

Legislative Assembly of Alberta

Title: **Monday, October 31, 1994**

8:00 p.m.

Date: 94/10/31

[Mr. Speaker in the Chair]

MR. SPEAKER: Please be seated.

head: **Government Bills and Orders**

head: **Second Reading**

Bill 53

Social Care Facilities Licensing Amendment Act, 1994

[Adjourned debate October 27: Mr. Brassard]

MR. SPEAKER: The hon. Member for Olds-Didsbury. [interjections]

MR. BRASSARD: Thank you, Mr. Speaker. I can see that it's going to be one of those nights.

As we know, Bill 53 primarily deals almost exclusively with the number of children in baby-sitting care. It's the intention of this government to amend the Social Care Facilities Licensing Act in such a way as to give parents in this province a greater choice in the range of child care options that are available to them. Until now, Mr. Speaker, a private babysitter has been required to apply for a licence from the provincial government if that babysitter wishes to take care of more than three children in a private home, and parents have been telling us that this maximum number of three children allowed in private baby-sitting is far too low and that it restricts the freedom of parents to make child care arrangements that may be more suitable to their needs.

The other day, Mr. Speaker, the Member for Edmonton-Rutherford spoke about the different parts of the country and how this may be more applicable in the rural areas than the urban. In a way this is true, because during harvesttime and other peak periods in the country there are times when children have to be placed for care outside one's home, so I suppose this increases the flexibility, you might say. But I think it equally applies in an urban setting, because in many ways the proximity to one's home is critical to proper child care, particularly if that individual is a single parent and working. So I think it applies to both equally well. It also points out, Mr. Speaker, the need for more people to get directly involved.

The Member for Edmonton-Glengarry expressed concern with one caregiver and if that one primary caregiver should fall down and be injured or have to attend one child, what would happen with the other five. That's a very good point, Mr. Speaker, and I share the concern, but I think that what this Bill tries to do is get government out of the road. Much of the responsibility for making certain that my child is taken care of properly in that baby-sitting service lies with me, and I think that far too often we have relied on government to make sure that this is licensed and regulated to be certain that all these checks and balances are in place. Right now, incidentally, if a baby-sitting agency is licensed, in the case of a day home, for instance, then of course they can look after six children, so this isn't really a new issue at all.

We propose to amend this Act in order to permit babysitters to care for a maximum of six children, including their own children, in private homes. Now, we recognize that not every babysitter will take advantage of that number and not everyone will be qualified to do so, nor will they have adequate facilities, but

where those are in place, then we feel that we should allow them to do so.

Mr. Speaker, we're also incorporating safeguards into the Act to ensure that while the maximum number of children allowed in a private baby-sitting home will increase to six, including those of the caregiver of course, no more than three of those children can be infants under the age of two years. This will allow for all children to receive the proper amount of attention, and it will allow the caregiver to evacuate the children effectively in the case of an emergency.

Our change in legislation will mean that government will no longer be required to issue licences to and individually monitor a total of 54 licensed day homes in the province, and this will be addressed in a revision to the day care regulations. These amendments do not make any changes to Alberta's existing system of day care centres and approved family day homes. Parents will continue to be able to place their children in day care centres, which are regulated by the province, and they will continue to have access to approved family day homes, which are also governed by provincial child care standards.

Mr. Speaker, we do have an excellent day care system in place in Alberta. I don't want to take anything away from that. I see this Bill enhancing child care in our province. It certainly conforms with other provinces who already have this regulation in place. As a matter of fact, five of the 10 provinces in Canada already allow four to six children in babysitting services. Ontario and Quebec are two of those provinces. They're certainly much larger than Alberta, and they haven't had any problems to date.

This Bill not only provides employment opportunities for many who are indeed qualified to look after six children, but it also adds flexibility to areas that are not presently being served by a day care. In some situations it will also provide a more homelike environment for some children.

I support Bill 53 and recommend all members of this Assembly to do likewise. Thank you, Mr. Speaker.

MR. SPEAKER: The hon. Member for Leduc.

MR. KIRKLAND: Thank you, Mr. Speaker. I unfortunately can't share my hon. friend's support of this particular Bill in this particular case, but I'd be pleased to have this very attentive audience listen in very clearly and evaluate whether I'm on base or off base with the comments as to why. [interjections]

MR. SPEAKER: Order.

MR. KIRKLAND: It's all right. I know that in fact when they make the judgment beforehand, they'll be asleep before I'm too far into it, Mr. Speaker.

I think that it has to be very clearly stated here that this is a step backward as far as protection of children in this province is concerned. It won't enhance child care at all as far as I'm concerned, and I'll speak to some of the points that the hon. Member for Olds-Didsbury brought forth.

We can see in the events of last week clearly, Mr. Speaker, that when we have a department that has many resources to look after the protection of the children in this province and we have expertise to deal with it, there are children that aren't receiving the protection of the province. What this Bill is suggesting here is that we should move it even more so outside the surveillance of the province and trained individuals to do it. I would suggest that it is a step backwards. I would suggest also that the solution is

not to abandon the children of Alberta in this particular situation, and this does water down the regulations.

Clearly, it also enables the government, in my estimation, to shed its responsibility as far as caring for children is concerned. It's done, Mr. Speaker, simply to remove outside the government responsibility any problems that may occur in child care. That way they can stand back and say: "It's not us. It was the mother or it was the father that made that particular choice. It wasn't us." It follows the agenda of this government, and that certainly is to download, to off-load, and to move responsibility for areas of government outside this Legislature. I would suggest that this is a good indication, that this is another small example of what was stated earlier in the afternoon as far as Bill 41 is concerned.

When we move to the specifics of the Bill, Mr. Speaker, we are permitting the care of six children, three of whom can be under the age of two years. Now, the minister has indicated in some of our past conversations here that if we are to criticize this, we in essence are criticizing parents who raise more than six children. Well, I would suggest that in fact that position is not a defensible one, and I would suggest that in fact what we are doing is condemning those parents. If in fact the minister is suggesting that a babysitter gives the same care and nurturing that a parent gives, then truly I would suggest that most parents in this province would be offended by that comment. I would suggest that when we look at providing care and nurturing to children, when we compare the care and nurturing of a babysitter and a parent, the two are miles apart. I think it's important to note that.

