

Legislative Assembly of Alberta

Title: **Monday, April 25, 1994**

1:30 p.m.

Date: 94/04/25

[Mr. Speaker in the Chair]

head: **Prayers**

MR. SPEAKER: Let us pray.

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

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

Amen.

head: **Introduction of Visitors**

MR. KOWALSKI: Mr. Speaker, I have the pleasure today to introduce to you and through you to the members of the Legislature a guest in the Speaker's gallery. This distinguished Albertan served two terms on Calgary city council, was elected to this Alberta Legislature, was elected three times to the Canadian House of Commons, and was a delegate for Canada to the United Nations on four occasions. This gentleman is Mr. Art Smith, who will be working with the hon. minister without portfolio and myself in the creation of the Alberta economic development authority. I would ask that Mr. Art Smith rise and receive the warm welcome of this Assembly.

head: **Presenting Petitions**

MR. DUNFORD: Mr. Speaker, I have been presented with a petition signed by approximately 2,100 people from Lethbridge, from southern Alberta, and from Alberta asking that the Alberta Children's hospital in Calgary be left intact where it is. I wish to file the petition.

DR. NICOL: Mr. Speaker, I'd like to submit a petition also concerning the Alberta Children's hospital in Calgary. This is a petition signed by 2,300 people in the Lethbridge area. This brings the total to 8,518 signatures from Lethbridge and area expressing concern about the need for the Children's hospital.

MR. TANNAS: Mr. Speaker, I'm presenting a petition from 125 residents of the Drumheller area respecting the effect of budget reductions on senior citizens.

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

MR. DALLA-LONGA: Thank you, Mr. Speaker. I beg leave to present a petition from 329 people asking that the Legislative Assembly of Alberta "maintain the Alberta Children's Hospital on its current site."

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

MR. HENRY: Thank you very much, Mr. Speaker. I would beg your leave to table a petition signed by residents of the Calgary area asking the Legislative Assembly to urge the government not to implement the restructuring plans in education.

head: **Reading and Receiving Petitions**

MR. DECORE: Mr. Speaker, I would ask that the petition I presented on the 29th of March of this year now be read.

CLERK:

We, the undersigned, petition the Legislative Assembly of Alberta to urge the Government not to alter the level of support for all benefits for Alberta's seniors until seniors have been consulted and have agreed to any revisions.

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 28 regarding the restructuring of education now be read and received.

CLERK:

We, the undersigned, taxpayers of the Province of Alberta respectfully petition the Legislative Assembly to urge the Government of Alberta to refrain from introducing legislation which would enable

- the provincial appointment of superintendents
- and
- the seizure of locally levied school residential taxes.

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

MS CARLSON: Thank you, Mr. Speaker. I would ask that the petition I tabled on March 31 with regard to 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 Leduc.

MR. KIRKLAND: Thank you, Mr. Speaker. I request that the petition I presented on April 11 be read and received.

CLERK:

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

head: **Notices of Motions**

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

DR. NICOL: Thank you, Mr. Speaker. I rise to give notice that after question period I will rise under Standing Order 40 to ask for unanimous approval to debate the following motion:

Be it resolved that the Legislative Assembly urge the government to assign government representatives to visit the United States' federal and state governments as well as the Canadian federal government to explain the urgency for a solution to the current trade dispute between the U.S. and Canada. These representatives should stress the potential damaging impact of a tariff war on Alberta farmers.

Thank you, Mr. Speaker.

head: **Introduction of Bills**

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

Bill 23

Provincial Offences Procedure Amendment Act, 1994

MRS. FRITZ: Thank you, Mr. Speaker. I request leave to introduce a Bill being the Provincial Offences Procedure Amendment Act, 1994.

Mr. Speaker, these amendments will remove inefficient, ambiguous, and unnecessarily costly procedures in dealing with provincial offences making the Alberta justice system more efficient and more cost-effective. This Bill is based on representation from the Alberta Association of Chiefs of Police, the Royal Canadian Mounted Police, the Alberta Urban Municipalities Association and suggestions from concerned Albertans. We thank these groups and individuals for their participation in making the Provincial Offences Procedure Act a more effective piece of legislation.

Thank you.

[Leave granted; Bill 23 read a first time]

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

MR. EVANS: Thank you, Mr. Speaker. I would move that Bill 23, just introduced, be shown on the Order Paper under Government Bills and Orders.

[Motion carried]

head: **Tabling Returns and Reports**

MRS. McCLELLAN: Mr. Speaker, I am pleased to table a response to Written Question 180.

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

MR. BRUSEKER: Thank you, Mr. Speaker. I have another 500 coupons from our: take education off your hit list. The 500 here are all representing their objection to the proposed cuts to education.

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

MR. JACQUES: Thank you, Mr. Speaker. I'm pleased to table the annual report for the Northern Alberta Development Council covering the fiscal year ended March 31, 1993.

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

MR. SMITH: Thank you, Mr. Speaker. It gives me great pleasure to table 225 signatures that speak against the proposed changes in advanced education.

head: **Introduction of Guests**

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

MR. CHADI: Thank you very much, Mr. Speaker. I'd like to introduce to you and through you to members of the Assembly today 66 students from Bishop Savaryn school in my constituency, that is Edmonton-Roper. They're accompanied today by Mr. Garry Marler, Mrs. Elena Napora, Mrs. Denise Adolf, and Mrs. Carole Preuss. They're in the public gallery and in the members' gallery, and with your permission I'd like them to rise and receive the traditional warm welcome of this Assembly.

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

MRS. BURGNER: Thank you, Mr. Speaker. It gives me great pleasure this afternoon to introduce to you and through you to this Assembly a member of my constituency board Mr. Ben Van De Walle. He's accompanied by his father, who is distinguished in his own right as a former Member of Parliament from the riding

of St. Albert and also, I have been advised, a member of the Alberta Agriculture Hall of Fame. I'd ask them to both stand and receive the warm reception of this House.

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

1:40

MR. HENRY: Thank you very much, Mr. Speaker. I would like to introduce some parents who are here to watch our debate today. These parents are concerned about the future of education in our province. They are in the public gallery. They are Dave Murphy, Debi Bortscher, Karen Craig, Carol Hilchie, Kathy McArdle, and Melissa McArdle. I would ask that they rise and receive the very warm welcome of the Assembly.

Thank you.

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

MR. SMITH: Thank you again, Mr. Speaker. It gives me great pleasure to introduce to you and through you to the elected members of the Assembly students from St. Vincent de Paul school, which is located just four blocks from my home in Calgary-Varsity. I wish to thank their teacher Ms Ellen Nolan and volunteers Cathy Michie, Martha Collins, Bunny Mortimer, Janet Ferguson, Assunta Cusano, and Laura Henderson for accompanying them. These students are trained by teachers to demonstrate good listening skills as a means of learning, and I'm sure that they will see in question period today the value of that skill. So I would ask the students and their teacher and the volunteers to rise and receive the warm welcome of this Assembly.

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

MR. SAPERS: Thank you, Mr. Speaker. Today it's my pleasure to introduce to you and to all members of the Assembly a wonderful constituent of mine who's visiting us today. Leisha Kozac resides in my constituency, and she's accompanied today by her cousin Ambrose. I'd ask them to stand and receive the welcome of the Assembly.

MR. SPEAKER: The hon. Member for Pincher Creek-Macleod.

MR. COUTTS: Thank you, Mr. Speaker. It gives me great pleasure to introduce to you and through you today to members of the Assembly a gentleman from my constituency, Pincher Creek-Macleod. His name is Phil Lewis, and he's visiting the city. He's accompanied today by my wife, Phyllis. They are seated in the members' gallery, and I ask them to please rise and receive the traditional warm welcome of this Assembly.

MR. DECORE: Mr. Speaker, it's a delight for me to introduce a young woman: Krista Bennett. Krista is a recent graduate of the University of Alberta in history. She's a keen student of politics and has been assigned by the Young Liberals at the university as my assistant for the week. Would she stand and receive the welcome of the members of this Assembly.

head: **Ministerial Statements**

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

Professional Secretaries Week

MR. MAR: Thank you, Mr. Speaker. I would like to draw to the attention of the Assembly the fact that April 24 through 30 is

Professional Secretaries Week and April 27 has been designated as Professional Secretaries Day. The theme this year is "bettering the best."

The organizers of these annual events have two objectives: first of all, to recognize the important contributions of secretaries and, secondly, to highlight the tremendous potential of a secretarial career.

I encourage members of this Assembly and all Albertans to mark Professional Secretaries Day and Professional Secretaries Week by recognizing the contributions made by secretaries in an appropriate way.

MR. DECORE: Well, Mr. Speaker, I want to congratulate the minister for bringing forward this ministerial statement. I could be wrong, but I don't remember this having been done in previous years. I've checked with some of my colleagues, and I don't think it has been done, and for that reason alone, congratulations for bringing it forward. It's something that most of us, many of us take for granted and don't properly acknowledge. There isn't anybody in this Assembly, there isn't anybody in business, or anybody in an entrepreneurial position or an enterprise, nongovernment or otherwise, that doesn't and can't recognize the value of a secretary, man or woman, that makes a particular enterprise more efficient and more strong and more functional. So thank you for bringing forward a recognition, Mr. Minister, to valued members of our caucus, of our Legislature, of our government, of all of the entrepreneurs and enterprises of Alberta.

To all of those secretaries, men and women, who work for us and every other person in Alberta: thank you.

head:

Oral Question Period

Charter of Rights

MR. DECORE: Mr. Speaker, the federal Charter of Rights and Freedoms protects people against governments, governments that are so powerful and so arrogant and so bigoted that they run roughshod over individual rights. Every civilized western country has a charter or something like it. It's one of the standards by which countries and societies are measured. Now for the sake of a headline, members of the Klein government are calling for an end to the Canadian Charter of Rights and Freedoms. Mr. Premier, why would your government not want all Albertans to have the same equal protection under the law that every other Canadian enjoys?

MR. KLEIN: Mr. Speaker, I think that's what individual members of my caucus are talking about, equal protection for all, and whether or not that protection extends to victims of crime, particularly those crimes that are committed by young offenders, and whether the Charter more than adequately protects the perpetrator rather than the victim. That's what it's all about.

MR. DECORE: No, it isn't all about that, because we're talking about an Act that's very separate and apart from a Charter, Mr. Speaker.

Mr. Premier, will you acknowledge that the gains that women have made in terms of fair treatment and equal access are largely due to the Charter of Rights and Freedoms?

MR. KLEIN: I am sure that there are good provisions in the Charter, and perhaps there are provisions in the Charter that are somewhat deficient. I can tell the hon. Leader of the Opposition this . . .

MR. HENRY: Tell us which one it is, Ralph.

MR. KLEIN: Will you just listen? Sh. Be quiet. Thank you.

We will be having a good discussion on this as a caucus. Relative to this issue and to the issue of the Young Offenders Act quite specifically we will be developing a framework for a process to develop a government position on these matters, Mr. Speaker.

MR. DECORE: Mr. Speaker, the previous Premier attacked bilingualism and multiculturalism, and now the Premier is saying that there are certain deficiencies. Mr. Premier, tell us exactly, specifically what those deficiencies are.

MR. KLEIN: Mr. Speaker, I can't at this particular moment because, and I've indicated to the media and I'll indicate to the Liberal opposition, I have not as an individual developed a position on the Charter of Rights and what might be good in that Charter or what might be deficient in that Charter. Members of my caucus, however, who have studied the Charter much more than I have have developed positions. That's what this caucus is all about as opposed to what their caucus is all about. The people in my caucus can speak freely. They can speak freely, and they can vote freely. They aren't muzzled and confined by an overbearing leader.

Krever Inquiry

MR. DECORE: Mr. Speaker, the Krever inquiry heard testimony showing that people were being unknowingly infected with HIV and that the Alberta government refused to act. Krever also heard that the Alberta government did not even track recipients of tainted blood and that it still isn't. Mr. Premier, explain how nothing was done for so long when your government knew it could prevent the spread of HIV?

MR. KLEIN: First of all, I take exception to that particular statement. There is a very unfair assumption there. First of all, what we would like to do is to let the hearings take their course and determine what action should be taken after the recommendations come out. But relative to the ongoing testimony, I'll have the hon. Minister of Health supplement.

1:50

MRS. McCLELLAN: Mr. Speaker, the Krever inquiry is fully supported by the government of Alberta and by the Department of Health. We are indeed a full participant in the Krever inquiry. It was decided on a national basis that provinces had the opportunity to be full participants or not. Alberta chose to.

Also, Mr. Speaker, I would point out to the hon. member that we have laid all of our documents, all of our information before the inquiry. The Krever inquiry is commissioned to ensure that we have a safe blood supply for Canada, and that is our primary interest. We look forward to the results of the Krever inquiry to ensure that we do have a safe blood supply for all of Canada.

MR. DECORE: Mr. Premier, what is it that you have done specifically, your government, as of today to track Albertans who have been exposed to tainted blood to ensure that there is no further effect on other Albertans?

MR. KLEIN: Mr. Speaker, we are full participants in the program that has been set up to identify and look for solutions to this problem and also to compensate those who have been

affected. Relative to the specifics, again I'll have the hon. Minister of Health supplement.

MRS. McCLELLAN: Mr. Speaker, we rely on the information of experts as to what the best method is to ensure that all people who might have been affected have knowledge. I believe that we have followed that advice of experts in Alberta.

Again, I would remind the hon. member that the Krever inquiry is in Alberta this week, was last week, and I believe will be here for a few days yet and has all of our information, all of our documents, has all of our officials that we have working with us co-operating fully with that inquiry, because our bottom-line desire is to ensure we have a safe blood supply.

MR. DECORE: Mr. Speaker, I can't believe that two people weren't able to hear the question. Albertans are entitled to know, Madam Minister or Mr. Premier, what specifics your government has taken to ensure that no other lives are affected. Give us those specifics today.

MR. KLEIN: Mr. Speaker, again I believe that the hon. Minister of Health answered the question. Perhaps if there's anything more that she could say about this matter, I'll ask her once again to supplement.

MRS. McCLELLAN: Mr. Speaker, as to notification, there initially was a notice sent to all hospitals and to health units advising them to assist in ensuring that people who might have been affected were notified. There was a public notification as well.

MRS. HEWES: Was it done?

MRS. McCLELLAN: I hear little whisperings – you might call them whisperings – from across the way, "Was it done?" I have full confidence in the professionals that work in this province, and when they were asked to do something, I do not question whether or not they had. In fact, it was requested, and it was sent out from Alberta Health. I have absolutely no evidence to show that health units, physicians' offices, or hospitals neglected their duties in that respect.

MR. SPEAKER: The hon. Member for West Yellowhead.

Catholic School System

MR. VAN BINSBERGEN: Thank you, Mr. Speaker. Catholic boards must decide by this Wednesday whether to opt in or out of Bill 19. If they opt in, it'll cost them dearly, but even if they opt in, it appears that they will not be able to fully access the use of a plebiscite to raise more funds. So I'm asking the Premier: why is it that those Catholic boards who opt in to Bill 19 cannot access the undeclared taxes in a plebiscite?

MR. KLEIN: Well, they get it from one source, or they get it from the other. Fundamentally, the program . . .

MRS. HEWES: That's not the question.

MR. KLEIN: That is the question, and this is the answer. The answer is that we will do everything to make sure that, one, we create fiscal equity so that kids in this province whether Catholic or Protestant are treated the same and have the same opportunity to the same quality education. Number two, we have said

consistently that we will do whatever we possibly can to guarantee – to guarantee – and ensure that the constitutional rights of Catholics are protected; in other words, that the dollars collected will go back to Catholic students. Number three, we have said consistently that we will stick to a financial plan that allows the Department of Education to meet its target by fiscal 1996-1997.

MR. VAN BINSBERGEN: Mr. Speaker, I'd like to ask the Premier again: if they opt in and they still can't access a plebiscite to the fullest, isn't that discrimination?

MR. KLEIN: No, it's not discrimination; I guess it's giving the Catholic boards something that the public board is not entitled to at this particular time. So if there's any discrimination, it's in favour of the Catholic system and again relates to ensuring that their constitutional rights are protected.

MR. VAN BINSBERGEN: Mr. Speaker, I don't think the Premier understands the issue. Let me ask the Premier then. The Premier has promised for several weeks to consider referring Bill 19 to the Court of Appeal. Now, since it appears to be so fraught with contradictions, would he tell us whether he will do this or not?

MR. KLEIN: Mr. Speaker, we have decided that we will not refer this to the courts. There are some logical reasons for not doing this. One is that we've got to deal in very, very short order with the mill rate, and we've got to get this program into place.

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

Hospital Services in Calgary

DR. L. TAYLOR: Thank you, Mr. Speaker. Residents of southern Alberta particularly in my constituency use the services of the cardiovascular and thoracic unit at the Holy Cross hospital in Calgary. They are very concerned regarding the possible move and closure of this to the Foothills hospital. As this move is to save money and as it costs \$2,000 to \$4,000 more for open-heart surgery at the Foothills compared to the Holy Cross, would the minister please explain why this is being considered?

MRS. McCLELLAN: Mr. Speaker, the recommendations that were contained in the report certainly did suggest that the cardiovascular surgical area should be consolidated on one site. The consultants that reviewed it as well as the people from within the acute care hospitals I believe concurred that this would be a better use of funds available for cardiovascular.

As far as costing between one hospital and another, Mr. Speaker, I have commented on this before. I think it's very difficult unless you do an in-depth costing to suggest that a bed or a procedure in one hospital is more efficient or less. Because the Foothills hospital has many other programs in cardiovascular, their costs could appear to be higher. So I would not want to accept that as an assumption without further information on that. It is felt that that is in the best interests of providing a first-rate cardiovascular service.

