS. BLACK: A point of order, Mr. Chairman.

MR. CHAIRMAN: The hon. Minister of Energy is rising on a point of order.

MRS. BLACK: Standing Order 23(i). Mr. Chairman, the Minister of Energy doesn't have to threaten to show the industry any part of *Hansard*, because if the hon. member doesn't realize, the industry reads *Hansard* every day. I don't have to do that, nor do I.

MR. DALLA-LONGA: Well, we know that to be true because they phone us all the time. I apologize, Mr. Chairman, if I've touched a sore spot with the minister.

Debate Continued

MR. DALLA-LONGA: Anyway, as I was saying, Mr. Chairman, I do have a bit of knowledge and a bit of experience with this particular section. I believe that one of the impetuses for having this Bill brought about was a court case called – I don't remember the specific name, but it had to do with an oil company called Northern Badger that had gone into receivership. The government had to step in and clean up properly some of the abandoned wells. In that particular case, they found that the receiver as well as the oil company and I believe some of the creditors were responsible for some of the cleanup costs, and in that particular case, the firm I was with at the time was the receiver. So this brought up a whole bunch of legal issues that I think this Bill with good intention – and I reiterate "with good intention" – is trying to resolve.

Now, the problem that arises as a result of this – and I did get some agreement from oil companies that I spoke to, some of the executives, and to a certain extent some acknowledgment from the industry organizations – is that if the government has the right to step in with security ahead of a bank, then when that oil company goes for financing, the bank is going to take this into consideration and its financing capabilities are going to be reduced.

Just today, Mr. Chairman, I spoke to a senior executive at one of the charter banks, and I reiterated to him my concerns. I said to him: well, what do you think about this Bill? He said: quite simply, it's going to affect an oil company's capability to finance their operations with debt financing; if you just jump ahead of the security that's previously there, the bank is going to be worried about the validity of their security.

So I'm not putting this amendment forward frivolously. It is with good intentions that we give some consideration to this. If this amendment doesn't get passed, at least we'll have been on record as having demonstrated our concern that more careful consideration should have been given in structuring this Bill with regards to allowing the fund to come in ahead of security on banks and other creditors.

So it is with that, Mr. Chairman, that I would ask that the members give consideration to this amendment and support it. Thank you.

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

MR. GERMAIN: Thank you. Mr. Chairman, I want to begin my submission to this Assembly today by asking a rhetorical question, and the rhetorical question is both a rhetorical question and a figure of speech. The question is: is there a bank in Brooks? Is there a bank in Brooks? A figure of speech and a rhetorical question. I picked Brooks because it rhymes with bank, of course, as you all can appreciate. I picked Brooks because it is deep in the heart of oil country.

Now, this is not an ill-conceived amendment, Mr. Chairman. This is an important philosophical concern that relates to the relationship between the oil patch and their creditors. I could have asked just as well: is there a bank in Red Deer? I could certainly have asked if there was a bank in Taber. I could have asked if there was a bank in Pincher Creek and in Grande Prairie.

This particular piece of legislation does this: it starts out with the very laudable objective of ensuring that the industry looks after its orphan wells, and it sets up and it starts out by creating a fund, and it creates a methodology by which cost recovery can be made to keep those members of the industry in line that do not look after cleanup costs essentially. How does it do that? It does that in one section by philosophically creating a priority lien, a first charge, my friends, that takes precedence over each and every mortgage, each and every other asset, each and every secured encumbrance. Now, put yourself in the shoes of a financial institution. The financial institutions in Alberta and in the methodology by which we carry on business in Alberta require that there be notice, require that there be some way that they can direct an inquiry and find out whether there are charges and whether there are encumbrances.

Now, let's take a hypothetical situation. Let's take a large company that has a downtown Calgary office tower, and let's suppose that on that office tower they have a \$50 million mortgage that was granted to them by an insurance company for the purpose of building, maintaining, and having that tower. Now, let's suppose that that same company with that downtown tower does run into financial difficulties, and let's suppose that they have some orphan wells that have to be cleaned up and then the party doing the cleanup, the government, cannot get paid back. Is it right and is it proper for that downtown Calgary office building that's secured with a mortgage in favour of a life insurance company – is it right and proper that someone will come in in priority to that mortgage and take the first charge? That can't be right and proper. Now, the minister will say, "Oh, I don't think that can happen." But the wording, the plain meaning of the section – let's look at the section, my friends. Let's just not hang up on ideology here.