8:10

We have put forth some discussions in trying to illustrate exactly how we're moving in this particular area. The one that comes to mind, Mr. Speaker, is the example that was given the other day in this House, whereby one babysitter in essence could have six children in a one-bedroom apartment, because there are no standards required here and there are no rules or regulations to meet.

Now, we can say that that's the parents' responsibility and the parents shouldn't leave a child in a situation like that. Unfortunately, I think that there are parents in this province that really don't have a choice. If we're looking at attempting to progress in this province and to deal with the lower socioeconomic group of citizens in this community, where they're attempting to break the cycle of poverty or move back into the work field, certainly they will not be earning a great deal of money. They'll be handicapped by their inability to pay the fees of a day care or pay the fees of a day home and probably be limited in the selection of their babysitters simply due to lack of transportation as well.

So, Mr. Speaker, there will be situations where the parent is going to be forced into choosing a less than acceptable babysitter. I don't doubt for a minute that most parents would never want to leave their children in a place where they would be in peril, but there will come a day – I think every one of us has done it at some point as we have raised our children, and I can see it happening again here. Unfortunately, there is no recourse for anyone.

Mr. Speaker, if we wanted to look at cost efficiency and we look at a child care centre, which has rules and regulations, has to meet specific guidelines and standards as far as staffing ratios are concerned – when we look at a day home, very much the same, they have to meet some rules and regulations – what we're doing in this situation is opening up the baby-sitting world. There is provision today in the home baby-sitting service to take three children in and care for them, but if you look at the day care and

you look at the day home and the overheads and the rules and regulations they have to meet, they just cannot compete with this particular situation. How is it possible to compete when you're expected to put forth a specific overhead and provide a quality day care or a quality day home?

So I would suggest that there's a more insidious approach to this particular Bill as well, Mr. Speaker. I would suggest that this Bill probably is going to put a whole lot of . . . [interjections]

MR. SPEAKER: Order.

MR. KIRKLAND: It's quite all right, Mr. Speaker. I'm only drawn by intelligent comment, and it's not distracting me for a second. So if he wants to continue to chirp, that's quite all right. I don't have a problem with it.

When we look at the day care situation, I would bring to the Minister of Family and Social Services' attention the very figures and facts that he presented to us in the House, Mr. Speaker, and that is the fact that there are 31,000 day care seats in this province. Only 21,000 of them are occupied. That leaves a 34 percent vacancy rate. Now, what we're really doing with this new Bill is putting those people in the untenable position of not really being able to compete, as I indicated, because of the overhead that they encounter. I think the simplest of businessmen can understand that it's not possible to compete when you have that overhead there. So small business, as I see it – and the hon. Member for Olds-Didsbury indicated this would give people an opportunity for employment. I would suggest it will also deprive some individuals, because the day cares and the day homes simply can't compete without the removal of those overheads. So when I say insidious, it will impact on that.

We all know in this House that small business provides employment for some 90 percent of the Canadian population, and I consider day homes and day cares to be that. Baby-sitting can also be included in that, but we haven't created that level playing field that we hear so often must be achieved and accomplished by the side opposite, Mr. Speaker.

I also heard the Member for Olds-Didsbury indicate and I also heard the minister indicate that in fact it's the parents that are asking for this particular change in the baby-sitting regulations. Well, if that's the case – and we're big on documentation in this House – why don't we table some of those requests? Why don't we get a handle on exactly how many there are, Mr. Speaker? I would suggest that that's a red herring. The real reason is to facilitate the dismantling of the social services department and to dismantle the day cares and day homes in this province. It's an attempt to cause those individuals, if they are to compete, to have to remove the regulations that they're involved with.

So when we look at so-called efficiency here and the costs, as I view it, as I say, it's an insidious move to cause day cares and day homes a field of conducting business that is not fair to them. Show us the cost. Show us the cost savings that this is going to bring about to this government, because really it is an attempt to eliminate some of the bureaucracy. It seems to me, Mr. Speaker, that regulations are for nobody outside this House, but when it comes to the ministers or the many Bills that have passed through this House, they all have to have regulations to ensure that that power stays at the minister's desk.

I think, Mr. Speaker, I would take the House back to a comment that the hon. Member for Edmonton-Highlands-Beverly brought to this House, and I think it's a sad commentary on the area that we're moving here. Her example very simply was that

we have more regulations to deal with a hot dog vendor in the streets than we do with children in this province, and I think that's a sad, sad state of affairs. I think it's a truly pathetic reflection on this government and its lack of care in giving protection to children.

I also heard the hon. Member for Olds-Didsbury indicate that there were five other provinces that had more lax baby-sitting rules and regulations than the province of Alberta. There are two others that permit six, Mr. Speaker, but I don't think it's necessary to hitch our wagon to the lowest standard in the country. I certainly don't have a problem with this Alberta advantage that's touted often and dangled before us on this side, that we should be the leader in some of these areas and put protection of our children foremost and up front.

DR. WEST: Up front with the state.

MR. KIRKLAND: Up front, where in fact parents can expect the government to play some small role, because if we were to follow the hon. Member for Vermilion-Lloydminster, everything would be dumped. That would be satisfactory too, Mr. Speaker, because ultimately I think he'd be out of a job, and there'd be a lot of Albertans smiling at that particular aspect.

I think if we examine the other fallout of this particular Bill, Mr. Speaker, nobody actually has addressed it or touched base with it, and that is the postsecondary education institutes in this province. There are many that have early childhood services programs. Generally speaking, those programs train and qualify students, young people in this province to deal with children and their care. In essence, by eliminating the day cares – and that's what will happen with this – we have also eliminated the need for those trained people. Now, that falls hand in hand with some of the deskilling legislation that is brought forth in this House as well. Personally, that's not an Alberta that I think is particularly attractive, and it's not one that I care to be part of. Why would we bother going to a postsecondary institution to undertake early childhood services when in fact there's going to be no place to fit into this Alberta society?