MR. SPEAKER: Supplemental question.

DR. L. TAYLOR: Thank you. To the minister again: as the clinical results at the Foothills show a mortality rate of about twice that of the Holy Cross as well as an increased incidence of complication, why would this move be considered?

MRS. McCLELLAN: Well, Mr. Speaker, again I would hope the hon. member would not use statistics without an in-depth

analysis of them. You must take into account the severity of the case of the individual patient, and I think that would have to be fully considered before there was any inference drawn on the benefit of one program over the other.

MR. SPEAKER: Final supplemental.

DR. L. TAYLOR: Thank you. As the Foothills has not indicated a commitment through either teaching, research, or increased funding to cardiovascular surgery, how does the minister expect the Foothills to handle the increased caseload that will result from the move?

MRS. McCLELLAN: Well, Mr. Speaker, I would not accept the member's comment that the Foothills has not done research. I believe that the Foothills has done some very exciting work in case management. I also would suggest that in research we have given dollars in that particular area, and one area that is dedicated dollars in Health is cardiovascular programs. The cardiovascular program has been managed between the two hospitals I believe very amiably and as efficiently as possible. I believe that the move of the cardiovascular to one site is considered to be in the best interests of all cardiovascular patients in southern Alberta

2:00 Constituency Golf Tournament

MR. GERMAIN: Mr. Speaker, with your indulgence I'll table four copies of a postage rendering from the constituency office in Barrhead as a backup to my question this afternoon. The separation of partisan politics from political fund-raising is fundamental to good government. Constituency offices should not be involved in raising funds and spending constituency money for fund-raising. Likewise, the government should leave the civil service alone in terms of fund-raising promotions. My question, therefore, this afternoon to the Deputy Premier is this: Mr. Deputy Premier, can you tell us please why you allowed your constituency office to be used to supply postage for your recent constituency fund-raising golf tournament?

Speaker's Ruling Questions outside Ministerial Responsibility

MR. SPEAKER: Order. Order please. It's not clear to the Chair what the departmental responsibilities of the hon. minister that's being asked the question have to do with something that's going on in the constituency office. [interjections]

MR. N. TAYLOR: It's the MLA's responsibilities.

MR. SPEAKER: That should then be a matter for the Members' Services Committee. The role is to ask a question relating to the minister's departmental responsibilities, nothing outside those responsibilities.

MR. MITCHELL: Mr. Speaker, it's his department that was soliciting funds, the economic development department.
Point of order.

MR. SPEAKER: Order please. If he can tie it to departmental responsibilities . . . [interjections] Order please.
Supplemental question.

Constituency Golf Tournament (continued)

MR. GERMAIN: Thank you, Mr. Speaker. In that case, to the Deputy Premier: why did you allow the employees under your

direct control to be targeted with a mail-out campaign for that political fund-raising event?

MR. KOWALSKI: Mr. Speaker, I'd be very, very pleased to file with the Assembly today an invitation to attend my eighth annual family charity fund-raising golf tournament. It says: you are invited. It has absolutely nothing to do with my portfolio.

Secondly, I don't know what postage box number the hon. gentleman is talking about, but as best as I recall, I only have three in Barrhead. One is 5615-55 Street. Any individual in Alberta who would like to attend my golf tournament can write to me at 5615-55 Street. The second one is Box 5, Barrhead, as well, which is a personal box. The third one is Box 1600, Barrhead, which in fact is mine.

Mr. Speaker, we have no postage meter associated with my constituency office that belongs to the government of Alberta. From time to time volunteers associated with me will borrow a postage meter from entrepreneurs in the community who want to lend it to us. I'm not sure what the hon. gentleman is getting at.

Mr. Speaker, every citizen in the province of Alberta who wants to attend my family fund-raising golf tournament is welcome to do so. It's the 25th day of June of 1994.

AN HON. MEMBER: He got you, Adam.

MR. GERMAIN: No, my friend, he didn't get me. He got the taxpayers of Alberta.

Mr. Speaker, will the Deputy Premier refer this matter to the Ethics Commissioner for a ruling on this bunker-gate issue?

MR. KOWALSKI: Mr. Speaker, I read in a newspaper today that the Liberal Party was doing that. There's no need for me to do that. I'll abide by any decision and any ruling of the Ethics Commissioner.

On that same point, Mr. Speaker, I'd like to file with the Assembly today a copy of a recent newsletter put out by the Alberta Liberal Party. I've already talked about how I use my . . .

MR. SPEAKER: Order. [interjection] Order. [interjection] Order please. It's not clear to the Chair how we get reverting to tablings on this matter from the context of the supplemental question that was asked.

Protecting Employees from Infectious Diseases

MR. TANNAS: Mr. Speaker, the Minister of Health has indicated in this Assembly that liability consideration should encourage employers to ensure that their at-risk employees are vaccinated against the hepatitis B virus. I'm concerned that there are inconsistencies among various government departments and agencies as to a hepatitis B vaccination provision for care giving employees who deal with high-risk clients. I would ask the Minister of Justice to explain his department's policy regarding support for vaccination against this virus for the department's at-risk employees.

MR. ROSTAD: Mr. Speaker, the Department of Justice has three areas under its responsibility that could have contact with many infectious diseases, hepatitis being one I guess. One is in the court and prisoner security branch, the Chief Medical Examiner's office, and of course probably the one that has the highest is the correctional service division. In each of those, staff are counseled as to the possibility of infection and contact and are recommended

to get shots through particular health units, and they are in fact reimbursed their cost of getting those shots.

MR. TANNAS: Mr. Speaker, then I wish to ask the chairman of AADAC to explain her agency's vaccination policy for those people who are at risk when employed in treating and rehabilitating addicted clients in care.

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

MRS. LAING: Thank you, Mr. Speaker. AADAC has requested that their staff be inoculated at their own cost through their family doctor; however, they do follow the universal precautions which are recommended by all health authorities. That includes shielding, which means using gloves. It includes hygiene, which is hand washing and general cleanliness, and also proper disposal of sharp objects. These procedures are given to them through instruction and also supervision to ensure that the universal precautions are dealt with by compliance.

Thank you.

MR. TANNAS: Mr. Speaker, I'd like to ask the Minister of Health as to her advice as to how I might explain to constituents of Highwood who work for AADAC why they should pay \$600 for private hepatitis B vaccination.

MRS. McCLELLAN: Mr. Speaker, first of all, I would be very surprised if someone is being charged \$600 for hepatitis B vaccination. Through the vaccine program that we have through the health units, we're able to obtain them for \$61 a dose. The highest that I have heard personally is \$200. What I would suggest to the hon. member is that when he is discussing this with those people, they should perhaps look to different suppliers for the vaccine. Obviously that's a very high cost compared to what we have. Also, there are many opportunities to group purchase or purchase in larger quantities. [interjections] Certainly when the regional health authorities are in place, there are going to be great opportunities for savings in purchasing by large numbers. [interjections]

What I would suggest, Mr. Speaker, if I might finish without all of the chitter chatter from the other side . . . [interjections]

MR. SPEAKER: Order. Time is flying. Order.

MRS. McCLELLAN: Mr. Speaker, I think this is probably a very important issue to the hon. Member for Highwood. If you would ask the people who have raised it with you to write me a note directly, I will write them back a note with some further explanation for them.

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

2:10 Regional Health Authorities

DR. NICOL: Thank you, Mr. Speaker. Regional health authorities will have a mandate to provide health care services for all Albertans in their jurisdiction. The representatives on these boards will have extreme powers to control and schedule access to health care services. This creates a conflict between the perceived needs and the central urban centres where they're located. I'd like to ask the Premier: how will Calgary and Edmonton boards determine the needs for tertiary care for people from across the province?

MRS. McCLELLAN: I would be happy to answer the hon. member's question. The tertiary care hospitals in this province

have historically been funded to handle patients from outside the centres for many, many years. This will not change. Mr. Speaker, we know referral patterns today. Regional health authorities will certainly be working with any regional hospitals or the two major centres to ensure if there are any referral patterns changing. One of the things that I would want to remind the hon. member of is that the regional health authorities and the formation of those boundaries in no way inhibits the movement of a patient to access a service or to tertiary care services. So these will be handled and funded in a very historic way.

MR. SPEAKER: Supplemental question.

DR. NICOL: Thank you, Mr. Speaker. Again to the minister: when you appoint individuals to the regional boards in such a way that consideration for rural concerns is not outweighed by urban needs, how will this be handled?

MRS. McCLELLAN: That's a very important point, Mr. Speaker. We have requested that people apply or people nominate people they feel would be able to serve on the health boards. It is very definitely important that we have a balance so all concerns are heard. I also believe that the formation of the community health councils will be a very direct way for communities to ensure that the regional health authority understands their health needs and advice from them as to how to deliver the health needs in their communities. So those are two very important links.

MR. SPEAKER: Final supplemental.

DR. NICOL: Thank you, Mr. Speaker. To the minister again: is it the responsibility of these community health councils to look after the institutions that currently exist in their communities and to make sure that they get good representation in the regional concern?

MRS. McCLELLAN: Mr. Speaker, the regional health authorities will be in place on June 1, and one of the first tasks they will have will be to develop a three-year business plan for delivering health services to all of the area that they serve. I would expect that they would work very closely with the existing boards and agencies, whether they be government or community, to first assess the health needs and secondly the resources that are available to them so that they can develop a three-year business plan. I would expect that the regional health authority should rely very heavily on community health councils when they're formed but certainly on the existing mechanisms that are in place in the communities to develop those plans.

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

Provincial Employees' Collective Bargaining

MR. SMITH: Thank you, Mr. Speaker. When any firm or company sees its revenue shrink, it adjusts its expenditures as a matter of course in order to survive. The Alberta government's 4,900 non-union workers recently took a 5 percent reduction in compensation, which included a 3.1 percent direct salary cut combined with 1.9 percent deductions for days off without pay. Will the Premier provide the Legislature with an update on negotiations with the remainder of the public service who are members of the Alberta Union of Provincial Employees?

MR. KLEIN: Well, I'm pleased to announce today, Mr. Speaker, that a tentative agreement was signed Saturday with the Alberta Union of Provincial Employees.

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

MR. KLEIN: The agreement covers our 20,000 permanent and temporary unionized employees.

MR. SMITH: Mr. Speaker, will the Premier provide details of this agreement at this point?

MR. KLEIN: Mr. Speaker, in that it is a tentative agreement, I'm afraid I'm not at liberty to provide the details of this particular agreement. Of course it has to be ratified by the union and indeed ratified by the government of Alberta.

MR. SMITH: Well, then, Mr. Speaker, in the government's ongoing spirit of openness, how long do you expect the ratification vote to take, and will the details of the agreement be made public then?

MR. KLEIN: The details of the settlement will be made public once it's ratified. I understand that the process relative to ratification by both the government and the union could take up to six to eight weeks.

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

North West Trust Company

DR. PERCY: Thank you, Mr. Speaker. We know that North West Trust is going to be sold soon. We know that its chairman and CEO, who coincidentally is also the former financial officer of the provincial PC Party, will receive at least a half million dollar severance package. Other senior officers will also be recipients of generous golden handshakes, but there's still time for the Premier to intervene. My questions are to the Premier. Will the Premier commit to a policy of not rewarding Conservative friends with obscene severance packages as his government tries to get out of the business of being in business?

MR. KLEIN: The answer is yes, Mr. Speaker.

DR. PERCY: Well, that's good news, Mr. Speaker.

Will the Premier, then, commit to the principle that the North West Trust management should receive no more in severance than his government's policy would allow for any government employee let go; namely, one month's salary for each year of service up to a cap?

MR. KLEIN: Mr. Speaker, I would point out that in the case of North West Trust, the salaries and the severance packages were set in contract by the board of directors of that particular corporation some time ago. But I can tell you that we have had discussions, and as the hon. member asks his supplementary, perhaps I'll have the Provincial Treasurer supplement relative to those discussions and what we have requested of the board of directors of North West Trust.

MR. DINNING: Well, Mr. Speaker, precisely that. Precisely what the Premier has said is that the government has requested the chairman and the board of directors of North West Trust to review the salaries and the expenses, the remuneration including the severance package, of the senior officers of North West Trust to ensure that it reflects a number of things, not only that this is a successful private-sector company operating in the private sector but the fact that it is a company that is owned by the taxpayers.

Therefore its remuneration and its severance package and the benefits associated with all of that must reflect the realities of the public sector. I can file with the Assembly today my request of the chairman of the board of directors of the company on behalf of the government as the majority shareholder of North West Trust that this review be undertaken.

MR. SPEAKER: Final supplemental?

The hon. Member for Calgary-Currie.

Regional Health Authorities

(continued)

MRS. BURGNER: Thank you, Mr. Speaker. The success of our health care reforms is going to be largely dependent upon the strength of our regional health boards, and late last week the Minister of Health announced the release of the health region boundaries as well as the process for the appointment of the regional health authorities. In the news release there is a statement that "all applications will be forwarded to the Minister for her consideration and decision about appointments." This raises some concern in my constituency regarding patronage. So my question to the minister: will the minister please explain why the applications will go to the health plan co-ordination . . . Excuse me, Mr. Speaker. Will the minister please explain the appointment process to the regional health authorities and clarify this concern of extended patronage?

MRS. McCLELLAN: Mr. Speaker, I believe that if it was read that they are to go to the Health minister, that's in error, because I believe it reads that they shall go to the health plan co-ordination project team and not the Minister of Health. [interjections] I noticed the member's what you might call slip, and while the opposition might think that she was reading the answer, I can assure them that she wasn't, but she might have felt that that . . . [interjections] I am sure that my colleagues on this side of the House would like to know what I'm going to answer sometimes. I rather suspect that it was a question in the member's own mind as to whether that shouldn't be the correct process or if she had misunderstood it.

Clearly, Mr. Speaker, this is a very serious issue. The naming of our health regions, the 17 now definite regions, is a very important step in the restructuring of health, and certainly the appointments to the boards are very important. I should note that the application process will be very stringent, will be very fair.

2:20

MR. SPEAKER: Supplemental question.

MRS. BURGNER: Thank you, Mr. Speaker. No answers, just questions. I would like to thank the minister for clarifying that.

Would the minister please clarify what group will be screening these applications?

MRS. McCLELLAN: Well, first of all, Mr. Speaker, as I indicated, the applications will all go to the health plan co-ordination project team. I have asked them for their assistance in this. I think all members would agree they've done a laudable job of steering us through the process of restructuring. That committee will be asked to sort them by region to ensure that the applicants all meet the eligibility criteria and refer then a list for each region to the minister. Ultimately, as it states in the legislation, the minister will appoint the first boards.

MR. SPEAKER: Final supplemental.

MRS. BURGNER: Yes. Thank you, Mr. Speaker. Will there be opportunities for members to be elected to regional authorities?

MRS. McCLELLAN: Mr. Speaker, in the Starting Points document, which is the framework document that we are using for the restructuring of health, the recommendation was that there be an election process. Whether it be fully elected, partially elected, partially appointed has not been decided upon. However, it's my intention to work with the regional health authorities. It would occur to me that as they work through their first year of operation, they will be able to provide us with some very good advice as to an election process, how it should occur and/or when or if it should be fully elected. As we have in the full process of restructuring health, we will consult thoroughly with those authorities before making any decision.

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

Health Region Boundaries

MR. BRACKO: Thank you, Mr. Speaker. I would like to table four copies of six letters of support for removing St. Albert from the Edmonton health region. These letters are from Frank Schoenberger, reeve of the MD of Sturgeon; Jackie Heitzman, president, Chamber of Commerce, St. Albert; Bruce Deal, mayor, town of Hinton; Anita Ratchinsky, mayor of St. Albert; Lionel Cherniwchan, chair of the Athabasca general and auxiliary hospital to the Health Plan Co-ordination Project Steering Committee.

Mr. Speaker, St. Albert's natural partners are its surrounding municipalities. Therefore, they have requested that in order to preserve those ties St. Albert be included in health region II. To the Premier: why was St. Albert included in the Edmonton region instead of region II together with communities like Morinville, Legal, and the MD of Sturgeon?

MR. KLEIN: Well, Mr. Speaker, this was a very lengthy process involving not only the Minister of Health but the hon. Member for Bow Valley and the hon. Member for Rocky Mountain House, along with Dr. Norman Wagner. It involved a tremendous amount of consultation with the local hospital boards and health units and extended care units and so on. It was deemed that this would be the most logical way to go following the extensive consultation that took place. I will have the hon. Minister of Health supplement if she wants to.

MRS. McCLELLAN: It's hard to concentrate with some of the noise across the way.

Mr. Speaker, I have offered to meet with the mayor of St. Albert and whatever other group she might want to bring with her to discuss this. Further to what the Premier has outlined, St. Albert has been included in the regional health planning area for some two to three years and has worked with the Edmonton regional planning group on delivery of health services. I would be interested to hear from the group any information that they might have on delivery of health services that would cause them a problem under the proposed arrangement. Certainly I would say that the city of Edmonton welcomes St. Albert to be a part of their region.

MR. SPEAKER: Supplemental question.

MR. BRACKO: Thank you, Mr. Speaker. To the Premier: why did the final health region boundaries reflect the wishes of

Sherwood Park residents but ignore the requests of mayors and reeves from St. Albert and other outlying municipalities?

MR. KLEIN: You have to keep in mind, first of all, that Sherwood Park does not have a hospital.

MRS. ABDURAHMAN: It has the Grey Nuns.

MR. KLEIN: Is it in Sherwood Park?