5:10

Let me make one thing absolutely clear. When I make this submission to you in the House today, when I speak to Red Deer and when I speak to Brooks and when I speak to Taber-Warner and when I speak to Drumheller, it is for the benefit of the Alberta oil patch and the financial community with whom they do business. There is nothing here at stake for us in this matter. There is nothing odious about this amendment. What we are simply saying in this amendment is: let us allow priority charges to maintain their priority position; let us allow people who have invested in good faith and who have taken mortgages and charges and incumbrances in good faith have those first charges.

Please look at this Bill now. Please take out this Bill and turn to section 15 which modifies section 93. Is that a point of order? Oh, I'm sorry.

**Point of Order
Questioning a Member**

MR. CHAIRMAN: Okay. Bow Valley is rising on a point of order.

DR. OBERG: Thank you, Mr. Chairman. I was wondering if the hon. Member for Fort McMurray would entertain a question.

MR. GERMAIN: No. This is far too important a section of legislation to be detracted with questions.

SOME HON. MEMBERS: Shame. Shame.

MR. GERMAIN: Well, then the member from Brooks . . .

MR. CHAIRMAN: You said no?

MR. GERMAIN: No. [interjections]

MR. CHAIRMAN: Order. A member does not have to answer a question and does not have to give a reason.

MR. GERMAIN: If you read . . . Oh, sorry.

MR. CHAIRMAN: I'm just explaining to members of the committee that you do not have to answer a question and you do not have to give a reason. You said no, and that settles it. Go on with your talk.

MR. GERMAIN: Thank you for that guidance.

Debate Continued

MR. GERMAIN: This section makes it clear that the lien that's created in this cleanup process will be a first charge "and prior to any other lien, charge, mortgage or other security interest." It doesn't just relate to the orphan well, because of course you know that an abandoned orphan well has no value presumably, simply a detrimental cost. It goes on to say that it covers any "working interest . . . in the well and any other wells, lands and equipment, petroleum substances and production facilities." I view a downtown Calgary office tower as certainly being lands.

So we have a philosophical decision that we have to make in this Legislative Assembly today, and that philosophical decision is this: the laudable objective of cleaning up orphan wells is important, but do we want to have the cleanup costs rank in priority to each and every other secured encumbrance without any location for registration, without any knowledge and a debt that may accrue in the future to come in front of a loan made in good faith for value by a financial institution to an oil company and properly recorded and secured?

DR. OBERG: On an abandoned well?

MR. GERMAIN: No, on other lands, on other lands, whoever made that comment.

**Chairman's Ruling
Decorum**

MR. CHAIRMAN: Order. The Chair would point out that debate is normally carried on as if the only person you're

speaking to is the Chair, not to people across the way that you carry on a conversation with, which brings me to the other point. Those who wish to engage in lively discussion, please check with your Whip and go outside. The noise level is reaching an area where we're barely able to hear the hon. Member for Fort McMurray.

Debate Continued

MR. GERMAIN: Thank you again, Mr. Chairman. I've gotten better here now, and I don't have to go back and start at the first of my commentaries to pick up where I left off.

I do hope that the members opposite, some of them who are very skilled, some of them even who are legally trained, some of them who are readers of this material, do not simply dismiss this amendment as being something that wouldn't or couldn't happen. Read the thing. It can happen. If that was the government's intention, then fine. The Minister of Energy will bring that forward and will rise in crescendo and point out that, yes, we intended to take priority over life insurance companies that lend into the oil patch, we intended to take priority over the Royal Bank that lends into the oil patch, we intended to take priority over the Toronto Dominion Bank and the Bank of Nova Scotia and all of them, we intended to take priority because our goal and our objective is laudable.

If that is the minister's position, then let's debate it, but don't sit back and say, "Oh, it can't happen," or "The interpretation is not possible." All you have to do is read the section, and you can see that not only is the interpretation possible, but, my friends, the interpretation is probable because there's nothing else that makes sense. You wouldn't need to put in there the word "wells" and you wouldn't need to put in there the words "lands" and other "production facilities" if you did not intend to have a far-reaching blanket lien, which is fair enough if it's going to rank in line, but to take priority over every other "charge, mortgage or other security interest" seems to me to be frankly wrong. It seems to me inappropriate in this mercantile age that customer and financier who deal together in good faith could in fact lose their claim in that manner.

Now, what about another lien that often protects Albertans in the oil patch? That is the builders' lien. What about the builder's lien, the lien that workers can file when they aren't paid, the lien that companies who are suppliers can file? Are they intending, all of those Albertans and all of those individuals, to lose their priority over these costs? Let's deal with this problem head-on. I don't think frankly that the members from Calgary want that. I don't think the member from Brooks wants that, the members from Red Deer want that. Let's be fair about this, and let's talk about it now.