I want to talk about just for a minute, Mr. Speaker – the hon. Member for Olds-Didsbury indicated that the rules were set so that you could not have three children under two years old for evacuation purposes. With due respect, like him I have only two arms, and if there has to be an evacuation, certainly it's going to be very difficult to carry out three children under the age of two, particularly if you have to rouse any of those children from sleep. In all probability they would not be able to follow the instructions that they had to follow you when you grabbed two of them.

I'll ask another question in this situation. If we have one babysitter looking after six children and one child becomes injured somehow, somehow, what at that point are we expecting that babysitter to do with the other five? Do we load them up in the car in baby seats? Do they take the time to phone all of the moms and say, "Come and get your children"? Do they dump them off on the neighbour next door? No safeguards.

MR. PASZKOWSKI: How many did you have at home?

8:20

MR. KIRKLAND: I'd like to speak about my home, Mr. Speaker. I'm one of 11, as I've bragged of often in this House. As a matter of fact, there was one mother looking after eight of us somewhere all below the age of 12. But as you can see, Mr. Speaker, we're a fairly bright, articulate group, that Kirkland family, so it didn't take the normal care. Nevertheless, I would

suggest that mother is certainly very capable of nurturing and caring far more so than a babysitter. If the hon. minister of agriculture is suggesting that the babysitter can give that same nurturing care that a mother can, then I would have to suggest that he was raised by a babysitter.

Mr. Speaker, in my view clearly this is a step backwards. [interjections] We're talking about the protection of children, so I take it seriously, and I think it's very important to move back onto that particular vein. I have no disrespect for those that have raised 11 or 12 children. I have no disrespect for the very capable in this province who can look after six children, but there are many who can't, and there are no safeguards I can see in this Bill that will permit any sort of inspection in those homes. We can have six children in the home, three under two. We don't necessarily have to have a cot for them to have their afternoon nap on. We don't give them a nap. We don't have to give them a stimulating environment. We simply have to warehouse them in this particular case.

In today's world of the '90s, where better than 50 percent of the women are working and have to call upon day care or day homes or babysitters, I think we should be with the times and the trends, Mr. Speaker, and certainly provide some quality – some quality – alternatives for those individuals and those parents to make that choice.

There's been a suggestion in this House that this was intended to accommodate a rural situation where in fact there are not day cares and day homes. If that's the case, I think this Bill could have very clearly been written to indicate that that rule or regulation of six children being kept by one individual would be restricted to urban areas of less than 10,000 people, if we want to use that as a hypothetical figure.

DR. WEST: Who pays for this? Is this something the state pays for?

MR. KIRKLAND: I think we're talking about who pays for it. The parents pay for day care, Mr. Speaker, and they pay for their day home, and they pay for their babysitter, so nothing changes here. All we are really changing here is letting the government, which has a role to play in the protection of people in this province, shed their responsibility.

MR. PASZKOWSKI: Let the government raise the kids.

MR. KIRKLAND: It's not a case of raising the kids at all, Mr. Speaker. It's a case of providing the kids some opportunity and protection. It would seem the very sad situation and case that what we have discussed at length in this Legislature in the last week hasn't made an impact on the policymakers of this province, and I think that's very unfortunate as well.

Clearly, we can colour it as we will. There's some very common, practical application here that just can't be accommodated and it can't be worked. Evacuation is certainly one of those; the injury of a child is another. The fact, as I indicate, that you have six children under the age of 12, not less than three under the age of two years: there are no rules or regulations saying how those children have to be cared for. It's fine to say that the parents will make that decision. The parents have made some decisions with social services, and they've made a real mess of that situation. So why is one to believe that the messes won't become just as large and big here? It saves this government the embarrassment of showing that their departments are incompetent is what it does.

I'll conclude my comments in the next 10 minutes or so, but in essence, Mr. Speaker, very clearly I consider this to be a step backward. It's very much a step backward. There is a need for government involvement in some areas of life. I think just as we set down rules and regulations for the roads, rules and regulations for merchants in this province to conduct their business, least of all we should have some rules and regulations for the very people that inhabit this province.

What we're asking for here is to abdicate our entire responsibility, and quite frankly, I think it's shameful, Mr. Speaker.

Thank you.

MR. SPEAKER: The hon. Member for Three Hills-Airdrie.

MS HALEY: Thank you, Mr. Speaker. I feel that as member for a rural riding and also as a mother and a single parent I have something at stake here as well.

I have great concern when anybody anywhere in this House suggests that Albertans have to have more and more rules and regulations to live by. As chairman of the deregulation task force we're working very hard to get out of people's lives, to get out of their businesses. We need to ensure safety and health and the welfare of our citizens. We don't need to tell them how to live. We don't need to go in and tell them who can look after their children. We don't need to go in and tell parents that if they want to leave their child at a neighbouring farm with five other children, they can't do it. That is their choice and their responsibility.

As a parent I take my responsibility very seriously. I don't want anybody telling me how to raise my children, where to leave them, how many other kids can be in the place at the same time. Those are my responsibilities as a parent. I don't abdicate them, and I don't want anybody telling me how to do it.

MR. N. TAYLOR: Carol, we've got a responsibility to see they're raised as Liberals.

MS HALEY: Nick, it's my turn. If you want to talk, talk later; okay?

There was a comment over there that there were no rules to handle this care. We don't need more rules. We need parents to be responsible for their children. That's what we need, and that's what we're going to get. The sooner that we, as 83 little people in this building, stop deciding everything – just stop deciding everything – for 2.8 million people, the better off those 2.8 million people are going to be.

Thank you, Mr. Speaker.

MR. ZARIWNY: Mr. Speaker, I am standing to oppose the Bill. For years we on this side of the House have called for improved standards, for monitoring enforcement at facilities that care for children. I submit that this Bill does the opposite.

The babysitting limit will increase to six children now including the caregiver's own children, but not more than three of those children will be infants under the age of two years. This is a good feature of the Bill because it is a safeguard, and it ensures that sitters can give children the proper amount of attention and evacuate them in case of an emergency. However, in effect, the Bill will mean that the government will no longer individually license and monitor the 54 licensed family day cares in the province. They can call themselves private babysitters rather than family day homes.