SOME HON. MEMBERS: No.

MR. KLEIN: Well, then, obviously I know Edmonton better than you do.

Aside from that, Mr. Speaker, Sherwood Park is not an incorporated entity. It is a hamlet within a county. It is not a city. It is not a jurisdiction. It does not have a hospital; that is, the hamlet itself. Relative to any further details you might require, again I will defer to the hon. Minister of Health.

MR. SPEAKER: Final supplemental.

MR. BRACKO: Thank you, Mr. Speaker. Since everyone is unhappy in this region, will the Premier commit to correcting this obvious mistake?

MRS. McCLELLAN: Mr. Speaker, everyone is not unhappy in that region. I am quite convinced that for every tabling the hon. member put forward, I could give him as many supporting the decision and perhaps more.

I would remind the hon. member that this process was done with consultation. The steering committee proposed that St. Albert be in that region. I have outlined that they have been a part of the Edmonton planning group for delivery of health for some years now. I'm sure that to the steering committee that proposed this, it would be difficult to understand why you should change an arrangement that has worked very successfully. So as I indicated, I have indicated to the mayor that I would be quite happy to sit down with her and any others that would like to discuss this. Our concern is the best delivery of health. I would remind him again that the city of Edmonton welcomes St. Albert to their region.

MR. SPEAKER: The hon. Member for Redwater.

Native Education

MR. N. TAYLOR: Thank you, Mr. Speaker.

AN HON. MEMBER: Did you get your car fixed?

MR. N. TAYLOR: Yeah. I'll have a new car if they run into the back end next time.

Last week we learned from the Deputy Premier that there's no written agreement, for instance, in the High Prairie strandboard mill to train and educate a set number of natives to get jobs. We get the usual airy-fairy promises that our aboriginal people have had for the last 200 years. My question will be to the minister of native affairs. Since we find that the high schools of Edmonton and Calgary also have a 75 percent dropout of natives, that it's very difficult indeed for them to gain secondary education, is the minister ensuring that this government dedicates a budget to help the school boards attract more native advisers and teachers to the system?

2:30

MR. CARDINAL: Mr. Speaker, that's a pretty broad question to expect a minister to answer in this House. As you're aware, this government I believe is a leader. In fact, this government has proven that it is a leader in relation to dealing with aboriginal issues including the Metis and the Metis settlements in Alberta and also including the Bill C-30 ones, in which a lot, in fact most, reside off the reserves. We will continue supporting all forms of programs to assist the transitional process. I've mentioned in this House a number of times that it wasn't that long ago that aboriginal communities and aboriginal individuals were completely self-sufficient, just a bit over 40 years ago. This government is working very, very hard to end that issue by ending poverty and involving native people more fully in Alberta.

MR. KOWALSKI: Mr. Speaker, page 16 of the public submission put forward by Tolko Industries when it went to the public in the High Prairie area clearly identifies the training programs that Tolko would take for native people. As important is the statement by Tolko Industries that in terms of hiring local people, they are not going to hire local people necessarily on the years of education that they have or the degrees or the certificates that they have but, more importantly, on their communication skills; in other words, how they can accommodate and work in a team environment. By doing such, that's a very important decision to help and aid in the employment of natives in the High Prairie area.

MR. N. TAYLOR: Mr. Speaker, this is still not affirmative action. It's a bunch of empty promises, particularly no more empty than the ones the Member for Barrhead-Westlock is familiar with making.

Now, back to the minister again. Obviously, the native people are moving faster than their minister. Will the minister meet with the Minister of Education, for instance, to ensure that classes of native languages and cultures are introduced into the public system?

MR. CARDINAL: Mr. Speaker, I think this individual is confused a bit as to the priorities of the aboriginal people themselves. We do have various forms of agreements across the province. One example is the Northland School Division, which spends presently over \$16,000 per student in their education program compared to some of the adjacent school jurisdictions who spend \$6,000 per student. We are working on a number of programs that would provide academic upgrading, for example. Part of the student grant program that was initiated as part of the welfare reforms presently sees over 11,000 individuals attending various forms of academic upgrading programs to reach a grade 12 level. We'll continue doing that. We are also working with the postsecondary institutions such as the Athabasca University distance education, looking at ways of providing various degree-granting programs through distance education, such as education and social work and a number of other areas. We will continue to do that. I could address this House and Albertans for a long, long time on those particular issues as to what this government is doing.

MR. N. TAYLOR: The fact is that 75 percent of our aboriginal children do not reach grade 12. Now, in view of the fact that the government is always cutting money, would the minister meet with his federal counterpart to see whether or not Alberta can access more dollars to help our aboriginal people in high school?

MR. CARDINAL: Mr. Speaker, you know, I think this member is a bit confused. I do meet with my colleague the federal minister of Indian affairs. We both work very closely. It's a

critical issue. It's a very important issue for all Canadians. It's a complicated issue to deal with because a lot of the people that we mentioned in this House today fall completely under federal jurisdiction, but we continue co-operatively between the federal government and the province to assist wherever we can in dealing with that particular issue. We will continue doing that.

The land claims issue, for example. Just recently in Alberta seven different land claims issues were resolved, and I believe Alberta in fact spent over \$53 million . . .

MR. SPEAKER: Order please. Land claims seem to be a bit of a digression from employment programs.

The time for question period has expired.

head: **Motions under Standing Order 40**

MR. SPEAKER: The Assembly has received notice of a motion to be made pursuant to Standing Order 40. The hon. Member for Lethbridge-East.

Agricultural Trade Dispute

Dr. Nicol:

Be it resolved that the Legislative Assembly urge the government to assign government representatives to visit the United States' federal and state governments as well as the Canadian federal government to explain the urgency for a solution to the current trade dispute between the U.S. and Canada. These representatives should stress the potential damaging impact of a tariff war on Alberta farmers and their desire to see a tariff war avoided through negotiations.

DR. NICOL: Thank you, Mr. Speaker. I'd like to speak to the urgency of debate on this motion right now. This past Friday the deadline imposed by the U.S. as to settlement of some of the disputes that we were having with them concerning trade on agricultural products passed, and the U.S. now has indicated that they're going to invoke article 28 under the GATT, which will allow them to impose either a constant tariff or a tariff after a certain level on the trade of agricultural products.

What we now have under the GATT is 90 days to negotiate a settlement before those tariffs actually come into place. This gives us a very short period of time to put together a concrete action and to begin to deal with them so that we don't end up with tariffs on our trade of agricultural products with the U.S. Once that 90-day period has passed, what we'll have then is a 30-day period in which Canada can retaliate, and we're hearing from the federal government already that they will identify American products that they will target for tariff. This provides us with a very tenuous situation when we're dealing with Canada's major trading partner, the U.S.

We've seen how agricultural products are very important to the farmers of Alberta. We've expanded our trade in red meats into the U.S., and we've expanded our opportunities for the grain sector. What the Americans don't realize is that a lot of this is a result of their policies themselves. So it's really important that we debate this now and get on with putting in place a good program to counter this American challenge before the 90 days is up and end up then with the federal government and our government in Alberta working with the Americans to prevent this tariff.

I think the reason we need to start on this very quickly is the shortness of the planning time, as I've indicated. If we've got to set up meetings with the Americans and the federal government, we have to have time to get these in place and get the appropriate people put in place. I'd just like to say that we want to get this

done before we hear very many more scare tactics like we heard last week when the noted Senator from North Dakota indicated that they should be turning their missiles on Canada.

I'd just like to ask for unanimous support from the Assembly to debate this issue. Thank you.

MR. EVANS: Clearly, Mr. Speaker, this is an important issue, and certainly the government of the province of Alberta regrets the actions that have been taken by the United States government last Friday when they announced that they were taking action under article 28 of GATT on the grain exports to that country. Under that article, I think hon. members are probably aware, there's a 90-day period that must pass prior to any actions by the Americans to limit grain shipments from Canada and any other exporting country.

Certainly, Mr. Speaker, Canadian and Albertan farmers are the ones who are most fiercely and harshly affected by this move, since no other country even comes close to exporting as much grain to the United States as we do. I think from that perspective I certainly agree with the hon. member opposite that this is an important issue.

Our government though – and I must point this out as a follow-up to comments that were made by our agriculture minister last week in this House. Our agriculture minister has been in constant contact with the federal ministers, with agriculture minister Goodale and International Trade minister MacLaren, with respect to the state of these bilateral negotiations. Certainly since the latest signing of the GATT agreement last December our government's been talking to and meeting with officials and political representatives from Canada and the U.S. on a constant basis to ensure that we press for a bilateral agreement with the greatest possible access to markets in the United States for our agricultural products. I expressed the same concerns as the member opposite, concerns that a deal that is acceptable to Albertan farmers has not yet been reached. As the Minister of Agriculture, Food and Rural Development said last week, no deal is certainly better for us than a bad deal. I think the hon. member opposite was in the House when that comment was made.

2:40

We have the ability, Mr. Speaker, through the GATT process to use that 90-day period to continue talking, and I hope that we're going to continue to do that. Certainly the minister of agriculture has indicated to me that that is what he will be doing.

The issue here under Standing Order 40 is the urgency of the debate today. Again, I refer back to the comments that were made last week by the minister indicating that the process that is being asked for here by the member opposite is already in place, Mr. Speaker. We are working diligently within that 90-day time frame to get our message across to Americans, both state and federal representatives. So on the matter of urgency unfortunately I cannot agree with the hon. member that this is a matter that should be debated today because of the other urgent matters that we have already on the Order Paper.

Thank you.

MR. SPEAKER: Order please. The Chair admits that it was remiss in the practices we've been following on this by recognizing the hon. Deputy Government House Leader. The rules state that after the proponent has stated the reasons for urgency, the Chair is to ask whether there's unanimous consent to allow the hon. member to present his motion. Therefore, the Chair does apologize for this, but we can't really turn the clock back.

The Chair is now required to ask the Assembly: is there unanimous consent to allow the hon. Member for Lethbridge-East to present his motion under Standing Order 40? Agreed?

SOME HON. MEMBERS: Agreed.

MR. SPEAKER: Opposed?

SOME HON. MEMBERS: No.

MR. SPEAKER: There isn't unanimous consent.

AN HON. MEMBER: Call in the members.

MR. SPEAKER: No. No. Nice try, but the rules say that there must be unanimous consent to allow a Standing Order 40 to proceed. [interjections] Order please.

The Chair also apologizes for not calling the points of order before the Standing Order 40, but I guess the Chair was impressed with the matter of urgency.

The hon. Opposition House Leader.

Point of Order

Ministerial Statements in Question Period

MR. MITCHELL: Mr. Speaker, I rise under Standing Order 71, which outlines the agenda for each day in the Legislature, and it's supported by *Beauchesne* 348. Both citations of course underline that there is a time and a place in this Legislative Assembly for ministerial statements. The Premier today was asked a question about the progress of negotiations with AUPE, and he stood and revealed the true intent of that question when he said, "I'm pleased to announce." If ever there was a telltale remark that would underline that that particular question was not a question seeking specific information or seeking to hold the government accountable, it was that the Premier himself stood and said, "I'm pleased to announce." When a Premier of this province is "pleased to announce," he has ample time and opportunity to do that prior to question period under Ministerial Statements. By not doing so, one, he eats up, utilizes, inappropriately question period time, which is there for all members of this House to seek information that can't be sought elsewhere and to hold the government accountable, and, two, he avoids the Leader of the Opposition having time to respond to that ministerial statement.

Mr. Speaker, my point is that that was a clear undermining of the rules of this Legislature, that we are more than happy to have the Premier make his announcements during Ministerial Statements or outside the Legislature at a press conference, but that he and his private member who asked that question are abusing question period when they are allowed to proceed with a statement, which is no less than a statement, of that nature.

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

MR. EVANS: Thank you, Mr. Speaker. I'm really surprised that the Opposition House Leader would take such a very, very restrictive and restricted interpretation of the word "announced." Now, clearly the Premier went on to say – and the hon. member is well aware of this because he was listening intently. He said, "I'm pleased to announce . . . that a tentative agreement was signed [on] Saturday." This was in response to a question from an hon. member. The Premier was not making an announcement.

Insofar as ministerial statements are concerned, we're all well aware, hon. member, on this side of the House what a ministerial statement is all about. This was a legitimate question from the Member for Calgary-Varsity. The Premier used a word that perhaps had he had the ability to write out a response in advance he might not have used, but clearly, Mr. Speaker, this is not an issue that should be a point of order before this Assembly. [interjections]

MR. SPEAKER: Order please. Order please. [interjections] Order please. In response to this point of order, the Chair feels that the hon. Member for Calgary-Varsity had the right to ask the question on that subject. The hon. Opposition House Leader is not accusing the Chair of any misbehaviour, but the Chair feels that it is not really proper to have the reply taint the question.

In any event, the Premier has the administrative responsibility for the public service, and the hon. Member for Calgary-Varsity was asking a question about the conditions in the public service. The Chair feels that that question was in order.

Point of Order

Factual Accuracy

MR. SPEAKER: There are two points of order that have hung over the weekend from last Thursday. On April 21 the Member for Redwater made the following statement while asking the Minister of Energy a question. Page 1379 of *Hansard*:

In a letter to the Liberal caucus dated April 12, which I'm now tabling, Mr. Speaker, the Minister of Energy refused to release the agreements dealing with the funding on operating shortfalls. However, there was light. I have copies of the agreement, which I've obtained through the federal freedom of information Act.

He then tabled the documents referred to.

The Minister of Energy obtained copies of the documents tabled and raised a point of order as follows:

I think it is inappropriate for the hon. Member for Redwater to stand up in this House and say that he received information from another government that he has received time and time again in this House, file a document with pages whited out, Mr. Speaker, and mislead, I believe, this House and the people of Alberta.

The Chair would refer members to *Beauchesne* 26(1), which states:

A question of order concerns the interpretation to be put upon the rules of procedure and is a matter for the Speaker or, in a committee, for the Chairman to determine.

Points of order relate to procedural matters then.

In this case the issue does not appear to be one of procedure but of accuracy and interpretation. The Member for Redwater tabled something he said was an agreement dealing with a certain matter. The Minister of Energy stated that there were so many deletions and whiteouts in the document that it was misleading for the Member for Redwater to use the document as he did. The Member for Redwater did not breach any standing order or customary mode of proceeding. The Chair has neither the authority nor the knowledge to say whether the documents are what they were purported to be or not.

2:50

For the information of all hon. members, the charge that a member has misled the Assembly is a very serious one and would have to be dealt with as a matter of privilege and a question of contempt of the Assembly. *Beauchesne*, again, in paragraph 26(2) says:

A question of privilege, on the other hand, is a question partly of fact and partly of law – the law of contempt of Parliament – and is a matter for the House to determine.

The Chair does not feel there was a point of order in this case.

Point of Order

Explanation of Speaker's Ruling

MR. SPEAKER: The second point of order on April 21, 1994, was that the Chair would not allow the Minister of Health to answer a question put by the Member for Edmonton-Glenora. See *Hansard* at page 1379. The Chair felt that the question was improper under the rules of the Assembly. The Member for Edmonton-Glenora made a request of the Chair under Standing Order 13(2) for an explanation of the ruling. See page 1382. At the time the Chair heard the member's question as, "How many dollars is it worth to save a life in rural Alberta?" The Chair was of the view that that question was out of order as being "argumentative and designed to create disorder" in breach of Standing Order 23(j) and *Beauchesne* 409(1) and (3) which state:

(1) It must be a question, not an expression of an opinion, representation, argumentation, nor debate.

(3) The question ought to seek information and, therefore . . . must not suggest its own answer, be argumentative or make representations.

The Member for Edmonton-Glenora alleged that the Chair got the question wrong. The Chair said that it would review *Hansard* and see if any further comment was needed. Having reviewed *Hansard*, further comment is needed. What the Member for Edmonton-Glenora actually asked was: "Have you determined how much is too much to spend to save a life in rural Alberta?" This is even more argumentative, insulting, and abusive than what the Chair originally thought it heard. This question did not seek information. It was designed solely to create disorder. Such questions will not be allowed. The question clearly alleges that the minister can and has put a price on human life.

Furthermore, the Chair notes, at *Hansard*, page 1379, that when the Chair did not allow the minister to answer, the Member for Edmonton-Glenora said: "That's bias. She was going to answer it." This is clearly a challenge to the Chair. It is an affront to the Speaker of this Assembly and hence to this Assembly. This Assembly is reminded of what *Erskine May* writes at page 180:

When [the Speaker] rises to preserve order or to give a ruling on a doubtful point he must always be heard in silence and no Member may stand when the Speaker is on his feet. Reflections upon the character or actions of the Speaker may be punished as breaches of privilege. His action cannot be criticised incidentally in debate or upon any form of proceeding except a substantive motion.

If this or any other member believes that the Chair is biased, the recourse is to move that the Chair no longer has the confidence of the Assembly. The Chair will obviously abide by that decision of the House. Until then the Chair has every right to demand and receive the respect and deference of members of this Assembly.

Does the member have anything further he wishes to say?

MR. SAPERS: Thank you, Mr. Speaker. I appreciate your taking the time to review *Hansard*, and I accept your comments as they are in *Hansard*. The question that I asked you to review – you have of course properly reviewed half the question. The question actually reads: "In your deliberations, Madam Minister, about the future funding of STARS, have you determined," et cetera, et cetera. I believe that sets a context for the question, and I'm surprised that you didn't refer to that context.

I note in *Hansard* – and my first opportunity to review *Hansard* was today – where, on page 1379, *Hansard* records me saying: "That's bias. She was going to answer it." Seeing as that was recorded in *Hansard*, I take it that I have no choice but to accept responsibility for the statement. I did not mean to challenge in any way your authority in the Chair.