If it is the government's view that we should have this priority, then let's be up front about it and lay it all out so that the banking and financing community can hear about it. One of the complaints you often hear in the province of Alberta from entrepreneurs and from businesspeople, the oil industry – and junior oil companies are no less entrepreneurs than businesspeople, than everybody else. You have the concern raised in the province of Alberta that they have a hard time raising capital. Drayton Valley is an oil patch area. Junior oil companies have a hard time raising capital. Do you suggest and does it seem reasonable that this section could cause a financier to think twice before lending into the oil patch? You betcha.

If that's what we intend, let's deal with it. There are 52 government members in this Legislative Assembly if they all show up to vote, and I'm sure they all will because it's an important issue. We'll deal with it. But if it's simply a drafting error, if it was simply an overstatement, if it was simply something that

slipped through an overzealous administrator, and if it's a yard on the beach in this battle for fairness that we do not have to walk, then let's sit back and not walk that extra yard. Let's allow financiers to coexist with the government in the reclamation costs, and let's say, "If you have a registered encumbrance, it will take priority over this lien."

It's a simple amendment. It's an easy to understand amendment. It's not a politically driven amendment. It's a question of whether or not with this piece of legislation you want to encourage or discourage financial involvement in the oil patch in Alberta.

Those are my submissions, and I ask people to read the amendment carefully. I invite you to read the section that it supplants and give some thought in your own mind as to whether it is really good for the oil industry to have this financial uncertainty.

Thank you, Mr. Chairman, and I again apologize for engaging in debate across the floor.

MR. CHAIRMAN: Bow Valley.

5:20

DR. OBERG: Thank you, Mr. Chairman. In having the member opposite from Fort McMurray not take my question, I have to assume certain things, and I shall give my assumptions to you, seeing that the question cannot be answered on this particular amendment.

What I hear happening on this amendment is that the people opposite – if there is an orphan well, which by definition has no identifiable owner and does have some liens against it, if that orphan well is in my backyard in Brooks, then the banks have first right as opposed to the taxpayers to come and clean up that well. The taxpayers' money is behind the bank's money, the banks that own the 50-storey building in Calgary. I have an inherent problem with that. In no way do I say that I am an expert in the oil industry, and I will never admit to that. But unfortunately the member would not take my question which I was going to ask him on this amendment.

MR. WOLOSHYN: He's not an expert either.

DR. OBERG: Well, he's probably more knowledgeable than I am on this.

Point of Order Imputing Motives

MR. GERMAIN: Point of order.

MR. CHAIRMAN: The hon. Member for Fort McMurray is rising on a point of order.

MR. GERMAIN: Yes. Imputing false motives, 23(i). Mr. Chairman, we have already had in this Assembly a situation where I said I would take a question after my time allotment had expired. The member allowed me to do that, but you ruled that out of order. This hon. member should not impute any reason to my failure to take a question other than my concern that I would be cut short of time on this very important issue. But since we are in committee, I want to give the House my undertaking now

that if the member will simply state his question, I will do whatever I can to answer it when I stand up again to speak to this issue, because I do see already that the member has the cart before the horse and has drifted a little bit off the point that I was making.

MR. CHAIRMAN: The hon. Member for Bow Valley.

Debate Continued

DR. OBERG: Thank you, Mr. Chairman. I'm sorry but . . . [interjections] I know. I will. Give me a break, guys. [interjections] Sorry, Mr. Chairman.

The only point that I'm trying to get clear in my own mind and the only question on this amendment so that I can vote accordingly on it is that I have an inherent problem with putting mortgage companies, banks, ahead of the interests of the taxpayer. That's the only question that I was going to ask the hon. member opposite me.

Mr. Chairman, I would now like to move that we rise and report progress.

[Motion carried]

[Mr. Deputy Speaker in the Chair]

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

MR. HERARD: Thank you, Mr. Deputy Speaker. The Committee of the Whole has had under consideration certain Bills and reports progress on 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. DEPUTY SPEAKER: Does the Assembly concur in this report?

HON. MEMBERS: Agreed.

MR. DEPUTY SPEAKER: Opposed? Carried.
Deputy Government House Leader.

MR. EVANS: Thank you, Mr. Speaker. I move that we call it 5:30 and that accordingly we adjourn until 8 this evening and that when we do reconvene, we do so as Committee of Supply to consider the estimates of the Provincial Treasury.

MR. DEPUTY SPEAKER: The hon. Deputy Government House Leader has moved that we do now adjourn and reconvene this evening in Committee of Supply. All those in favour, please say aye.

HON. MEMBERS: Aye.

MR. DEPUTY SPEAKER: Those opposed, please say no.
Carried.

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