Now, I understand that the rationale seems to be that the Bill was brought in to help rural families. If that's the case, then it would seem to me that it totally disregards the impact that it

would have on urban centres. For example, in larger centres, particularly low-income families, this decision would definitely place children at greater risk. Low-income families in particular don't have the luxury of a vehicle. Single mothers, for example, may not have many options at their disposal in terms of seeking out good quality care and may be forced to place their children with the closest babysitter in the neighbourhood because of convenience and costs.

This amendment seems to me to be one step closer to the direction of total deregulation of child care. Last spring we saw warnings when the government hired a consultant to look at deregulating day care. This was an obviously dangerous and costly move. Several years of energy and unknown government dollars have been spent in putting in necessary standards and training requirements to now suddenly wipe them out with this particular Bill.

In conclusion, Mr. Speaker, it proves to us here on this side how antiquated and archaic the government is. They seem never to be able to come to grips with the fact that the need for quality child care is a reality and that caring for children at home is not always the safest and most nurturing and stimulating environment for a child. This amendment is an outrageous step, and it is a direct attempt to add even further competition to licensed day care. In conclusion, what this government is doing is trying to hurt licensed formal care and not provide the parents with another option.

Thank you very much, Mr. Speaker.

8:30

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

MS HANSON: Thank you, Mr. Speaker. The Member for Three Hills-Airdrie suggests that no one has any business at all interfering with child care, and on the surface that sounds okay. It sounds very pat and commonsense to say that it's the family's business, the parents' business what you do with a child and that you can leave them where and with whom you wish. This may generally work out quite well in rural areas – that's been mentioned earlier tonight – and smaller centres, where you know most people by sight or, if not by sight, by reputation, but as has been mentioned by several speakers earlier, it's not the same in the cities.

People often, nearly always if you are low income, take children to the place that's closest. Working parents with several small children: it's almost impossible for them to get to work on time and get home and care for the kids if they have to take a long bus ride with the children and drop them off and then go to work and then come back and pick up those children later in the day. So it's not possible to be very selective about where you leave your children. As I say, it's been a problem for many years with people, but as public health nurses, professionals, parents, day care workers called for higher standards and called for training, people left their children at the place close by because they felt that they could trust that there were standards, that there was enough room for the children, and that there was a stimulating environment. This is all going to go out the window.

We've had many, many calls. The minister has been quoted as saying that parents and babysitters have told the government that the maximum of three children is too low, but we have had many, many calls since this Bill was introduced. Many people are extremely upset about it. Most of them would prefer that the existing standards were toughened, and one of the main things that people have asked for is that child care centres and babysitting be monitored. As the minister did mention in the House one day, people should monitor it themselves; they should drop in. Again,

if you're at work and you're paid by the hour and you don't have a car, you can't go across town to drop in and check whether everything's okay.

Point of Order

Questioning a Member

MR. SPEAKER: The hon. Minister of Municipal Affairs is rising on a point of order.

DR. WEST: Would the member entertain a question in debate?

MS HANSON: No.

Debate Continued

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

MS HANSON: Thank you, Mr. Speaker. In my opinion, it's just another indication of where this government's priorities really are. This Bill hits at low-income families exactly as the cutting back of school supplies and the reduction of money for transportation and other things all hit the low-income kids and not the middle-class ones. We see this amendment as one more step, a dangerous step in the direction of deregulating child care, and I certainly cannot support the Bill.

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

MRS. ABDURAHMAN: Thank you, Mr. Speaker. I rise also to speak to Bill 53. I certainly have some concerns with regards to this Bill and have listened closely to both sides of the House debating this Bill.

Certainly it's desirable in certain environments for the ability of families to find affordable day care or babysitting, but I think we have to be very careful how we approach achieving that. If indeed this government had listened over the past decade to the people that were in child care about the unreasonable regulations that were being put in place, whether it be the sophisticated playgrounds that they had to develop – it was this government's regulations that really created an environment where, whether it be in rural Alberta or indeed in urban Alberta, it got certainly very difficult to get affordable day care for the lower income families. I would suggest that this is the wrong way to achieve the quality care that all Alberta children should be entitled to.

To compare a mother's caring for a family of eight children or six children or 12 children to a babysitting alternative I think is ludicrous. There's certainly a significant difference, I would hope, in the relationship between myself and my children or my husband and his children in comparison to when our children would be baby-sat. To suggest that you have the same caring environment as your home: as I've stated, Mr. Speaker, whether it be 12 children or eight children, two children or four children, it's a very different environment.

I think there's also another cost that will result from going in this direction, and we did see it when we started to see day care centres developing in the province of Alberta when we didn't have appropriate public health regulations in place, where we saw an increase in gastroenteritis. We saw an increase in scabies. We saw an increase in impetigo. We saw an increase in head lice until we started to have the appropriate regulations in place. Now to go to the extreme, what we're going to see when we're trying

to contain our health care costs are the cross-infections that can happen within an environment where indeed some individual's public health standards are not at a level that would be acceptable when you're looking after young children.

I find it, Mr. Speaker, rather ironic that when we were out speaking to Albertans about youth justice, one of the things that we were hearing from families, whether it be in rural or urban Alberta, was that there was a real concern that when young Albertans at a very early age needed intervention because of the lack of parenting skills, it wasn't there for them. Now, what indeed could happen under the scenario, the very case that's been before the House through social services and in the media? There doesn't appear to be anything that would prevent an individual with obviously some very different life-styles – totally unacceptable to have young children in that environment – from taking six children in and baby-sitting them. How are we going to protect these children? I think that we as a Legislature have the responsibility, whether it be through the minister of social services, to ensure that all Alberta children are in a safe and secure environment at all times.

I certainly respect, whether it's Breton, Alberta, or High Level, that we have different needs, but to suggest that you go into an environment that indeed may not be safe and risk those children is not the way to go. I think what this government needs to do is look at the regulations. The Conservative government over the past decade overregulated and created a problem where urban or rural families couldn't afford the very day care system that was supposed to be caring for their children. That's where the fundamental problem lies, Mr. Speaker. So I say that the principle behind Bill 53 – while they're arguing that it's for rural Alberta, I for one don't accept that you can have double standards. What's good for High Level, Breton, or Vulcan should be equally applicable in Edmonton, Calgary, or Camrose.