MR. SPEAKER: Thank you.

head: **Orders of the Day**

head: **Government Bills and Orders**

head: **Second Reading**

Bill 15

Alberta Energy and Utilities Board Act

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

MR. SMITH: Thank you, Mr. Speaker. I am pleased today to move second reading of Bill 15, the Alberta Energy and Utilities Board Act.

The purpose of the Bill is straightforward, Mr. Speaker. It creates a single regulatory board, the AEUB. The AEUB will be comprised of the current members of the ERCB and the PUB. We're bringing together these two regulatory boards to ensure that the regulation of energy and utilities in Alberta is accessible, straightforward, effective, and efficient. That is why we're adopting the one-window approach. Creating the Alberta energy and utilities board will ensure better co-ordination of the regulatory function and cost savings to government and industry. We will do this in a way that ensures that we maintain the regulatory autonomy so essential for all parties to have absolute confidence in the impartiality of regulatory decisions. The new board will operate according to existing statutory responsibilities, responsible for the independent exercise of its quasi-judiciary responsibilities.

Finally, Mr. Speaker, the two boards are headquartered in Calgary and Edmonton. The creation of the new board will not change the regulatory presence in each city. Initially, the two organizations will remain in place until a new chair is selected and a new organization is developed. However, even under the new organization the AEUB will maintain a substantial regulatory presence in each of the major cities.

Let me turn back to the fundamental issue: simplifying regulation and cutting the costs of regulatory compliance and administration. Alberta is one of the few jurisdictions in North America to have divided responsibility for utility regulation between two boards. The ERCB is responsible for the economic, orderly, and efficient development of Alberta's energy resources. This includes approval and supervision of the construction and operation of energy facilities such as gas plants, pipelines, power plants, and transmission lines. The PUB regulates how the costs of these energy facilities for investor-owned utilities are recovered from utility customers. It deals with rates of monopoly services. The division of responsibilities results in some overlap and some gaps in utility regulation in Alberta. Stakeholders in the natural gas, oil, and electricity industries are concerned about delays and costly proceedings to determine which board has jurisdiction or to co-ordinate the activities of the two boards when an issue involved jurisdiction on both boards. Even reading it, Mr. Speaker, indicates how confusing it is having two boards and the need to become efficient by amalgamating into one board.

Our objective, Mr. Speaker, as a government is to minimize the regulatory burden and to ensure that where regulation is required it is effective and efficient. We want simple, straightforward rules and a well-understood process. This Bill is the first step to creating that one-window approach. It brings together the current members of the ERCB and the PUB to form one board.

The next step will be competitions to fill two positions: one, a chairperson, or chairman, of the new board; two, a chief operating officer to deal with nonregulatory issues of the board such as the nonregulatory data generated through the regulation and supervision of energy activity in the province. Once these positions have been filled, the board can begin to plan a new

organizational structure for the operating board. Until that plan is completed, the current separate board organizations will continue in operation.

In conjunction with the development of a new board organization, the powers and responsibilities of the board will be reviewed with stakeholders. This will involve review of policy involving the Ministry of Energy and review of procedures and other issues identified by stakeholders or by the board. Following this consultation I will bring a new statute to this House to outline and confirm the structure and general powers of the new board. Mr. Speaker, this Bill is an essential first step. It establishes the direction and allows for selection of the board leadership to re-engineer our regulatory system.

3:00

In conclusion, Mr. Speaker, this Bill responds to stakeholder requests, simplifies the regulatory system, cuts costs to industry and government, and represents the first step in re-examination of our regulatory process to see if further cost savings are possible. It does so, safeguarding the crucial principle of regulatory autonomy and recognizing the absolute need for access to the regulatory process through a substantial presence both in Calgary and Edmonton.

Thank you.

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

MR. DALLA-LONGA: Thank you, Mr. Speaker. I rise to speak to Bill 15, and as yet I'm not sure whether I support this Bill or I'm against it. I look forward to listening to members on both sides to see what they have to say. I would like at this point, though, to point out my initial concerns about this Bill, but before I do that, I'd like to briefly talk about some of what may be positive aspects that could have come out of this particular Bill.

The Energy Resources Conservation Board is basically a board that functions to approve capital works projects and facilities development, while the Public Utilities Board has the responsibility for approving the rate bases and the rate of return on equity. It's our understanding that the Department of Energy in structuring this Bill, in drafting this Bill, sought the input of some 200 industry members, members of the department, and so on, with the express intention of accomplishing two objectives. The first objective was to streamline the process for industry. I believe the term used was "one-window shopping" or something to that effect. The second process was in keeping with the overall objective that this province must adhere to; and that is, saving costs.

Now, I'm a little bit concerned about the second objective, because as I look at the estimates, I see the two combined organizations going from a total budget of about \$21 million, I think it was, to just under \$20 million, a savings of about a million dollars, in other words, in the first year, and by the year 1996-97 they're going to have an overall savings of \$4 million or in that neighbourhood. That cost savings is admirable. I think that's achieving the overall objective, although I would have thought there could have been more cost savings, because bear in mind, Mr. Speaker, the government doesn't pay all of these costs themselves.

I guess I'm concerned that in trying to achieve these two objectives, we might have caused some other problems. The main problem – and I'll just mention it now and discuss it a little bit more later – is that these two departments have to remain distinct in terms of their objectives. The Public Utilities Board effectively is a consumer group, or it acts in the interests of consumers, whereas the ERCB acts on behalf of industry and government, if you were to simplify it.

Now, in terms of achieving these cost savings, I'm not sure how we're going to get these cost savings. There's never any detail given. About the most detail that was given was that there would be 41 full-time employee positions that would be eliminated as a result of the amalgamation, or the merger, by 1997, that is. I guess one of the things is that the PUB, as I understand it, is funded two-thirds by industry and one-third by government and the ERCB is a 50-50 funding arrangement. There's no mention that I can find as to what these funding arrangements are going to be, how the lines are going to be defined here, and it would be possible for the government to off-load some of their costs just by shifting it over to the PUB, not to suggest that they would. But you know, these sorts of things have a habit of getting clouded up, and when we're drafting legislation, it should be clear. I remember when I studied the Income Tax Act when I was becoming a chartered accountant that one of the principles of the Income Tax Act was that it had to be in clear, unmistakable language and everyone knew what was happening.

MR. CHADI: Oh, really.

MR. DALLA-LONGA: Yeah. I know sometimes the Income Tax Act fails to achieve those objectives in terms of being clear, unmistakable language. Certainly we should try to start out with that principle, and if it's pointed out, maybe we've got enough time to change some of these problems in here.

Let me be clear; the Alberta Liberal Party supports the principle of streamlining the regulatory process and creating this one-window access and reducing the administrative costs and creating a greater co-ordination between regulatory bodies, because after all, the energy industry up to this point has been subjected to a myriad of various departments, a patchwork of legislation. Some of the things that have been brought forward – I have to give praise to the Energy minister for initiating some of these changes, but that doesn't mean to say that this Bill here can't be improved. I've had discussions with a number of regulatory lawyers about this Bill. It surprises me, Mr. Speaker, the conviction with which they speak and the sureness that they have that this merger is going to have problems.

Now, I'm not naive enough to say: well, anytime you make some changes and do some things, you're going to have some adjustments. But I think in this case we could have avoided some of the problems that we're going to have. The problems result from the fact that we should have gone back and maybe amended the original Acts. The Public Utilities Board Act and the Energy Resources Conservation Board Act should have been amended. Because after we do that – and I understand this is going to be in phase 2 – then do we have to go back and possibly amend Bill 15 because we changed some things in these other Acts that make things that are in Bill 15 redundant or unnecessary? That's not just my feeling, Mr. Speaker; that's the view of a number of people that I have spoken to.

Now, as I mentioned before, there are a myriad of government agencies that overlap one another. There is, of course, the ERCB, the PUB, Investment Canada, the National Energy Board, the Department of Energy, the Department of Environmental Protection, the federal Department of Natural Resources, all of which had some jurisdictional control over the industry. I'm not sure that the co-ordination that this Bill attempts to get is going to happen with all these other agencies.

3:10

I move on to the second part and reiterate: we have no concrete evidence of the cost savings, the cost benefits that we're

going to get from this legislation. As noted under section 23(1) of the ERCB Act, that section already allows for the ERCB to enter into co-operative proceedings with any other board, commission, or body constituted in Alberta. It says – and I'll quote it to you; it's very brief:

If the Board is of the opinion that it would be expedient or in the public interest to do so, the Board may conduct a hearing, inquiry or investigation under this Act or participate in other proceedings in respect of matters relating to the purposes of this Act jointly or in conjunction with another board, commission or other body constituted in Alberta.

So what that's saying, Mr. Speaker, is that the ERCB already could get together with the Public Utilities Board on a joint board and hear various applications. Now, granted, this is more simplified the way it is. It makes it automatic by merging the two departments under one roof, but you should bear in mind that it was always possible to do this.

The big thing that the members on this side of the House have a problem with – and you're going to hear it again and again from the various members that get up – is that Bill 15 does not provide any assurances that the quasi-judicial functions of the ERCB and the PUB will remain distinct. In fact, it should be noted that section 5 of the legislation gives the chair the power to

designate . . . 3 or more members of the Board to sit as a division . . . to conduct any hearing, inquiry, investigation or other proceeding.

Obviously, there is the potential for political interference in this process based on the orientation of the chair. The implication can be drawn that this legislation was created to eliminate the conflict between the quasi-judicial functions of the ERCB and the Public Utilities Board and enforce the decisions of cabinet. Now, I know that the first chairman is going to be picked by an impartial process, but it doesn't provide for that after the first chairman. It doesn't provide a continuation of picking the chairman in this manner. So, Mr. Speaker, I guess that outlines our greatest concern: that the manner in which these boards previously operated, on an arm's-length basis, could be influenced under this new Bill. Not that it was done by intention, but I believe it was probably a bit of an oversight in the drafting.

Now, I'd like to go on to some very specific questions that I've got, and these are questions that were never really answered to this point, and now in debate I think it's time to ask them. What were the real objectives of this legislation other than the cost savings and the streamlining? Were there some other objectives that were to be obtained through this Bill 15? My next question, Mr. Speaker, is: where are the quantifiable cost savings of this legislation? In the estimates debates I sort of asked some questions, if we could have a copy of the report in fact, but nowhere do we ever find or get information with regards to the specific cost savings. My third question is: where are the cost/benefit studies that support the creation of this structure, which at times may be a bit bureaucratic? And why didn't we simply go ahead and amend or restructure the PUB Act and the ERCB Act before we brought in this Bill 15? Then I'd like to put a very pointed question. How are the interests of the consumer being protected or enhanced with this legislation in the view of the sponsor of the Bill?

Mr. Speaker, I'd like to sort of go back to some of the comments that the Minister of Energy had made previously just to point out that her views on what this legislation should be accomplishing are not much different than ours. For example, on March 28 the Minister of Energy said in the Committee of Supply: "The quasi-judicial side of . . . those boards [must] be maintained intact." Therefore, she is in agreement with us in terms of saying that they've got to remain separate and distinct. Yet when we look at it, when we talk to people who are experts

in the regulatory field, we feel that these two bodies may not remain intact, probably won't remain intact. On February 28 the Minister of Energy said once again:

Both these boards are quasi-judicial boards, and that quasi-judicial nature must be preserved . . . The quasi-judicial side must remain absolutely separate, and that's how this structuring is set up.

So what I'm saying is: I don't see that in this Bill.

Now, a second general concern deals with the appointments to the new board. It is important that the members of the Alberta energy and utilities board – and I have a tough time saying that one – reflect a broad cross section of consumer and industry interests. The nature of the functions performed by the ERCB and the PUB underlies the need to ensure that there's an appropriate balance of board members who participate in hearings before the Alberta energy and utilities board.

Maybe one recommendation they should come up with is a name that's easier to say. They should have a contest or something. The prize will be a free trip to somewhere.

AN HON. MEMBER: A board membership.

MR. DALLA-LONGA: Or maybe a golf tournament. [interjections] I shouldn't have started this. I'm sorry, Mr. Speaker. I'm usually very well behaved.

All board appointments to the new agency should be based on principles of open competition. I know that's what we all say in this House. I know it's the government members' virtue that they always espouse, and in this respect all prospective appointments must go through a review panel process utilizing the expertise of the Public Service Commissioner. I mean, after all, that's why we got this guy. But, Mr. Speaker, it should be noted that Bill 15 does not provide for a limit on the number of board members who serve under this new agency. Section 3 states that "the Board shall consist of the members of the ERCB, and the members of the PUB." So based on current membership, this would imply a 16-member board, 10 from the PUB and six from the ERCB. It should be noted that four members of the PUB are part-time members. Now, are these part-time members eligible for appointment to the new board? The legislation would suggest that this is the case. Do we need a 16-member board? So I think this is another area that sort of is a bit of a general concern.

Now, under the ERCB Act, section 4(1), "the Board [may] consist of not more than 7 members appointed by the Lieutenant Governor in Council," and the PUB Act prescribes no limits on the number of board members. Section 3(2) of the PUB Act states that the Board shall consist of such members appointed by cabinet as considered appropriate. It would seem that there could be as many members as appropriate to the Alberta energy and utilities board simply by appointing members to the PUB. In other words, we can load up the PUB side and put them on through this new Alberta energy and utilities board, come in that way, through the PUB side. So there should be a section in Bill 15 limiting the number of members that can be appointed to a board, is quite simply my point, Mr. Speaker.

3:20

Now, there could be an opportunity for administrative bloat here at the board level as it's currently contemplated under Bill 15, and this is a concern of ours. I point out, Mr. Speaker, that this in contradiction to the statements made by the Minister of Energy, who said on February 28:

There is no point in having all these separate administrations all over the place when you can effectively merge some of the administrative side together.

I submit to you that while it is probably the intention of this administration to streamline, the door remains open down the road to bloat it up, and that's not a sign of good legislation. It has to be clear and unmistakable, just like the Income Tax Act.

In addition, it should also be noted that the industry is currently responsible for funding one-half of the costs of operating the ERCB and two-thirds of operating the PUB. The minister claims and rightfully so that the amalgamated board will reduce the costs of operation.

MR. SPEAKER: I guess the hon. member's time has expired.

Is the Assembly ready for the question? No.

The hon. Member for Redwater.

MR. N. TAYLOR: Thank you, Mr. Speaker. In addressing this Bill, what bothers me more than anything else is that it seems to be a continued process here – we're seeing it probably not only provincially but maybe on the national scene too – of undermining the consumer. Everything seems to be, so-called, oriented towards the bottom line, making things smoother for those that make money in our society: our corporations and our large developers. I think it's the old horse and sparrow theory that Tommy Douglas used to talk about. If you fed the horse enough hay and grain, there'd be enough coming through so the sparrows could live on what was going to hit the road. This seems to be part of that same philosophy: if we smooth out and make easy, make way, as the Bible says, the way of the Lord, and lower the high spots and fill in the low, we'll suddenly all have a better society to live in, because everybody will be making lots of money and they can hire lots of people, and then we'll all be happy little people.

But I think history will show, Mr. Speaker, that when you let any group in society get too much power, they abuse it. It doesn't turn out too well. I think it's well to realize that in Alberta we put the PUB in there for a very, very good reason. Long ago, before any of us were in the House – this goes way back into the teens, when we didn't have regulation. At that time it wasn't for coal or gas and oil. It was railroads. The old Liberal government got itself into a lot of trouble. Yes, Virginia, there was a Liberal government in Alberta at one time. It bears to remind them now and again, because those that don't know history are doomed to repeat it. [interjections] Apparently I rattled the cage just a little too much. I woke them all up, which is all right now. While they're wide awake and everything, I'll try to shoot some raw meat in through the bars to them.

It's well to recall that the PUB was put in to try to keep the consumer from being exploited, to give the consumer, the little fellow, a voice to get up and say, "Hey, the railroads shouldn't be able to charge whatever they want." That went over to the gas lines not being able to tab whatever they wanted and so on. The PUB, as a matter fact, used to – remember? – investigate milk prices. Wherever there was a monopoly – and this is the funny part. We took milk out and put it in another board, yet we take the PUB and put it in under energy. In other words, this government is not at all consistent. Just as an aside, a year ago or two years ago they said: no, no, we shouldn't have a regulatory process of that type in there with the dairy. So they moved it out, and there is a separate dairy board today. To hear it now, of course, we're getting rid of the PUB and moving it in.

Now, it must be remembered that historically the PUB has been the one force between the consumer and whatever was going to be exploited, the exploiter of the day: the large dairy company some times, the large railroad another time, the large gas company,

utility company another time. There have always been different things that the PUB was expected to stand up for.

Why this becomes a highly rural Bill is because the consumers of Calgary and Edmonton have their aldermen – and I know there are a few ex-aldermen in the Legislature here on both sides of the House – and they have such a huge tax source to hire the experts that can go to the ERCB or the PUB and demand that their consumers not get shafted. However, for the average small-town consumer they can't afford to.

So what we have here is that the PUB was merged, and when you merge, it pretty well disappears out of existence. Anybody that's been in corporate affairs could tell you that the idea that an identity of a corporation after it merges with another corporation is still there, as you know, isn't so. There's one boss and one boss only: a board of directors. Now, it's merging with the ERCB, which has a worldwide reputation of expertise in not protecting the consumer but exploiting the natural resources of a country to the maximum benefit of the government, the taxpayer. So what we have is the government, who is the largest owner of our oil and mineral resources – they make more money out of natural gas and oil, and well they should, than anyone else – on one side, out there to get the best price they can after the ERCB has done their geological engineering to make sure the reservoir is producing over the most economic period possible. They're out there to see that the government realizes the highest possible income. We don't want too much drilling. In other words, it brings down their cost of profit. We want to bring oil and gas on to the market in an orderly way. They're merged with the consumer, who is trying to get gas and oil as cheaply as possible. To put them into the same organization, Mr. Speaker, I don't think will work.