Thank you, Mr. Speaker.

8:40

MR. N. TAYLOR: I just wanted to say a short word. I'm afraid I have a kind of difficulty with the . . . [interjection] Not a four-letter word; just a short word, Mr. Speaker. I noticed the ears of Little Bow perking up there for a minute. He thought I was going to give a speech that he could understand.

I have a lot of trouble with it, Mr. Speaker. I'm not quite as convinced as some of the other members of my caucus that it's the end of the world, but on the other hand I'm not convinced that the government has worked hard enough to try to work out a compromise. People will mention nine children that we have in our family, Mr. Speaker, and that consequently six isn't much, but ours are all very healthy bodies. I don't know about their minds, but they're going along all right. So far none of them have come home with a Tory that they wanted to marry, so I don't think we've done that bad.

What bothers me here is that the government is basically saying that the market can control day care. What they seem to be saying, as far as I can see, is that if you live in the big city and you have lots of money, you can have one of these licensed affairs, sort of a Hilton of day cares, if you want to call it that, but if you're poor in the city, you just get by with whatever is there. Well, one of the things that bothers me with that argument is that illegal day cares have always been there. People that put six people in a basement have always been there, but at least we had the legal reason behind us. If something went wrong, we could do some prosecuting, but now you can't. In effect, you've licensed anything goes.

To say that people that are poor or in a marginal age of society, who will quite often be forced into these, can pick and choose is not right. They go out and buy the cheapest cut of food, and they'll buy the cheapest clothes to get by, and they'll go to where the cheapest day care is. If we can honestly say as governors and people that make the laws that we're not worried about these people out there, that in fact not licensing them will mean that nothing will happen to the kids, then I think in clear conscience you can vote for it. So that makes me want to be against it in principle.

I also realize, though, that in the rural areas particularly – and I represent some of those areas where a licensed day care does not exist; only something with Granny down the block or Aunt Sophie or something exists. Maybe they need them, and I see that. But, you know, we have leaped that hurdle – it's not beyond the capacity of this government or any government – in dispensing alcohol. We've been able to say: "Well, there's none out in certain areas. You can have this and that. You can be licensed to sell some liquor in the store or whatever it is." I don't see why with a little thinking – and maybe I can try to work up an amendment – that these types of areas would only exist where there was not access to licensed, inspected day cares and that even then, when they existed, they would be inspected.

Talking about looking after a maximum of six in a day care, we've had to look after a maximum of five in a caucus here for the last two months. Be that as it may, I don't think it's beyond the capacity of government to work out the licensing or an arrangement whereby in those areas where traditional day cares are not available, we could allow Granny or Aunt Sophie or whatever it is to set up.

The last argument I want to make – and this kind of bothers me a bit. In a way maybe it shouldn't, because I'd get more votes in the next election. That's one of the ways that governments get defeated. But you're getting sort of a repeat of the wine store sort of thing. You set out and you tell people that if they'll do this, do that, and do this, they'll get licences. Then you come along a year or two later and you say, "Well, the heck with that noise; now we're going out." I know the hon. member in charge of liquor stores seems to be now in charge of day cares. You get these day care people, they've gone out, they've licensed, they've trained, they've hired people. They're going along, then all of a sudden somebody comes along and says: "Aw shucks, you know, you don't need anything; you can do it in the basement. We'll make sure that you can only do two children under the age of two, but you don't need anything." Well, that seems to me a double cross for the people who have put the investment in on the idea that we had a certain level of care that we were hoping to do.

So I find, Mr. Speaker, that I have to vote for it on second reading with a certain amount of trepidation. I kind of like the idea that it can be used in areas where there are not regular facilities, but to open this door up, I think what you've done is destroyed the day care system for the middle and poorer ones. What you have allowed is the Lord Strathcona type, Little Lord Fauntleroy type of day cares that can pay big money and look after the children of the rich to exist, but everybody else has to devil take the hindmost under the bottom, and that bothers me no end.

I think you're ready to adjourn debate.

MR. SPEAKER: The hon. minister to conclude debate on second reading.

MR. CARDINAL: Yes, Mr. Speaker. I'd just briefly like to thank the speakers on the amendment of this Bill. I will carefully, of course, review the comments and the recommendations and

maybe have an opportunity to provide some answers and stuff and comments during committee.

At this time, Mr. Speaker, I move second reading of Bill 53.

MR. SPEAKER: The hon. Minister of Family and Social Services has moved second reading of Bill 53, Social Care Facilities Licensing Amendment Act, 1994. Those in favour of second reading, please say aye.

SOME HON. MEMBERS: Aye.

MR. SPEAKER: Opposed, please say no.

SOME HON. MEMBERS: No.

MR. SPEAKER: Carried. Call in the members.

[Several members rose calling for a division. The division bell was rung at 8:47 p.m.]

[Ten minutes having elapsed, the Assembly divided]

For the motion:

| | | |
|-------------|-----------|------------|
| Ady | Fritz | Paszkowski |
| Amery | Gordon | Pham |
| Brassard | Haley | Renner |
| Burgener | Havelock | Rostad |
| Cardinal | Herard | Severtson |
| Coutts | Hlady | Smith |
| Dalla-Longa | Jacques | Sohal |
| Day | Jonson | Tannas |
| Doerksen | Laing | Thurber |
| Dunford | McFarland | West |
| Forsyth | Mirosh | Woloshyn |
| Friedel | Oberg | Yankowsky |

Against the motion:

| | | |
|------------|----------|------------|
| Abdurahman | Germain | Percy |
| Beniuk | Hanson | Taylor, N. |
| Bracko | Kirkland | Zariwny |

| | | |
|---------|----------|-------------|
| Totals: | For – 36 | Against – 9 |
|---------|----------|-------------|

[Motion carried; Bill 53 read a second time]

9:00

Bill 57 Delegated Administration Act

MR. SPEAKER: The hon. Minister of Labour.

MR. DAY: Thank you, Mr. Speaker. The Delegated Administration Act, Bill 57, has already been referred to at some length in discussions on Bill 41, and my comments this afternoon on Bill 41 can somewhat parallel my Bill 57 reflections.

[Mr. Deputy Speaker in the Chair]

The principle, of course, of this Bill is to allow government departments, ministers who want to – it's not compelling; this is permissive legislation – to have a vehicle by which they can delegate some responsibility for administration of some part of that department's function to an organization other than a

department. There are some unique features of this particular Bill which mean that the public will be protected and better served at the same time.

Without referring to specific section and subsection, it's abundantly obvious when you look at the Bill that what we have here is the ability and possibility for a department, for a minister of the Crown to enter into an administrative agreement with an arm's-length entity which would then be able to perform certain functions clearly laid out for it to do. Due diligence has to be applied on the part of the government to make sure that there's an understanding of what the functions are going to be. The public has to be informed. The Bill allows for that. There has to actually be "at least one public meeting," duly advertised, "published in a newspaper circulating in the area . . . not less than 2 weeks . . . prior to the week containing the date for the public meeting." It also has to be published in the *Alberta Gazette*. As you know, when a particular department or minister would want to enact such an agreement, there has to be some widespread discussion because people being involved in that particular agreement would have to come from representing the particular industry which would be affected. There would have to be consumer representation, public representation. All associations affected would also be notified.

So this isn't something that anybody would even want to do. I know the opposition worries about secrets, secret highways and secret tunnels and everything else. There's nothing secret about this at all. As a matter of fact, it would be well advertised in many ways because we think this is a good piece of legislation that enables governments to do things that we're doing right now, but each time you do them, you have to set up separate statutes, separate legislation, and this provides a vehicle to move it in a generic way.

The terms of the agreement have to be made very clear. It can't be fuzzy wording at all. It has to be articulated very clearly so that people know and understand the administrative function that is being performed. To protect the public - again, there are many protective aspects to this particular Bill - from a particular arm's-length organization maybe moving in a direction that would not be in the public interest, there is a termination agreement here which can be administered on only two days' notice. So that would give the ultimate in protection should there be some kind of emergency situation that would require that particular administrative agreement to cease.

It's very clear that the administrative authority that's set up could not make, amend, or rescind any bylaw or any authority unless it had the approval of the minister. So you can't have a situation where an organization would all of a sudden be dreaming up certain designations that were never ever given to it.

The Bill is also very clear in terms of there having to be a clear explanation of what exactly the entity can do. It can't be vague at all; it has to be laid out very clearly. It goes on to say that there has to be a review process in place so that all actions taken at any time by that particular entity are reviewed by the minister.

Financial records must be maintained, which would appear to be obvious, but we don't want to be so obvious as not to state it. The financial records must be provided for the purpose of auditing also, and the minister may ask the Auditor General to conduct an investigation of the particular entity delivering the service.

The level of accountability in this particular Act is very high, Mr. Speaker, even to the point of fees or levies which may have to be administered to recoup costs for services delivered and to recoup costs for benefits that were received by the user. Even those have to be approved and annually reviewed by the minister.

The administrative authority also is compelled to publish annual reports to be available for audit inspection. As a matter of fact, there are very strong powers given to the minister to actually even enter the premises of any of these delegated authorities at any time to do inspections or to do any kind of investigation he may want to do if there are any concerns being raised. Also, if there were a concern about the ruling of any of these particular administrative authorities, there either has to be an appeal process in place or a review process by the minister.

There is nothing conspiratorial about this Act. It is a straightforward piece of legislation which allows an administrative authority to be set up to perform certain functions which government would delegate to it but with government having the final authority in all cases. It's a streamlining of government. It's improving delivery of services to clients and to the public. It is a very positive piece of public-serving legislation, and I look forward to support for this from all sides of the House.

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

DR. PERCY: Thank you, Mr. Speaker. With this Bill the government crosses the Rubicon. At first there was, I think, an effort on the part of the government to deal with the deficit in a responsible manner and to work within the confines of the Deficit Elimination Act. At this juncture what we see, Mr. Speaker, is a shift to an ideological agenda where privatization without regard to the functions of government, privatization without regard to the efficiencies associated with it have emerged. When the government said that they were getting out of the business of being in business, we didn't realize that they were also getting out of the business of government, which is effectively what this Bill does.

Now, many on that side will say, "Well, that's a good thing," but there is a legitimate role for government in our society, both in terms of monitoring and in terms of provision of services. There's a wide array of goods and services that can be produced more efficiently by government than by the private sector. There are those types of goods and services where there are spillovers or gains to society as a whole that any one single individual or firm doesn't capture. There is a legitimate role for government.

What does this Bill do, Mr. Speaker? This Bill is enabling legislation, and it basically allows anything to go, anything to be privatized. Now, the hon. Minister of Labour said: "Well, gee, trust us. We're reasonable people." Well, I recall that last year we brought forward legislation regarding the information and privatization Act. That legislation, that proposed private member's Bill was very simple. It said: demonstrate that there are real economic gains from the privatization of a particular good or service; if there are those gains, then proceed. That's all that that Bill basically asked. It asked for information. It asked for the potential revenues associated with that privatization. It asked for the potential costs associated with it. It was really an effort, then, to see whether or not there were net economic benefits associated with moving a particular economic enterprise from government to the private sector.

Well, that was voted down. It was: "Oh, gee, we don't want red tape; we don't want anything to stand in the way of this rush towards privatization." After all, the hon. Minister of Municipal Affairs said, we know without thought that the private sector can produce anything 20 percent to 30 percent cheaper than government can. I mean, he's on record. That's casual empiricism at its best, or its worst.

Now, what does this Bill do? I would hope, you know, that you've spent some time going through this Bill in detail. Well, one point to remember: over the last two weeks we've had episode after episode where the government has refused to accept ministerial responsibility. The Ethics Commissioner had to admonish the government and define what ministerial responsibility meant and what the duties of a minister were in terms of what defined significant contact. One would have thought that ministerial responsibility, the hallmark of a parliamentary system, would have been part and parcel of participation in cabinet, but that's obviously not the case. And this point is relevant, Mr. Speaker, because ministerial responsibility and accountability is the hallmark of parliamentary democracy.