What bothers me is what I've seen over the last 10, 12 years in this Legislature, and some of that goes back far beyond who is sitting here: the destruction of the PUB and the rights of the consumer. The PUB, Mr. Speaker, was set up originally as a truly quasi-judicial board. The original term had six directors, I believe it was, for a period of 10 years at a set salary. How immune from political interference could you be after you had appointed six for a 10-year term with a fixed salary? That stayed fine all through the '20s and '30s and '40s and '50s and '60s. However, in the '70s, because our Premier and the government of the day had napoleonic visions of a huge empire starting out west here, we decided that the PUB might be restricting growth. And that was a Conservative government. I hate to lay at their feet a sin of such dimensions; however, it has to be laid at their feet. The first thing they did in tearing apart the PUB was they made tenure at the pleasure of the Lieutenant Governor in Council – no more 10 years. Within a couple of years of that, in the middle '70s, the Premier then introduced other legislation to make the pay, the salary, at the pleasure of the Lieutenant Governor. So you see what we've done. We've taken a board that was about as divorced as you could be from government interference – 10-year term, set salaries – and suddenly changed it around and said: no, the tenure will be at the government's discretion, and the pay will be at the government's discretion.

The next stroke just before he was to leave power and a new Premier called Getty took over was to say that they could expand or retract the number of PUB commissioners. So like Franklin Roosevelt in the old Supreme Court of the U.S., if you didn't get the results you liked, you could stuff the court. Therefore, if the PUB wasn't doing what you liked, the government could stuff the PUB. That went on fine. [interjections] I'm going to have to clean up the minds of some of the members opposite, Mr. Speaker.

The last coup d'état was when the Minister of Energy that preceded this minister said that it would now become a branch of

the Department of Energy. Oh, how the mighty have fallen. We have a quasi-judicial board suddenly all the way over to where the minister is appointing it, taking control, and so on. I can see the minister shaking her head way over here, Mr. Speaker, but I'll give her a chance to talk about it later. What we have here is the final coup de grace, which is to put the PUB in bed with the ERCB. With a government appointing the members, with a government that's primarily interested in getting rid of its deficit and trying to balance the budget, the PUB has got about as much chance as a snowball in that certain place way down deep where even the Premier's often accused of trying to shut down the furnaces.

3:30

We look at that and we realize that what we have here is one more in the pages of this government's history of trying to push the consumer out and saying that unmitigated free enterprise amongst the corporate developers of the province works ultimately for the best of everyone else. Now, that's the old philosophy. I think somebody once said that it's a little bit like the elephant: "Every man for himself," he said, as he stomped in amongst the chickens. It just doesn't work, Mr. Speaker. There has to be a curb and control on those with power in our society, and getting rid of the PUB will stop that.

Now, one of the things that this Bill also seems to ignore is the fact that there's no way that the government of the day and the consumers can meet on an issue if the PUB is not there for a group of consumers to go to and say, "Look, our gas prices, because of the export contract that you're doing with the Americans, are going out of sight." Or on the other hand, "Because we're a small town and a small utility company, we can't put the size of contract together that we would like to, that competes with Esso or Pacific Gas, Southern." There is no appeal board. There's no way that they have of going at that. Once we get over that, I think the minister might say that well, we're going to appoint four of this and four of that. The point is that if she reads her regulations closely, she will notice clauses in there where the chairman of the PUB will be allowed to appoint small miniboards to listen to the complaint. Well, obviously the chairman is appointed by the minister. The chairman is in charge. We're going to get essentially, politically, small miniboards listening to – I'll mention that that's under section 5. The minister is looking a little puzzled, but it's under section 5: the legislation gives the chair the power to "designate . . . 3 or more members of the Board." The point is that there's going to be a direct control on hearings, that leaves the small consumer very much out in the cold. Even in the government's own PR work on this Bill it mentions that more than 200 individuals from the ministry and a broad cross-section of the oil and gas industry, utilities, business communities were consulted but not one peep about consumers. Not one. Two hundred of these others mentioned. All that gives you an idea of what is likely to occur.

Mr. Speaker, I'd like to get across one other point in second reading on the general philosophy of this Bill. In the old days the PUB was there to keep large organizations, be they the railroad or Standard of New Jersey or something, from exploiting the consumer. Now, what's happened as time has evolved: if a person is exploited today, it's highly unlikely to have been by a Rockefeller or a Jay Gould, some capitalist or some member of the landed aristocracy or some member of the church. If a member of our society today is exploited or trod upon, it's likely to be by the government bureaucracy. So if we ever needed a PUB, we need it now, and we need a PUB that's divorced from

bureaucracy. What we have here is a PUB that's put into the bureaucracy. We're going in the opposite direction.

I'm particularly disturbed when I see people that consider themselves of the conservative faith, if you want to call it a faith or whatever, a philosophy, that would say: "Look, we agree. We're going to put organizations together that at the top are going to be all powerful and rule, because we know better. We not only have a right to rule; we have a duty to rule." This type of thinking has to die. That's what I ask the members opposite: to think it through seriously and realize that by putting this Act through, by passing this Bill, you've done nothing more than take into the bureaucracy the last hope many people had of fighting the bureaucracy. The bureaucracy in this province makes the money out of selling oil, makes the money out of selling gas, makes the money out of selling electricity through the coal that they fuel through to the consumer and orients what type of manufacturing, where the gas bills and electricity bills should be paid, and what emphasis is made versus the large consuming market in the cities versus the sparse consuming market in the rural areas. All this becomes a part of what the consuming citizen has to factor into a formula to decide what to pay.

This minister has done the very opposite. The very opposite. I could have cheered to the skies if she'd said that the PUB was going to be truly independent: "We're going to put it back the way it was, with 10-year terms and a set number of commissioners with their own research staff that won't be in any way affected by ministerial decisions." But no. What we have is the absolute, I would say, cutoff of freedom. It's a turn back in history. What we have here is we're getting a bureaucratic administrative climate that was in vogue in the 1900s and 1910 and 1920. Once we started to break up the Rockefeller cartel in the U.S. in the early 1900s then moved across the border here to break up other cartels, we got a balance between consumerism and the producer. This government here now has taken the whole cart and thrown it over onto the producer side, and we'll rue the day, Mr. Speaker.

Thank you.

MR. SPEAKER: The hon. Member for Leduc.

MR. KIRKLAND: Thank you, Mr. Speaker. I stand to speak at this point, unless I can be convinced otherwise, against Bill 15, and I base that very clearly on a large concern for the consumer. The consumer, I suspect, will get lost in this amalgamation. You've heard one of the members here earlier indicate that the Alberta Liberal Party certainly stands very strongly on the principle of efficiency, and the search for fiscal efficiency is one that we should all undertake here. One of our other principles is that the consumer certainly has to be protected. When I look at this Bill, I'm not convinced that that in fact is the case, so I will stand here in a situation, as I indicated earlier, waiting for some clarifications to come forth after these discussions to allay my concerns and fears.

I would suggest that when we look at these two boards, the objectives of the two are extremely difficult to bring together. I say that in light of the PUB in the past has been working, as I understood it, to the benefit or the protection, more correctly, of the consumer. The Energy Resources Conservation Board is a board that dealt more with, as the hon. Member for Calgary-West indicated, the structures and the actual infrastructure.

Though, as I say, it's early, one of the concerns I had when we looked at this concern – and I based it on the fact that it was consumer protection that may in fact be jeopardized here. I think back on the discussions we've had in this House recently, and I would suggest that consumer and corporate affairs, which has

been an advocate of the consumer in this province for a number of years, for all said purposes is history, Mr. Speaker. I look at the fact that the PUB really has dealt with rate-based applications in the past, which is a very complicated and very complex structure, and I look at Bill 15 and see whereby the chair of the new board, the Alberta energy and utilities board, has the prerogative to appoint people to deal with those base-rate applications. I would suggest that if in fact it's not a consistent appointment, we will end up with a tremendous amount of inconsistency and a lack of continuity between different hearings for those rate-based applications.

I think of the pressures we know well in this province. I would use the EEMA example as one of those. I would suggest that if the chair were to appoint three members to a PUB rate-base hearing as far as TransAlta was concerned and those members were from southern Alberta, I'm not convinced that they could maintain an objective viewpoint on it, Mr. Speaker. I'm not convinced that they could withstand the political pressure and perhaps their own emotional tie to the perception that southern Alberta is disadvantaged by EEMA. It would be an intense pressure to deal with. So I have a concern that when we deal with something as complicated as base-rate applications, we need a firm group of people that deal with these things on a regular basis to ensure that objectivity is not lost.

3:40

I think the other thing, if we could extrapolate on the example I used, Mr. Speaker, and the utility companies see the opportunity to exploit a new board – and it certainly could happen as a result of political pressure – we would end up with many hearings before the PUB that normally wouldn't be there. I would suggest that a cost analysis of the two boards being amalgamated would give us a bit of a handle, an idea whether in fact we could expect to experience more hearings. If we do, the cost will go up considerably. I'm under no illusion. Certainly I understand the savings that are to be gained as far as the administrative aspect is concerned. I think we have to look a little deeper than that and determine whether in fact we are creating a board that may encourage more hearings, which of course would translate into higher costs. I think if we were to take something such as an efficiency audit or if we were to take a cost analysis of the situation, it would give us a better handle on that.

In spite of the minister's assurance that the quasi-judicial side of those boards will remain intact, I still have a large concern. Appointments to the new board, the Alberta energy and utilities board, have to clearly ensure that there's a very broad cross section of individuals sitting on that board to not only protect the consumer interests but also industry interests. It's my perception that the utility companies too often focus on the bottom line, and that's generally to the detriment of the consumer. I would suggest that the average Albertan would share my view in that matter, Mr. Speaker. So I'm very apprehensive that this new board will provide the clearly defined direction that's required to protect the consumer, and that's why I at this point speak with some lack of conviction to supporting the Bill. If those in the debate as it progresses this afternoon can allay those concerns or those fears – being a very open-minded individual, I'll sit and listen very intently and attentively – if I can be swayed, then they will win my support.

Thank you.

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

MR. CHADI: Thank you very much, Mr. Speaker. I listened quite intently to the members – well, I believe members on this

side of the House – that spoke to Bill 15 and continue to speak with respect to Bill 15 on some of the problems that Bill 15 seems to pose to members and what it would actually entail with respect to implications to Albertans. As I listened, I had to try to figure out in my own mind just what the two boards that are amalgamating are really bringing together. In doing so, I went back to the estimates of 1993-94, and I went to the Executive Council to find the Energy Resources Conservation Board and to get a definition as well and also to find out how much money we were expending within that board. Just to let you know, at the time, in 1993-94, we expended almost \$20 million: \$19,900,000. It was down some, coincidentally, from the year before; down by a million dollars is what the projection was.

What actually is the Energy Resources Conservation Board? What does it do? What is it going to do now when it's amalgamated with the PUB? These are some of the questions that I had in mind to see if indeed it was a worthwhile venture. In trying to identify what it is that ERCB does, looking at the description that is provided on the opposite page of the estimates, it says that the services provided by the program are things like appraisals of the province's energy resources. I suppose we try to figure what it is that the province's energy resources are worth. It goes on to say things like:

Advice and recommendations regarding energy resources and [policy] are provided. Applications for the production of energy resources and industrial development permits are considered to ensure orderly development of the resources.

Not a bad idea, Mr. Speaker.

Production is monitored.

Things like that and

measures to ensure conservation, prevent waste, control pollution and promote safe . . . practices.

It all makes an awful lot of sense, and it's, I think, a good idea. We spent \$20 million doing that.

Let's look at the Public Utilities Board and see what it is that the Public Utilities Board is supposed to be doing and how much we are expending in the Public Utilities Board. Now, I'm not talking about what we're going to expend or what's projected to be expended because now the amalgamation is about to take place. I'm curious, though, as well, Mr. Speaker, that we would just naturally anticipate that this is all going to come into play. We've already voted on the estimates of Energy, I believe, and we've concluded that department in the debates. Within those estimate debates we've actually voted already on the funds required for the Alberta energy and utilities board. Already we've allotted \$19,885,000 in anticipation that this is going to go through and it's going to go through as proposed. Sometimes I think we've got the cart before the horse, but that's the way the system seems to work. I don't know. One can only express concern in the way it works. I would suspect that when you want to do something like this, one would bring this proposed amalgamation, such as Bill 15, before the Legislative Assembly and ask the Legislative Assembly for support for it before you'd actually go ahead. That's quite amazing and quite presumptuous on the part of government, to just go ahead and include it in the estimates and think, "Well, we're going to pass it regardless of what is said." I think what has to happen is that we have the democratic process take place. That is what this is all about. That's why I'm standing here today speaking to Bill 15.

What is it that the Public Utilities Board actually does? Again reading from the 1993-94 estimates, looking at the description of the services provided by the program it's clear that it says it "exercises general supervision over all public utilities." Now, public utilities, I suspect, would be oil, natural gas; we're talking electricity. I know that the Member for Redwater in his remarks

mentioned things like even the railroads back in the old days. I guess he would be able to tell me that, and I'd take him at his word. You know, he's got more hair than me, Mr. Speaker, but it's a different colour. So I'm going to accept his words as being gospel today.

3:50

Now, it goes on to say that it actually "makes investigations and holds public hearings to determine the justness" – justness, Mr. Speaker? – "and reasonableness of utility rates and charges." It seems to me that it's quite a consumer advocacy here, a board that is put in place to protect the consumers at times when they feel they are being unjustly dealt with. Well, it goes on to say – I'm reading this right out of the Energy department estimates – that it "prescribes minimum prices for milk at the producer and processor levels, and various other regulatory duties." So not only does this thing look after the utilities – things like oil and gas, electricity, et cetera, et cetera – but we've got milk in here as well. Now, I understand that the Dairy Control Board has taken over certain aspects of the milk pricing, particularly with respect to the industry's concerns: things like pricing and quality control, stuff like that. Now, the PUB in looking after the dairy aspect of this section, it would be clearly consumer interests that they have in mind.

I looked at this year's estimates because it gives me again an indication as to what it is that we're amalgamating when I look at the definitions of the two boards. With the 1994-95 estimates, particularly in the Alberta energy and utilities board proposed expenditures of \$19,885,000 – oh, I might add, Mr. Speaker, that in the Public Utilities Board of 1993-94 the estimates say \$985,000. So \$985,000, and remember that there was almost \$20 million in the other one. It's not a very big board relative to the ERCB's functions. It's interesting also to note that within the PUB, 1992-93, the estimates were \$1.1 million, of which we actually expended a little more. We actually went to \$1,190,000. So almost \$1.2 million there. What I'm trying to say is that we actually reduced it last year. So we're consistent there in the reduction of these expenditures within the PUB, and I believe we've been consistent in the ERCB in terms of the reductions there as well. The reductions there were just in the range of about a million dollars in the ERCB.

So once again the Department of Energy – and I applaud the minister for ensuring that her department is one that is fiscally responsible and has taken the necessary measures within the PUB to reduce those expenditures. The department has done it consistently for the last couple of years. Now let's look at today, and let's look at the Alberta energy and utilities board. That's what this Bill is all about. It says: let's put the PUB, with its consumer interest section and also parts of the supervision over all the public utilities, et cetera, together with the ERCB, which appraises the province's energy resources and looks after things like development permits and ensures that there is orderly development; let's put that all together, and let's see what we come up with.

When I look at the Alberta energy and utilities board, we have a total expenditure this year – and this is interesting to note. Now, I'm wondering. I bring this all to focus, Mr. Speaker, when I ask what it is that we're trying to achieve in all of this amalgamation. When I look at it, I see \$19,885,000, which are the net estimates for this year. These are the projected estimates, which are consistent with what was happening from the year prior and the year prior to that. That is, there has been a consistent reduction of about a million dollars a year within those two programs. So you have the PUB and you have the Energy

Resources Conservation Board expending the same amount of money. There isn't any difference in the amount of money that's about to be expended. So my concern is that if we're not expending anything any different, then what is it that we're trying to achieve? Are we trying to achieve a situation where we would eliminate overlap and duplication? If we are – and clearly it's a good idea if we would do that – in trying to eliminate or reduce the overlap and duplication, one would think that one would spend less money then. I mean, that's the whole object of this exercise; isn't it? Well, doing a little bit of homework indicates that we're really expending the same amount of money that we've expended in years past. But the practice is consistent; we've been dropping it by about a million dollars.

Now, let's see. In doing so, did we eliminate anything from here? I mean, I can see us spending the same amount of money, saying, "Okay; maybe this year we're going to spend the same amount because we've got to put this all together, but maybe next year . . ." Or perhaps maybe we actually are spending more. Now, I'm trying to figure out from the description in the estimates what it is that we are now doing within the Alberta energy and utilities board. Lo and behold, Mr. Speaker, it's quite clear in here that it does not mention some of the things that the Public Utilities Board used to do, when it was quite clear in the year previous that it said it "prescribes minimum prices for milk at the producer and processor levels." It doesn't have that in here, but it's got every other word, almost verbatim, right in the estimates book.