9:10

If you read this legislation, what does it say? Well, in section 2(1):

The Minister may enter into a contract with a corporation under which the responsibilities of the Minister . . . under an enactment are exercised by the corporation instead of by the Minister or the public official.

Basically this Bill, in terms of enabling, allows, then, the minister to delegate significant responsibility. At the same time if you look through this Bill and ask, "Well, what about mechanisms of accountability?" if you go to section 6(4):

No action or proceeding lies or may be instituted or continued against the Crown in right of Alberta, a member of the Executive Council or a public official based on any claims for compensation or payment for loss or damage in contract, property, tort, equity or otherwise as a result of the termination of an administrative agreement under this section.

There just are not checks and balances in this. It seems to be, in part, that the government can off-load responsibility.

It's not clear from what we've seen in the past two weeks that a minister will accept responsibility for undertakings by these entities that are set up under the Delegated Administration Act. I mean, a minister has to accept responsibility for anything undertaken by officials or entities under his control. If a minister then delegates through this enabling legislation, does that minister carry the can? Well, the way this legislation is set up, the minister can terminate the entity, but does he accept responsibility for any of the wrongdoings or inappropriate behaviour or shoddy performance of such an entity? It's not at all clear that the minister does, and one would like a very clear statement in the Bill that ultimately a minister is responsible for any contract that he or she enters into. I mean, that's what parliament is all about; that's what a Legislature's all about. So if the Delegated Administration Act basically means that you can delegate responsibility and off-load any responsibility for what goes wrong in the provision of that service, it is not consistent with what we consider to be parliamentary democracy.

If you work through section by section – and again, I'm talking to the principle, because I find most principles embodied in this Bill not to be consistent with the role of the Legislature in terms of ensuring accountability on the part of government and ministers. If, for example, you look at the delegation of powers, Bill 57 allows the minister through specific or general regulation to enter into a contract or administrative agreement with a corporation to provide any program and service formerly delivered by the government. This can occur, under section 4, with only "one public meeting."

Now, on one hand, the government says, "Well, you know, if you have legislative requirements, that slows us down. We have to be able to respond and act very quickly." Well, democracy

sometimes is time-consuming, but it does allow time for sober second thought, which sometimes would be very useful for this government. The bottom line is that if we'd had sober second thought – for example, if NovAtel, which was done through the backroom doors, had been debated in the Legislature or a number of loan guarantees had been debated here, there would have been significantly less debt and certainly less stringent cutbacks than are presently occurring.

The Legislature, whether it's loan guarantees or it's the provision of services or it's enacting legislative change, allows for public debate. It allows for vested interest groups to participate. Now, some ministers don't like vested interest groups because they get in the way of what they view as being philosophically the right thing to do, but one person's vested interest group is another person's stakeholder representing legitimate interests, and it's in the eye of the beholder whether they're an impediment or an agent of change. What this Bill does, in a sense, is circumvent entirely the ability of these types of groups to make their arguments in the Legislature through their elected officials. So certainly in terms of the delegation of powers I think to allow this to occur on the basis of one meeting doesn't make much sense.

You then look at other provisions, whether the minister is "satisfied." Again, if you look in section 3, a minister must be satisfied that the administrative authority is able to deliver its delegated responsibilities in an efficient and effective manner with due regard for the interests of the general public before entering into an administrative agreement. But again minister after minister there has said: we don't have to study this; we know a priori that the private sector can do it more cheaply. Just bring out the numbers and demonstrate that that's true, because I think there are some instances where in fact government can provide it more cheaply than the private sector.

There are no mechanisms, there are no provisions in this Bill for demonstrating that there is a savings by moving a particular service to the private sector. It's basically philosophical in nature. It's an ideological agenda, and you either agree or disagree with the philosophy of the ideological agenda. I myself would like to make sure that it makes economic sense as well as being consistent with a philosophical argument, and the Bill doesn't allow for any such. There are no mechanisms in here to assess the relative costs and benefits of providing a service within government as opposed to providing it through the private sector.

DR. WEST: You can't legislate common sense.

DR. PERCY: You've proved that.

Now, Mr. Speaker, there are also issues with regards to subdelegation. Bill 57, section 9, allows the corporation or administrative authority to "subdelegate all or any of the responsibilities given to it" under the administrative agreement to other persons employed by the authority. So here we now have sort of a cascading of delegation, and again the ultimate issue is who's responsible. You would expect that a minister is responsible, but the way this Bill is set up, there are any number of steps along the way by which the minister can point his or her finger and say: "Well, they screwed up. We'll terminate that contract, and we'll try something new." That ought not to be the way a parliamentary democracy operates. The buck ought to stop with the minister in question who has entered into the agreement, who is responsible ultimately by any Act or regulation for ensuring that those services are delivered either through government or through these entities, and the Bill does not make that very clear.

Another aspect of this Bill is with regards to the fees and revenues that might be generated by the particular entity set up under Bill 57. These fees and taxes – and they're effectively taxes – are in fact exempt from the provisions of the Financial Administration Act. Again what we have in this Bill, very similar to some other elements that are occurring, is earmarking of funds. Fewer and fewer funds are now going into general revenues to be allocated by the Provincial Treasurer on the basis of where the greatest bang for the buck is within government. We have all the gasoline tax revenues going to the minister of transportation. I mean, there are only so many roads that can be built in that constituency, Mr. Speaker, and we're rapidly reaching a saturation point. All the health care premiums go to the Minister of Health. So we have earmarking there. This Bill continues the tradition of earmarking any of the revenues that are generated by these private entities, and what these private entities may call cost recovery may be seen by the public at large as extortion by a monopolist.

If one wanted historical precedent by which to judge this Bill, it might be prerevolution France, where the Crown would set up monopolies, farm out the monopolies to various entities, and then allow them to charge what the market would bear. It was a very fine way, Mr. Speaker, of ensuring the continued power of the monarchy, until in fact the revolution did occur. It caused great discontent, and basically what you did was set up fiefdoms, where market power and economic power were exercised by the few at the expense of the many. I don't see in this Bill how you could prevent that, because you're effectively setting up various types of monopolies with this Bill.