I could tell that this section now of the Alberta energy and utilities board where it says "services provided by program," and it starts off with "Appraisals of the province's energy and mineral resources are developed," is almost identical to what was in the previous year's Energy Resources Conservation Board. So what is in here I can tell is now the Energy Resources Conservation Board. The next paragraph within this estimates book says, "Exercises general supervision over all public utilities" – hey, I think it's starting to sound like what the Public Utilities is supposed to be doing – "and conducts investigations and holds public hearings to determine the justness and reasonableness of utility rates and charges." Well, that is exactly what the PUB is supposed to be doing, but now it takes out the area where it was clear before. It said that it "prescribes minimum prices for milk at the producer . . . levels." This is now gone out of this section. It would make it clear, Mr. Speaker, that it's now no longer here. Therefore, it is somewhere else. Somewhere else probably we've tacked on new fees again, so we're really not achieving any cost savings, in my opinion, at this point because of what has been presented. I cannot see where it would be saving us some money.

The objective in putting together these boards, Mr. Speaker, would be one of overlap and duplication elimination. I mean, what else could it be? What fits in that category is administration. One would think that administration would have to be one of your biggest costs in putting this together. We're expending \$20 million on this here, between the two currently separate boards. When we come to put them together, we expect to see at least the administration costs reduced.

4:00

You know, Mr. Speaker, when you look at the Bill itself, the Bill is clear that it does not have any provision within it at all that would indicate that there are going to be less board members now. It would seem to me that if there was overlap and duplication, when you put the two boards together, why, you would have to eliminate because you wouldn't need some of those board members. Take a look at section 3(1), and it's clear:

The Board shall consist of

- (a) the members of the ERCB, and
- (b) the members of the PUB.

I mean, all we've done is now put it together under one Bill instead of having two maybe. The members shall consist of the two boards. It does not say that we are going to have something any different here. It is the same administration. It seems to be the same number of board members. I have a concern with that, and I'm going to flag that in Committee of Supply when we get into that. Is it called Committee of Supply or whole? [interjection] In the Committee of the Whole. Thank you very much, Mr. Speaker.

I will be flagging that because I think we could save ourselves some aggravation down the road by making the wording clear in the Act, make it perfectly clear so that we don't just have the same members of the ERCB and the same members of the PUB. If it's administration that we're clearly trying to eliminate here, costs within that area, then let's do something about it.

I also happened to find out that the PUB, the Public Utilities Board, Mr. Speaker, really within their legislation there is no limit. There is no limit on how many board members they can have on that board. I mean, that board can have an unlimited amount of members, and here we are saying, in section 3(1), "the members of the PUB." So it's not right that we could have it so wide open, that we could leave a huge loophole in this Act. I think we've got to tighten it up just somewhat.

Quite clearly, I'm not in favour – and I'm going to flag it now, and in Committee of the Whole I'm going to bring it up again – that section 3(2) says that "The Lieutenant Governor in Council shall appoint from among the members of the Board the Chair of the Board." Well, I don't like that at all, and I'm going to bring it up in the Committee of the Whole. I always thought – and I know the Premier on a number of occasions mentioned the fact – that we would have open competitions for things like that. We would have the Public Service Commissioner dealing with the appointments, Mr. Speaker, of members to major boards. I think we have to look at that and say to ourselves: there will no longer be appointments that are politically motivated; there are going to be appointments that are going to be done on the basis of qualified people and qualified members.

Thank you very much, Mr. Speaker.

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

MR. COLLINGWOOD: Thank you very much, Mr. Speaker. I look forward to participating in the debate on Bill 15. I actually thought that perhaps members opposite would join in the debate at this time so we could have debate back and forth in the House, but apparently all members opposite are quite satisfied with the Bill as it stands.

Mr. Speaker, the member who introduced the Bill this afternoon went to some lengths to describe all of the adjectives as to what this Bill was going to do to benefit all Albertans. There were a number of adjectives that were used to describe this, just in terms of the streamlining process and the importance of having the amalgamation of the boards for saving dollars for Albertans. I appreciate the fact that he brought forward this Bill for amendment because it is intended, as I see it, to deal with the issue of streamlining government, finding ways to reduce moneys that we expend as a province in terms of the overall goal and purpose of reducing and eliminating our deficit.

As I listened to the hon. Member for Calgary-Varsity, who introduced the Bill, it struck me that one of the adjectives that he did not mention about the result of this process is fairness. He did not mention the word "fairness," that ultimately at the end of

the process it would end up being fair both to industry and to consumers. What we're dealing with is an amalgamation of two boards that serve very, very different masters. We have heard other hon. members speak to the issue, given the fact that we are dealing with two separate boards that serve two separate masters: the Energy Resources Conservation Board essentially serving and regulating within the industry and the Public Utilities Board acting as a safeguard and a watchdog in terms of setting rates and serving the consumers of the province of Alberta.

So in debate at second reading of the Bill, Mr. Speaker, the concern of myself and of my colleagues is whether or not ultimately we are being fair to both sides with the amalgamation of these two boards. I would suggest, for the number of reasons that have been spoken of by various hon. members, that the feeling is that the way the Act is structured, it leaves open a very serious concern as to whether or not fairness will ultimately prevail for the consumers and for the Public Utilities Board's side of this amalgamation. The Minister of Energy has stated on a number of occasions that the quasi-judicial distinctiveness – the two boards would remain separate and apart and distinct in Bill 15, and there would be no amalgamating or melding of the two boards such that the distinction of those two boards would be compromised.

[Mr. Clegg in the Chair]

As we see, Mr. Speaker, that did not ultimately come to pass in the specific wording of Bill 15. We note in section 3 that the board is going to continue to consist of the members of the ERCB and the members of the PUB. They will ultimately be rolled in together to form the one Alberta energy and utilities board, without distinction. We note in section 5 that a chairman will be appointed by the Lieutenant Governor in Council. The chairman is going to have the power to "designate any 3 or more members of the Board to sit as a division of the Board and may direct that division to conduct any hearing" and so on. So the distinctiveness through legislation is gone. We now have a government-appointed chairman who will decide who will sit on a division of the board and what that division of the board will ultimately do. So while the minister has said on a number of occasions that the distinctiveness of the boards would remain, we see that the distinctiveness of the boards does not remain.

We see further evidence of that, Mr. Speaker, in the regulations section of the Bill, in section 23. Within the regulations section it clearly allows and contemplates that the board can make regulations, which would then prescribe its own rules of practice, on how the board continues with its proceedings and its hearings. The distinctiveness of each of those two boards is once again gone. The discretion of how the board will operate is left to the board. The legislation does not protect the separation of each of the two boards, and the roles and responsibilities and the masters that each of those two boards originally served are now very much in question.

4:10

Mr. Speaker, the idea behind Bill 15, as we understand it, is to bring about an amalgamation of the two boards in an attempt to streamline government and to save dollars, but if we have, in fact, the same number of board members, we're not in any way attempting to deal with that issue. Do we still need to have the same number of board members? If that's the case, could we not have dealt with the individual pieces of legislation, the ERC Act and the PUB Act, and looked at improving those two pieces of legislation that are already in existence without generating yet

another law in the province of Alberta through Bill 15, which amalgamates the two boards?

We know that there is and will be for some time to come a process that will involve a much broader reform for the Energy Resources Conservation Act, the Public Utilities Board Act, the Oil and Gas Conservation Act, a number of Acts where we're going to see a much broader attention scope paid to the energy industry as to how we as a government can deal with that industry and make the entire process of industrial regulation much more streamlined and much more effective for the industry.

Well, if we have not at this point made the decision to deal with those aspects of reform that are necessary, that may now already have been identified, we in this process put the cart before the horse because we don't know whether or not the board is going to function effectively without having taken the opportunity to determine what other reforms, what other amendments have to be looked at and have to be acted upon in a quick manner before we move into this amalgamation. We should be doing all of those things first. We should in fact be addressing within the existing and enabling legislation the things that find themselves in a duplication of services. It's not the boards that are doing it to themselves; it's the enabling legislation, in the way that legislation exists today, that causes the overlap, that causes the duplication, that causes a greater bureaucracy for industry than we need.

What should have taken place and what should take place is a process whereby the enabling legislation is dealt with first, corrections are made and deficiencies found in the existing legislation, and ultimately at that point in time these two boards, subject to some other comments that I want to make, could then have been reconciled, rationalized, and work together. Mr. Speaker, I think what we have done is reversed the process that ought to have taken place. In terms of debating the principle of the Bill, we should not move forward with this Bill at this point of time until that process has taken place.

Mr. Speaker, other members have already spoken to the issue of whether or not, in terms of fairness and in terms of the potential for conflict of interest, these two boards should be amalgamated at all. They serve different masters. They attempt to provide two different services to different sectors of Alberta. As the hon. Member for Redwater stated, we have one side of this new board that will be attempting to, as much as possible, exploit resources in the province, to get as much money for the province of Alberta – and of course I'm speaking rather broadly on the issue, subject of course to the details of the process. But certainly on the one hand we have the government, who is the owner of the resources, seeking to extract and exploit as much as possible in the process, and you have the Public Utilities Board that is working hard to set a rate that is fair and reasonable for the consumers of those resources that are being exploited.

It puts the members of that board in a very difficult, I believe, conflict of interest because they can never reconcile one side of the coin, being attempting to get as much as possible, and the other side of the coin, attempting to be fair and reasonable in terms of setting the rates that consumers and customers have to pay. We may in fact have a situation where an application would come before the ERCB for a capital project that the ERCB would have to debate and make a decision on, yet the public utilities side of the issue would determine whether or not that facility could in fact come onstream when it deals with the issue of setting rates and so on.

So I think there's a very disconcerting issue about whether or not these boards can effectively be reconciled, can effectively be amalgamated, can do the job that this Bill attempts to do, rather than leaving the boards separate and apart and distinctive, within

their own pieces of legislation, and having us as legislators look at and debate the changes that need to be made in those two Bills, in those Acts, in those two pieces of legislation, as well as other legislation that impacts on industry and affects the energy industry, but looking at those two pieces of legislation and making the changes that are necessary there to improve the efficiencies and to make those boards effective and less costly than they are now. In terms of funding of the boards, those could easily be amendments made to those two pieces of legislation. It doesn't have to arise at this point in time.

There are some provisions in the Act specifically that cause some concern. We will certainly have, Mr. Speaker, more opportunity to deal with specific sections as we move into Committee of the Whole, should hon. members decide that that is the appropriate process. Well, I believe we should set the matter aside and move on with looking more specifically at the two pieces of legislation that exist at present. I note and would express a serious concern with the delegation of power section, section 12, which would allow the board to delegate any of the powers and duties "to officials or employees of the ERCB or the PUB unless the regulations prohibit." So again we have a matter that is now moving into the realm of regulation. We don't know what the regulation is going to say. We don't know at this point what will be delegated and what will not be delegated and whether or not officials and employees will have, in fact, the power to take those delegated powers away from the board itself.

We see again that sections 13 and 14 appear to be extremely punitive and deal with the right against self-incrimination. Although I speak quite frankly, Mr. Speaker, I don't know whether or not the right against self-incrimination is necessary here because I don't know if either of those two boards, specifically the PUB, has the quasi-judicial power to impose a penalty upon anyone. I don't know whether or not there's a power under those two pieces of legislation for penalty of forfeiture, so I don't know whether or not we need something like a right against self-incrimination clause in section 13 of this Bill to deal with that. It reads in the first instance to be very oppressive, and I don't know whether or not in fact that's totally necessary.

I also see that the government has built into this Bill a provision that does not allow for a judicial review and only allows for appeal by way of section 20. Well, I think a judicial review would still be appropriate in the circumstances, but again that might be an issue for further debate.

I think ultimately, Mr. Speaker, a number of hon. members have expressed where they have concerns with the Bill. In principle, we are moving in a direction that may create a greater bureaucracy, that may create greater obstacles for industry and for consumers, that ultimately may subsume and assimilate into the industry side of this process the consumer side of this process, which is something the minister repeatedly said would not happen and it is. So for those two reasons, for the fact that we did not put into action words that were spoken and for the fact that the assimilation, the amalgamation of these two boards cannot properly address the issues of two very distinct parties, I would suggest and recommend to all hon. members that we reject and vote against Bill 15 and to instead concentrate on making the necessary changes and the necessary amendments within the existing legislation.

So with those comments, again I thank the hon. member for bringing the Bill forward to allow us to go through debate, but I think we should be looking at this from a very different perspective within the existing legislation.

With that, I thank you, Mr. Speaker.

4:20

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

MR. GERMAIN: Thank you very much, Mr. Speaker. This is an interesting Bill, brought forward and spoken to much earlier in the afternoon by a member opposite that I know is involved in the oil industry, is reputed to be a giant in the industry, and also has a hockey background. Therefore, in light of the hockey background and his concerns for the industry, I want to open my 20-minute commentary this afternoon by reminding all Members of the Legislative Assembly that a debate on a Bill requires some give and take, some yin and yang, some to and fro, and some agitation and counteragitation.

AN HON. MEMBER: Pro and con.

MR. GERMAIN: Pro and con. But I've sat here this afternoon listening to basically a one-sided debate. Is everybody in this Legislative Assembly, except for the few speakers who have got up and spoken, in love with this particular piece of legislation? Are there some concerns? Are there concerns down in Brooks, Alberta? Are there concerns in Taber, Alberta? Are there some concerns in Calgary when citizens have to go before what is now the Public Utilities Board and talk about the price of their utility services?

I must say that the minister of transportation, who's involved in this issue, the Minister of Energy, who's involved in this issue, and all Members of this Legislative Assembly must get from time to time calls, letters, and communiqués from their constituents saying: "What's it all about? How are these prices that we pay protected? We have near-monopoly suppliers. How is it that our gas bills, our power bills, our utility bills are skyrocketing? Who's looking after us? Who's speaking for the fellow on the street looking at his utility bills each week or month when he gets them?"

Well, we know today that the Public Utilities Board is speaking for that individual on the street. We know that the Energy Resources Conservation Board speaks for the industry when there are applications for development, applications to be made for megaprojects. We also know that the Members of this Legislative Assembly on both sides of the House are committed to the concept of streamlining and to avoiding regulation and scrutiny only for the sake of regulation and scrutiny. But that doesn't mean that none of the issues that flow from an amalgamation of two serious boards in the province of Alberta are, on their surface, without doubt or without debate. I therefore indicate to the sponsor of the Bill and to the hon. Minister of Energy and other members there who are interested in matters of concern to their constituents that the price of utilities at the door - members who are concerned about the manner in which megaprojects are approved in this province should be concerned about how this Bill is going to fit.

Now, I promised all in the Assembly that I would return, Mr. Speaker, with your permission, to a hockey analogy. Well, we have now a hockey player that is going to hit the ice wearing the red shirt of the Calgary Flames and the blue pants of the Edmonton Oilers. This is what we're doing with this particular legislation. [interjections] All right. Okay. [interjections] Yes, we could take another example. We could take . . .

AN HON. MEMBER: Cross dressing.

MR. GERMAIN: "Cross dressing" somebody says to me. I don't know where they get those kinds of phraseologies, and I

don't know what they mean. Some of the members there want to talk about the human rights review. By golly, Mr. Speaker, I might even be able to squeeze the human rights review into a critical analysis of Bill 15. Bill 15 and the commentary that's going to arouse me into talking about whether or not there is a human rights issue – in fact, when one considers the contradictory roles of the two . . .

DR. L. TAYLOR: I don't care for your orientation on this issue.

MR. GERMAIN: You know, Mr. Speaker, some of those members opposite should be cashing their paycheques and shooting a whole bunch of crisp \$100 bills in an envelope and sending them over here for the entertainment value that my debates in this Legislative Assembly have provided them. They should stuff them full.

Now let me return again, Mr. Speaker. I know that perhaps alone, excluding the members on this side, in this Legislative Assembly you are waiting for my commentaries on Bill 15. With your kind indulgence and with some compassion from those members in the back row that want to chirp up like the canaries in a coal mine, I would be grateful if they would just give me a moment to proceed and get on with the debate on this Bill.

The first fundamental issue that we have to ask ourselves about in the debate on this piece of legislation is not a monetary issue, because the government can save lots of money. They could close down the court system and save money. They could close down the environmental protection agency and save money. They could close down both of these boards and save money. They have some ideas to maybe remove witnesses from the courtroom and just deal with sworn affidavits and the like. There are lots of ways that the government could save money. They could close down the Legislative Assembly, close down the schools, close down the hospitals. Saving money has to be a collateral benefit to clear thinking. Saving money has to be a collateral benefit to decisive legislation that makes sense, because often if something makes sense, it will save money in the long run. So let's get back to the first principle of whether or not the time has come in the province of Alberta to have one regulatory body that looks after the consumers' interest and the development interest of primarily the megaprojects in the oil and gas industry in this particular province.

Now, I am a supporter of a certain amount of amalgamation, streamlining, and efficiency to make it easier for people to get access to the kind of adjudications they need, to have one-stop shopping, to get access to a tribunal or board that will act fairly all the time in their best interests and deal with their issues. The question is that if this is such a good idea, if this is as good as sliced bread, why has it taken this government so many torturous years to come forward and determine that there is too much regulation in the industries to which this amalgamated board will relate?

Now, if in fact there is no merit, no merit whatsoever, to the separate system, why have those two systems provided a certain amount of consumer protection and regulatory relief in this province for so many years? Is it that the ministers, the two that are in charge of these projects, primarily that of transportation and that of utilities, are of the view that they have spent the last gasp of project development in the province of Alberta? Are they of the view that the workload of the ERCB was diminishing? Are they of the view that privatization will sweep the utility marketing approach, that the PUB is on its knees, and as a result we will amalgamate the two boards to create enough work for one board? Is that part and parcel of the reason that all of a sudden the merit of the ERCB and the merit of the Public Utilities Board have

suddenly crashed on the shore of amalgamation and privatization, which are buzzwords of this government in this time, in this decade? Were there some valid reasons for the coexistence of these two boards?

4:30

Well, let me give you one interesting scenario that could develop. Let us suppose that what was then the ERCB approved the development of a megaproject producing a utility, and later the Public Utilities Board had to determine what was a fair rate. Those two applications would come on at a separate time and be approved separately because circumstances would change. First, the development approval would go ahead, Mr. Speaker. Then, secondly, the approval for the rates and the fees and the charges and the levies would come on at the appropriate time. Now let's look at what happens in a new combined board. In a new combined board you will have one board, although they may sit in panels, make those critical decisions as to whether or not a project is to go ahead. I want to suggest to the Acting Speaker and to all members of this Legislative Assembly that it will thereafter become very difficult for a second panel of the same board to cast any criticism on the board that made the decision to grant approval in the first place. How you cast criticism on it is that you might not approve the rates. You might say: "This project was not worth while. This project was not necessary. Let's not allow the fees and the charges that we're going to ask Albertans to bear." But it will become very, very difficult to do that if it is really the same panel or the same board that is dealing with that.

That problem is not new and unique to this particular board. It is often seen in courts and in judgments of the courts, where the court will be very reluctant to criticize a brother panel or a similar panel of the same board for a decision that they might have made. They will be loath to lay criticism at the foot of another panel, and they do that legitimately, because they say that that decision was taken and made, it wasn't appealed, and therefore it should be beyond criticism retroactively. Although the opportunity to change and digress and, like a wandering river, go east one day and west the next day, although that opportunity exists, Mr. Speaker, it is much more difficult and much more restrictive for a combined panel to do that.

So from a public policy reason we have to first of all ask ourselves if the combined panel is the appropriate answer. Or would a streamlined, one shopping entry window with two separate and distinct boards have been a more appropriate amalgamation attempt on the part of the hon. ministers in charge and on the part of the member from Calgary who sponsored this particular legislation? So we have that philosophical issue to stickhandle around.

Secondly, we have the cost issue. This thing is marketed to the Assembly as being an efficiency driven, cost protecting, taxpayer saving piece of legislation. What good is all that, Mr. Speaker, if the public, who takes access and comfort from the decisions of these boards, feels that the board in fact is serving two or more masters and cannot properly act in its quasi-judicial role? There are very few administrative tribunals or boards that are funded from one industry which do not subject themselves to the criticism and the attack and the concern that by being funded from an industry and being industry driven, they are in fact the cleansing or the legitimization of industry concerns. The minister should be very cautious in the wording of legislation and bringing forward legislation, and the hon. member who brought this Bill forward should be very cautious to ensure that Bills such as this do not become subject to that type of criticism.

Now, what are some of the areas in which criticism of that nature can be levied? Well, Mr. Speaker, first of all, the ability to create small panels out of a large tableau of personalities is one area where potential criticism can arise. For example, if you have utility rate hearings and there are members of the combined board now wearing multiple hats who have developed a reputation of being in favour of utility hikes, then it may be that people who appear in front of that panel will feel that their decision is a foregone conclusion before they even open their lips to make their presentation. Anytime you have the ability to break down a board into small component parts, you will always have people involved in that board looking at the demographics and the composition of the panels to determine whether or not they really got the panel for their particular hearing that they ought to have got. It's a perfectly legitimate time management device to be able to break into panels, but we have to appreciate that it also leads to the constructive criticism that by panel selecting you can get the decision you want out of the panel you select. So that is an area of particular concern in a Bill such as this.

Another area of particular concern is how the legislation handles what happens if a panel member does not show up. You know, if a panel member does not show up in a hearing, participants before the hearing are always concerned, Mr. Speaker, that were that particular panel member to have arrived, were they to have attended, they would have got a better hearing. I can only say that if I was addressing a panel of experts in the utility regulatory area or in the resource conservation area – and that's what these men and women dedicated to these boards are – and one of the panel members absented themselves, it would be of particular concern as to why and how that affected the presentations that I was going to be making. It is a serious business to have somebody withdraw partway through a hearing and then allow the hearing in some fashion to go on. It happens in certain administrative tribunals, but where it happens, there is the usual criticism that follows: that the result might have been different had that person not absented himself, be it a strong member of the board or a weak member of the board, be it male or be it female. And that's troubling, particularly when this amalgamated board, if this legislation passes, will have to constantly face the public scrutiny of who their master is. So that is a concern.

We then go on to the vast powers of the board: powers of the board to make regulation, powers of the board to regulate itself, regulate its hearings, and regulate the manner in which it conducts its business. These are always troubling aspects to individuals who wish to go to a board for a quasi-judicial type of hearing.

I want to indicate as well that there are some interesting aspects to the manner in which the board will hear and attract evidence. Other members in the debate may have touched on these issues that are found as principles in the debate. The interesting aspect of it is that there appears to be a protection against self-incrimination, but there is no protection against civil prejudice given to individuals who are involved in hearings and giving evidence before this board. One must ask whether the likelihood of criminal prosecution is as great a risk to the agency or individual or citizen giving evidence as civil prosecution and personal economic concerns would be. We therefore have the very jarring section of this legislation that protects people against criminal investigation arising out of their evidence but does nothing to protect them for their economic or pecuniary interests, particularly given the nature of the information that is often filed in these types of regulatory hearings.

The interesting issue is that the board is not, of course, bound by any rules of evidence. That is a very standard provision in most administrative regulations, but it does allow another opening

where individuals can criticize a combined board, particularly if they are already at the threshold thought process in their mind that the board does not particularly have their interests in mind when it is dealing with issues.

Now, all is not lost, in terms of the regulation. The member from Calgary who introduced this legislation also saw fit to see in the legislation a provision where you have the right to go to the Court of Appeal, but what is very interesting, Mr. Speaker, is that in principle this particular legislation says that we will restrict and we will oust the rights of the court. We will not tolerate much judicial interference. We will take citizens' rights away to go to the court, and we will do it in two ways.

4:40

The first way we will do it is that we will give them a right to appeal on the record only. Well, I must say, Mr. Speaker, that it is very difficult sometimes to put forward grounds that go to bias or that go to a loss of jurisdiction or go to a conflict. It is often very difficult to put those kinds of arguments before an appeal tribunal on the basis of the record only, where the record is very often a sterilized affair in which only the evidence that is put before the board is recorded and taken. So there's an apparent ouster of the jurisdiction and the authority of the courts. Remember that in recent years the decisions of the PUB and the ERCB have been very, very important to Albertans, and there is more attention by ordinary Albertans to the decisions and the power that this quasi-judicial board has on their lives, everything from building a power plant to running power lines next door to their farm to the types of plants and heavy industry that are developed in their rural hamlets. There is a lot of concern, and anytime the public reads that the courts are being ousted, then it is a difficult time in Alberta legislation.

I look forward to the rest of the debate on this very important Bill with some interest, Mr. Speaker. Thank you.

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

MRS. SOETAERT: Thank you, Mr. Speaker. My background is obviously not in energy, so I'm sitting here listening to this debate and trying to make a good decision. Like the hon. Member for Fort McMurray has said, debate takes two sides. So I tend to want to challenge the members opposite just to see if maybe they've read the Bill, or maybe they've read their briefing notes, or maybe they asked a researcher to write them a speech that they could even just read. But you know, I don't think they have.

**Point of Order
Second Reading Debate**

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

MR. ACTING SPEAKER: A point of order, hon. Minister of Energy.

MRS. BLACK: Mr. Speaker, 23(i). Second reading is really to discuss the principle of the Bill, not to get into the detailed debate of sections.

MR. ACTING SPEAKER: Thank you, hon. Minister of Energy. That's right; it's not a member's duty in this House to suggest that somebody else should speak to a Bill. It's everybody's privilege to speak if they want to, but it's not somebody else's privilege to ask somebody else to speak on a Bill.

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

Debate Continued

MRS. SOETAERT: Thank you, Mr. Speaker, on that wise ruling.

I was just trying to be more informed about this Bill. I've heard this side, and quite honestly I agree with it, because I worry about the consumers.

DR. L. TAYLOR: What a surprise.

MRS. SOETAERT: Then speak up, if you have an opinion. Otherwise, don't you think he should be quiet, Mr. Speaker?

AN HON. MEMBER: Just wait till your turn comes.

MRS. SOETAERT: Yeah, wait till your turn comes. No, they won't stand up.

Anyway, Mr. Speaker – this will tie in with the Bill, and I want you to just bear with me here – this weekend I was talking to an MP who is in the opposition, my MP. He's in the Reform Party. I asked him: how do you deal with Bills in that House? He said: "Well, it's quite simple, Colleen. We had a Bill come up about Bosnia . . .

**Point of Order
Relevance**

MR. L. TAYLOR: A point of order.

MR. ACTING SPEAKER: A point of order, Cypress-Medicine Hat.

DR. L. TAYLOR: This absolutely has no relevance to the Bill that's in front of us, what they do in the federal House. I would request that you rule on it, please.

MR. ACTING SPEAKER: Hon. member, you're quite right, but when the hon. Member for Spruce Grove-Sturgeon-St. Albert – I did put up my finger and said, "Well, one minute to get onto the subject," or she wouldn't be able to continue.

Continue, hon. member.

Debate Continued

MRS. SOETAERT: Thank you, Mr. Speaker. So what the member was saying, if you'll give me a minute, was that when a Bill comes up in the House of Commons and they want to hear all sides of it, they phone the department – which would be nice, if we could phone the minister's department; she's probably very open to that – and say, "Could you come over and give us the highlights of this Bill and who it will affect and what will happen to the people involved?"

**Point of Order
Imputing Motives**

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

MR. ACTING SPEAKER: The hon. Minister of Energy.

AN HON. MEMBER: Citation.

MRS. BLACK: Mr. Speaker, again 23(i). The hon. member should check with their Energy critic, because that is exactly what has happened in this case.

MRS. SOETAERT: She didn't let me finish the story, Mr. Speaker. What they do – I said the minister is probably most agreeable to that.

Debate Continued

MRS. SOETAERT: So what they do is they would come over and make a presentation to interested members of their caucus. I'm suggesting that maybe we should do that. We see our side, but we certainly haven't heard the other side. We've seen it in the Bill, and I know the minister is well aware of what is happening, but I don't know if anybody else is. Wouldn't that be a good idea so that people like me who don't have a background in energy could really get a balanced view? Because today I've only heard one side, which brings me to the point: I'm worried, from what I've heard, about how the consumers will be protected. Now, when you join, as I understand it, Alberta Energy, which is government dealing with the industry, and the utilities board, which is the consumer, that group has an interest; right? So if we put them all together, who is going to protect their interests?

That's just a simple question I have and I wanted to bring up. I sure would like someone to address it, if that's possible. From my limited background in that, that's just my concern: how are you going to protect the consumer?

Thank you, Mr. Speaker.

MR. ACTING SPEAKER: Thank you, hon. member.

The hon. Member for Lethbridge-East.

DR. NICOL: Thank you, Mr. Speaker. I'd like to just spend a few minutes addressing some of my concerns about the Bill.

What we see here is a Bill that's basically trying to combine two different boards, or two different groups, that were acting under the umbrella of the government in the past. One group, the ERCB, as I understand it was basically there to deal with policy issues and to deal with the development of capital structure, the evaluation of capital structures, whereas the other, the Public Utilities Board, was to look at the impact that this would have on the cost to the consumer, basically almost a consumer proactive function. What we're now seeing is that this group is being put together into one new board. What we'll have, then, is the different functions that were carried out by the two boards now trying to be done by one.

As the Bill outlines, the new board will have the authority to handle all of the concerns previously conducted by either of the boards. They can do this through division, in the sense that they can set up a small committee of the board to handle their issues. What we end up with, then, is the possibility that when you've combined these two boards together, you'll have individuals that, say, came from the ERCB who could then be on a division of the board that would be dealing with some of the concerns that might formerly have been handled under the Public Utilities Board. I would just like to have seen more detail in reference to regulation as to the qualifications and the structure that the individuals would have as they were assigned to these divisions. Would they be there to represent the interests of the relevant groups in terms of the function that that division may be carrying out? This is assuming that the original appointments to the board were done on the basis of some broad perspective as to the ability of the individuals to serve the various facets of the two previous boards that they were appointed to. They'll now have these functional responsibilities to deal with under the new board.

We've already had references a little bit to some of the implications of why, when the two boards are put together, there's not a smaller number of board members. We're taking basically the entire ERCB and the entire Public Utilities Board, taking those members and putting them into the new board that's going to be

running, the Alberta energy and utilities board, instead of trying to deal with it in terms of a smaller number of individuals.

The impact that this is going to have – if we tie the Bill back to the department's business plan and their three-year plan, we see that their proposals there have a significant change in the cost structure of the Alberta utilities board and how this relates back to the funding that came from the ERCB and the PUB. Also, there's a reference in there that over the next three years the industry will be responsible for funding half of the new board's budget, yet we see, looking at the business plan and the projections for expenditures, that the amount of dollars spent on this new board will decrease only from \$20.9 million to \$16.8 million. If we're going to add to that an equivalent amount of dollars from the energy sector contribution, we're dealing here with a \$33 million board budget.

What is it that this new board now is going to be doing that expands the need to that extent, so that you end up with a much larger budget coming in under the name of the Alberta energy and utilities board? We see that these dollars effectively have to be justified. Even though they're coming out of the industry, they'll still end up as part of the industry cost, which will get passed on as part of the rate setting as a utility. We end up, then, getting a situation where it may not be paid for out of taxpayers' dollars, but we've effectively got a 50 percent increase in the amount of dollars that are being used to support this new board, and it's going to have to be paid for by the utility customer and the taxpayer together.

4:50

The other issue that I'd like to deal with, which I addressed just briefly a minute ago, is the function of the two boards. When the concerns of the consumer have to be addressed and separate boards get set up – we've heard reference previously to some of the groups that have been broken off from the Public Utilities Board. Back in history the dairy industry was controlled by the Public Utilities Board. The process to remove this from the Public Utilities Board was a multiyear procedure where the consumer interest was looked after. The dairy industry was given the opportunity to justify its pricing structure, develop its formulas, but it still had to have approval from the Public Utilities Board until a couple of years ago, when this was finally set over. So what we had was a real process of looking at a justification for the accuracy, for the reliability of dealing with their industry before they were allowed to become separately controlled and separately dealt with.

Looking back at the history of the Energy Resources Conservation Board and the Public Utilities Board, there have been a number of major conflicts in terms of the action of one board and the response created by the other one. So I see here where we've got an industry that hasn't shown its ability to deal with both facets, the private or the industrial interest and the consumer interest, the way that the dairy industry did as they were weaned off the Public Utilities Board. I'd like to suggest that maybe we're dealing with this amalgamation on a little bit of a premature basis. We need to deal with it after these groups have shown that they are responsible, after they've shown that they have the ability to develop facilities like a new power plant and deal with it from the total needs of the industry. They're not dealing with it right now and over the past 10 years on a basis where, in my mind, they've justified and warranted giving them control over their total cost structure.

I have a doubt in my mind, I guess, that once the Public Utilities Board and the ERCB are run together under the new Alberta utilities board, we will end up with a presentation and a

request for a new facility. This will be granted. That cost structure will then automatically have the approval of the board, it'll end up in our rate base, and the consumers of utilities, mostly, in this case, electricity, won't have the option of their own independent way to put into this system and to express their concerns at a point when the impact comes back to them.

So this is really an interest that I think the minister should look at. It seems to me that they haven't shown us the maturity that we would like to have seen and their ability to work without an umbrella agency looking at how they could deal with it from the perspective of responsibility.

The other issue I'd like to address is basically that when you start dealing with the powers of the board in the Bill, there was discussion that the powers of the previous boards are both being transferred without question into the new board. The rationale we heard in the presentation that introduced the Bill implied that there has been an industrial review of this, a lot of input into making recommendations as to how these two boards should be brought together. Why is it, then, that there is no change in the structure of these boards, no change in the way the responsibilities of the boards mesh together? Effectively, then, what we're saying is that they're both going to attack an issue from the same basis that the previous boards did, and this doesn't create any kind of an efficiency within the operation of the new Alberta energy and utilities board. So it leaves a lot of concern as to why there wasn't a review of the regulations that set up the operation of this new board and some kind of a rationalization or a reaffirmation of the responsibilities of the two previous boards brought back out.

We also see – I spoke a little bit about it – the delegation of authority either through division or it also says in the Bill under section 12 that the board can delegate authority down to its staff. I don't see any reference in here, even through regulation, that controls what kind of delegation of power can be put to the staff. How much of the decision-making process will be gradually deferred down to someone who has no accountability, even to the extent of that accountability being solely the reappointment by the government at the end of a term? So we want to see a little more explicit definition of what kind of delegation of power can be put. You know, I tied this in now as a second step from my concerns about the delegation to division.

Section 15 goes on and talks about the rules of practice for the board. I guess I was kind of concerned when it says:

The Board is not bound in the conduct of its hearings by the rules of law concerning evidence that are applicable to judicial proceedings.

This kind of brings out a little bit of a concern. Maybe it's standard practice in board hearings, but I would suggest that that may be giving them a little bit too much leeway in terms of the material they have and the way they bring them about.

Also, under section 18(3) it talks about "the Board need not show on its face that [the] proceeding was conducted or notice was given." Well, basically what you're saying here is that they can have meetings in secret, that they don't have to be out in the open, and we don't have to have any kind of a stamp on a ruling that says that the board met, when they met, how they met, under what conditions they met. They can go ahead and make a recommendation and not have any kind of seal or verification of the fact that they met and agreed to the recommendations that are forthcoming.

Mr. Speaker, in flipping through the Bill, I guess that covers the issues that I had. Thank you for the time.

MR. ACTING SPEAKER: Thank you.

The hon. Member for Edmonton-Centre.

MR. HENRY: Thank you very much, Mr. Speaker. I have a few comments I'd like to make at second reading speaking to the principle of the Bill. To recap very briefly, the Bill as brought forward by the Member for Calgary-Varsity will combine the Public Utilities Board and the Energy Resources Conservation Board.

5:00

One principle of this Bill that I would like to speak to and support is the principle of streamlining government and government regulation, avoiding duplication or overlap, and reducing costs to the taxpayer and to the other taxpayers, i.e. the users of the services of government. Mr. Speaker, I am on record and my party is on record very clearly as being fully supportive of the notion of streamlining government, of trying to avoid duplication, of trying to reduce the sometimes cumbersome bureaucracy that we run into when trying to get something done in our province. We see this over and over and over again in various departments, not just the Department of Energy, and that's a result I believe of the days of rapid growth and seemingly unending dollars that we had in our province. Our province grew so fast and so much that we were in a scramble to try to put together the administrative, the regulatory, and the structural components to deal with that. Now we find ourselves in a situation, frankly, where we have to take some breathing room. We're not growing as fast. In fact, we're not growing. We need to take some time to look at how we can do things better and how we can do things expending less tax dollars.

So in that sense, Bill 15, to look at the Public Utilities Board and look at the Energy Resources Conservation Board and to establish if there perhaps is some overlap or some duplication and the principle of trying to deal with that and trying to reduce the amount of dollars spent, and also – and this is very important – reduce for the industry corporations and individuals the amount of government bureaucracy that they have to deal with, is a move in the right direction.

Goodness knows, Mr. Speaker, we need more investment in this province, we need to keep the investment we have, and we need to encourage the private sector to work in Alberta and do business in Alberta. The easiest way, most profound way of discouraging private-sector involvement in one's province or country is to create an incredible bureaucracy that prevents the private sector from getting on with the job.

However, we also know and I think all members in this House would agree that there is a level of public responsibility to ensure that we simply don't hand over the keys to the car to anybody who walks in through our doors. There is a public responsibility. Certainly the players in the oil and gas sector generally in Alberta have been good corporate citizens, but we can't depend always on goodwill, and we must be able to ensure that the good of the entire public is being looked after.

[Mr. Deputy Speaker in the Chair]

One of the concerns I have with this Bill – and although it's a principle that is not specifically outlined, I believe it's implied by the Bill – is that the average person, the person who uses the service, the person who ultimately pays the bills, is not important in the whole scheme of things. Nowhere in this piece of legislation do I see protection for the person who runs a small business and uses power. Nowhere is there protection for the consumer. That concerns me, and perhaps it was an oversight. This government in the last year has had a less than commendable record in terms of standing up for the consumer, in my view.

That makes me doubly concerned about the fact that this is not addressed and in fact that the functions of the Public Utilities Board in terms of protection of the consumer are put in jeopardy by this merger.

There was a time in our province when we had a very strong Consumers' Association that was supported by the people of Alberta through its government. We no longer see that support for the Consumers' Association. We also had a very definable and visible department of consumer affairs in this government that acted as an educator for consumers, that acted in a way to provide consumers the opportunity to become educated, to get information, and to find out how it is consumers can become active. We no longer have that section in our government, Mr. Deputy Speaker.

What we have instead are some of the components of that former consumer affairs division spread amongst a couple of departments, but nobody has the mandate, and there is no visibility. So if the average person – and I'd ask every member in this Legislature to put yourselves in the shoes of a small businessperson, small employer with perhaps a dozen employees whose utility rates have gone up year after year after year. Whether that's because input is up or whether that's because input costs are up or production costs are up or whether that's because taxation is up, the individual and the small businessperson trying to create jobs and keep people employed and trying to make a buck is stuck at the end trying to pay the bills.

I can tell you in my constituency, where we have a lot of small businesspeople, myself representing downtown Edmonton, one of the concerns that I hear from small businesspeople is about some of their input costs, and included in that are the utilities that seem to be rising consistently over the last decade or two. This piece of legislation will provide very little comfort for those small businesspeople worried about the cost of their utilities and where it is they're going to find protection. In fact, if I were to take this piece of legislation and distribute it around my riding to small businesspeople, I can predict with I believe some confidence that what I will receive is a comment back that says, "Oh no, we're going to be getting even less protection than we've had in the past, because we're going to see a diminished role in terms of the regulation of the utility costs that are passed on to the consumer and the profit levels that are given to those whose business it is to provide the utilities."

The other concern I have is that we are under increasingly difficult economic times in our province. Many families, many single-parent families are having to do with less and less because not only have social assistance rates gone down, but as well wages are not as high as they used to be, jobs are not as plentiful as they used to be, and more and more families and more and more low-income people are finding it more and more difficult to make ends meet. One of the things that goes up, we all know, whether your wages go up, whether your other income goes up . . .

MR. BRACKO: I can't hear.

MR. HENRY: Shall I speak louder, or shall we turn up the mikes, Mr. Speaker? We'll turn up this mike perhaps.

Mr. Speaker, one of the things guaranteed to go up is your utility rates. They go up if you're a small family, if you're a young family living on a limited income. You can bet that even if your government asked you to take a five percent rollback in your salaries, even if you have less benefits, and even if you have less job security, your utility rates will go up. That's of great concern to many of my constituents, and I don't see anything in this Bill 15 that would speak to that concern. In fact, what I see in Bill 15 is some cause for alarm because, unless I am wrong

here, we're going to have less and less a role for the regulation of the utility rates in this province.

Perhaps I'm jumping the gun. Perhaps, Mr. Deputy Speaker, there's something in this Bill that I haven't seen or I haven't recognized. I don't profess to be an expert in utility rates. I don't profess to be an expert in the energy patch. I would be more than happy if the minister or the sponsor of the Bill or any other member for that matter could enlighten me more, perhaps point to sections of the Bill, as to something I'm missing in terms of the Bill or something that is coming down the tube that perhaps the hon. members in the government caucus know about that the hon. members on this side haven't been made aware of yet.

5:10

Mr. Deputy Speaker, another issue I'd like to address with Bill 15 – and I have to say again, recognizing the potential good points in Bill 15 with regard to streamlining – I'm terribly, terribly disappointed that the Member for Calgary-Varsity did not take it upon himself to fulfill one of the government's promises in the last election, and that is to end and to end once and for all the practice of patronage appointments to boards such as the PUB, the Public Utilities Board. It would have been nice to see in this legislation a reference perhaps to the Public Service Commissioner providing a shortlist for the government to make the appointments to this new board rather than – and certainly I don't want to impugn any motives from the Member for Calgary-Varsity . . .

Point of Order Imputing Motives

MR. SMITH: Point of order.

MR. DEPUTY SPEAKER: The hon. Member for Calgary-Varsity is rising on a point of order.

MR. SMITH: Well, thank you, Mr. Speaker. Indeed after all this wonderful debate I had to rise just to get the blood rolling again. Under Standing Order 23(i), imputing motives, the hon. gentleman from Edmonton-Centre – I am a part-time resident in his riding, and I noticed that the winds of change are blowing already. I have taken upon myself this examination. In fact, if the hon. member would have gone through the Bill and the briefing and all that, he would see that the appointment is in accordance with public affairs. I've done a good job.

MR. DEPUTY SPEAKER: Hon. Member for Calgary-Varsity, I assumed that yours was a point of order, and really what you're wanting to do is enter into debate. You'll have that opportunity when you sum up.

MR. SMITH: I'd be quite comfortable if the hon. member . . . [interjection]

MR. DEPUTY SPEAKER: Cypress-Medicine Hat, if we're on a point of order, only those people who are standing and are recognized speak.

Calgary-Varsity, you were going to explain this point of order.

MR. SMITH: Thank you. As I understand it, I would just like the hon. member to withdraw his comments about how disappointed he is that I did not take it upon myself to examine the Bill. In fact, as is implicit in being the mover of the Bill, it's actually implicit that I have in fact done that.

MR. HENRY: Mr. Deputy Speaker, if indeed *Hansard* will show that I said that the hon. member did not examine the Bill, I

certainly will withdraw that. However, what I said was that the hon. member did not take it upon himself to include in the Bill the provision to address the issue of the appointments of the members of the board being at arm's length from the government or words to that effect.

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

MR. DEPUTY SPEAKER: There is no point of order, hon. Deputy Government House Leader, on a point of order. Let him finish, please.

MR. HENRY: So, Mr. Deputy Speaker, my point simply was – and I did not mean to suggest the member had not actually read the Bill or dealt with the Bill – that one of the promises that I believe the government made in the last election was not addressed in this Bill and I don't believe has been addressed in other Bills. I think that's a matter of debate, not a matter of a point of order.

MR. DEPUTY SPEAKER: Okay. The Chair feels that the purported point of order as raised by Calgary-Varsity has been at least addressed in part by the hon. Member for Edmonton-Centre in that he was not trying to impute a lack of due diligence on the part of the hon. Member for Calgary-Varsity.

However, the Chair would also observe that a number of people seem to have an exceedingly thin skin when they throw Standing Order 23(i) back and forth at one another. Part of that is the normal repartee of good debate. However, the point has been addressed.

You have a point of order on the point of order?

MRS. BLACK: No, I have an additional point of order, Mr. Deputy Speaker.

MR. DEPUTY SPEAKER: An additional point of order. All right. Deputy Government House Leader.

Point of Order Imputing Motives

MRS. BLACK: Well, Mr. Deputy Speaker, again *Beauchesne* 484, on motives. It's not the government's intent to have political patronage in this appointment. In fact, if the hon. member had been reading the papers, he would notice that the chair of this position has been advertised, and the responses are to go in fact to the Public Service Commissioner, not to the Minister of Energy or to the government.

MR. DEPUTY SPEAKER: Are you on the point of order raised by the hon. Deputy Government House Leader, Redwater?

MR. N. TAYLOR: Yes. I was just thinking that the hon. minister is right that they're appointed. They might consider using the term "patronage" offensive, but patronage is a good, old-fashioned term that means that the government makes the appointments, whether they advertise or anything else. That means that a board is made up of government appointments rather than of preselected people who, because of the office they hold – let's say the president of this and the chairman of that and so on and so on make up a board. That's one form of board. The other board is made up by government appointments. The word is "patronage." It's an old Latin word, patronus. Paternity. This board is not a bastard. They're the fathers and the mothers of the board.

Patronage is a very old term, and if the minister doesn't know her English language enough to understand the difference, it's not my fault, but it's not a point of order.

MR. DEPUTY SPEAKER: Well, I think some of the comments, hon. Deputy Government House Leader, that I was making earlier would again refer here. What we'll do is take the comments that were made under advisement and see the Blues to see whether in any way those may be construed as being offensive in nature. The Chair would confess that perhaps the Chair's attention wasn't as closely focused on the words of Edmonton-Centre as they might have been. So we will look at this point of order at some time when we're able to read it in the Blues.

The hon. Member for Edmonton-Centre.

Debate Continued

MR. HENRY: Thank you, Mr. Deputy Speaker. With regard to your comments, I won't say that I'm shocked and appalled that everybody in this House was not sitting on the edge of their seat on my every word, because that's been overused by a former member of the House that I think we all know.

Mr. Deputy Speaker, I'd like to focus on my last point, which is simply that if we really want to have not only a reality but a public perception that we are not having political interference with bodies that make decisions that have such a profound impact on the small business sector and the homeowner and the utility ratepayer, then what we need to do is ensure that there's a full arm's-length appointment process. I would suggest that the best way of doing that would be to have an all-party committee review appointments, as was the platform of my party in the last election, that all such appointments would be scrutinized, not unlike the American model, I might suggest.

I might point out to the hon. members who are having a lot of difficulty with my suggestion that we should have a process whereby there's all-party scrutiny of the appointees that are previously screened by the Public Service Commissioner, who again should be an officer of this Legislature and not an employee of the government. That way we would ensure that there were good Progressive Conservative Party members, good Liberal Party members, and good members of other parties appointed to the various boards and commissions. I am disappointed that Bill 15, given that we're creating another quasi-judicial body, does not have that provision in it.

With those comments, Mr. Speaker, I will leave. Thank you.

MR. DEPUTY SPEAKER: Okay.

The hon. Member for Clover Bar-Fort Saskatchewan.

MRS. ABDURAHMAN: Thank you, Mr. Deputy Speaker. I rise to speak against Bill 15. We have to ask the question: what are the real objectives behind this legislation? I certainly would not be opposed to the streamlining of any body that falls under the jurisdiction of the provincial government, but quite frankly this is not an area where I believe it is going to serve Albertans well in suggesting that through this streamlining significant savings are going to be made. I think that what we're doing here through Bill 15 is putting consumers at risk. What I would liken it to is putting the fox amongst the hens. That's what we're doing by bringing these two pieces of legislation together. In other words, I also liken it to the development appeal boards we see around the province, where they're all made up of municipal members. It's like being judge and jury. That's what I liken Bill 15 to.

5:20

The question that comes to my mind listening to the debate today is that government members are very silent when it comes to speaking to this Bill. It raises a question in my mind: why that silence?

The other thing that comes to my mind, Mr. Deputy Speaker, is: were the consumers ever consulted? After all, the Public Utilities Board is there for the protection of the consumer. Where has the consumer fit into this amalgamation? Utility companies are very aware of the grave concern that constituents have regarding the increasing costs of utilities that we're using every day. In fact, if there's anything I hear comparable to the concern about our justice system, it is indeed the cost of utilities. Now, the utility companies are very sensitive about how they're perceived by Albertans and this rapid increase in costs over the past few years. They're certainly spending significant dollars on public relations.

Mr. Deputy Speaker, I'd just like to read to you some of the questions that they perceive Albertans asking their elected officials. "Why are utilities allowed to increase their rates even during bad economic times?" One would have to say, if we're having to address that question: what does the amalgamation of these two bodies do to the consumer under Bill 15, and how indeed are the Public Utility Board members going to ensure that the consumers' interests are well looked after? It would appear from Bill 15 that the members are actually going to be wearing two hats. They can move backwards and forwards in whatever capacity the chairman deems is appropriate for the committee to sit in.

Another question that the public utility people are asking is, "Who are the utility regulators?" That's certainly something I'm going to be sharing with my constituents, what Bill 15 is actually doing to them. Who is actually going to be looking after their interests, and who are the regulators? Clearly, by this, it's a conflict of interest.

The other question that's being asked consistently by Albertans is, "Why are utilities guaranteed large profits?" I would suggest that the utility companies being able to really truly defend their position on passing on costs is going to become increasingly more difficult with Bill 15. If the profits indeed are regulated, what is causing these sudden jumps in utility rates? If it's in the best interests of Alberta energy companies to pass on the costs, where is it going to go? How is that going to protect Albertans when the same people who are making these decisions on capital projects are also going to be making decisions on the utility rates? That isn't fairness by any stretch of the imagination.

So if we're looking at Bill 15 as a cost-saving mechanism to government, which has been suggested - we haven't seen the dollars to justify that - who in the end is going to pick up the cost effectiveness of Bill 15? I would suggest that the consumer is going to end up doing that.

The other question that's also being asked about utility companies is: how do they actually get more information about utility regulations? I would suggest that we as members of the Legislative Assembly had better educate our constituents about what Bill 15 is doing and how a committee of three can actually hear the presentations made before the public utilities portion of Bill 15, yet we can also include another member in the decision-making process. Quasi-judicial bodies in administrative law have to be deemed fair. I would suggest that when you actually have a certain number of people listening to the presentations and then a different number making the decision which is greater, that is indeed not fair. I don't think that it fits into what I perceive as sound administrative law, and this is what indeed Bill 15 does.

When we're looking at the appointment process, I have commended this government in the past and say . . . [interjections]

MR. N. TAYLOR: How do you shut them up?

MRS. ABDURAHMAN: It's called dingdong. [interjections]

**Speaker's Ruling
Decorum**

MR. DEPUTY SPEAKER: Order. The Chair is trying to follow the hon. Member for Clover Bar-Fort Saskatchewan and is finding it somewhat difficult due to the interchange back and forth. The question was asked of the Chair, I presume: how do you keep them quiet? That, hon. sir, is something that is always a challenge to every Chair in any legislative body in Her Majesty's Commonwealth, including this one.

With your co-operation, hon. members, we would ask the hon. Member for Clover Bar-Fort Saskatchewan to continue before she adjourns debate.

Debate Continued

MRS. ABDURAHMAN: Mr. Deputy Speaker, I would just like to close my remarks by saying: how are the interests of the consumers indeed protected by this legislation? How does Bill 15 protect consumers? I think this government owes an explanation to the consumers of Alberta.

Mr. Deputy Speaker, in light of the hour I would now move adjournment.

MR. DEPUTY SPEAKER: The hon. Member for Clover Bar-Fort Saskatchewan has moved that we do now adjourn debate. All those in favour, please say aye.

SOME HON. MEMBERS: Aye.

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

SOME HON. MEMBERS: No.

MR. DEPUTY SPEAKER: Carried.

MRS. BLACK: Mr. Speaker, I move that we adjourn until 8 o'clock this evening, when we'll reconvene in Committee of Supply to hear the estimates of lotteries.

MR. DEPUTY SPEAKER: All those in favour of the motion moved by the hon. Deputy Government House Leader, please say aye.

HON. MEMBERS: Aye.

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

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