[Mr. Herard in the Chair]

Now, the hon. members can argue that the government has a monopoly as well, but on the other hand, the government in providing these services is accountable in debate in the Legislature whereas these delegated authorities are not. Given the absence of ministers in this Legislature being willing to leap up and say, "Yes, somebody in my department screwed up; I'm responsible," how do we know, then, that there is going to be ministerial responsibility? If a minister screws up, who's going to fire the minister? All we've seen is that the chief minister has farmed out to the Ethics Commissioner here, to the Justice ministry in Saskatchewan. Nobody is willing to say, "Yes, there was a mistake made, and there's a penalty or a price to be paid."

9:20

You can go through this Bill and find other provisions that are interesting, to say the least. The subdelegation I've already mentioned. That's in section 9(2). If you look at section 13(1), that sets out that these public moneys are not subject to the Financial Administration Act. If you go through the Bill, you'll find that it continues, and in fact it's the archetype of government by regulation as opposed to legislation. I guess at some point you have to address the philosophical issue: what is the role of the Legislature? If all of the actions of government are going to be undertaken by order in council and by Executive Council, private members on that side of the House and opposition members on this side of the House will not have any legislative authority. It will all be done through order in council, and there will be no mechanisms of accountability in this Legislature.

There are relatively few things with regards to privatization that cannot be debated in the Legislature, that ought not to be debated in the Legislature. If in fact debate in the Legislature means that privatization of an entity takes an additional month, that's far less

costly than setting up an entity pell-mell, without economic scrutiny, that may impose very significant costs on Albertans in terms of the delivery of services. So what is required when you look at this Bill are mechanisms of direct accountability. Surely in a democracy the single best form of accountability is to go out and cast your lot before voters and say: "This is what I stood for. This is what I voted for. This is what I voted against." What we see happening here now, Mr. Speaker, is that decision after decision is being made by unelected officials.

One hon. member on that side of the House referred to the Three Stooges. Now, there was considerable debate as to who the Three Stooges were, and in fact there are a number of lotteries going on as to who will have in fact the three. But that hon. member made a valid point. MLAs are elected to conduct government business. Art Smith wasn't elected. Peter Elzinga chose not to stand again. Rod Love was certainly not elected. You can go down the list of potential stooges. It could be Hugh Dunne.

Point of Order

Reflections on Nonmembers

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

MR. ACTING SPEAKER: The Government House Leader has a point of order.

MR. DAY: Standing Orders and *Beauchesne* are very clear on the item of naming people in the Assembly. I wonder if the member opposite could not just withdraw those remarks but in fact get to the Bill.

MR. ACTING SPEAKER: Could you for the benefit of the Chair give me that citation?

MR. DAY: Yes, sir. It's right here, sir. Right here.

DR. PERCY: Yes, Mr. Speaker. I don't believe the hon. Minister of Labour. I did not name any sitting MLAs in this House. I named individuals who were not elected, and I would very much appreciate, then, the hon. member citing *Beauchesne* or citing the standing order.

Debate Continued

DR. PERCY: However, as I was saying, Mr. Speaker, the issue is unelected officials who in fact govern without accountability or responsibility. What this Bill does is carry this to the limit. It will allow these fiefdoms to be set up. These fiefdoms will be able to impose taxes. They'll call it a user fee. People who are paying it will call it a tax, but the government will say, "Oh, we didn't impose any new tax." Will there be any market mechanism out there to assess whether or not the tax that's being levied really covers costs or exceeds the costs of providing that service? No.

When you go through this Bill, this Bill I think really embodies the philosophical bent of this government, which is to privatize, which is to lift function after function from government without due regard of whether or not the government can provide that more cheaply and more efficiently. At some point, Mr. Speaker, the government has a responsibility to say, "This is the line in which we think government provides a service more efficiently on a cost-effective basis. This is the line where we think, in fact, the private sector can do it cheaply. These are the criteria that we think are important." Right now there are absolutely no criteria

by which to assess who can deliver that function more efficiently, and the presumption of this Bill is that virtually everything can be delivered more efficiently by the private sector. Well, I don't think that's correct, and I would ask the hon. ministers to prove . . .

AN HON. MEMBER: It didn't say that.

DR. PERCY: One of the hon. members over there says that it doesn't say that. On the other hand, they can do this and set up any type of entity by regulation without debate in the House. That's the problem with this Bill. There is no mechanism to assess the costs and benefits.

They're still hunting, Mr. Speaker. I can see there are a number of people searching through *Beauchesne* for that exact reference.

Point of Order Reflections on Nonmembers

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

MR. ACTING SPEAKER: The Government House Leader has a point of order.

MR. DAY: Citing *Beauchesne* 493 under protected persons:
The Speaker has cautioned Members to exercise great care in making statements about persons who are outside the House and unable to reply.

Not only would I suggest that it is against *Beauchesne*; it is somewhat lacking in courage for a member in here to address an accusation to someone who is not here and not able to reply.

MR. BRACKO: Your own Deputy Premier called them the Three Stooges.

MR. DAY: I'm not talking to you. Put a sock in it; okay?

MR. ACTING SPEAKER: Hon. members, while it's not necessarily unparliamentary, it should be treated with great care.

DR. PERCY: Mr. Speaker, when you read *Beauchesne* 493, it says: "commonly referred to 'those of high official station'." Well, the people I've referred to I don't believe are of high official station. I believe that they're citizens.

MR. DAY: Read section (4).

DR. PERCY: I'm reading section (3), Mr. Speaker. It refers to those of a high station. So let's go through 493 in some detail. I think we reject the assertion that they're of high station and in fact that they are indeed citizens and not MLAs.

We come now to (4), "to exercise great care in making statements . . . who are outside the House and unable to reply." Well, I think that also holds true, Mr. Speaker, to people who are outside the House who exercise authority but are not accountable, and that's the essence of this Act, that there will be individuals who in fact will be running these entities who are not accountable in this House. So I think there's a symmetry here.

I'll leave it up to you to rule, but the argument I would make is that the statements I have made are certainly consistent with concerns about Bill 57 and accountability.

MR. ACTING SPEAKER: Thank you, hon. member. I think I perhaps made the ruling before I heard your argument. I believe

that it's not necessarily unparliamentary, but it should be used with great care when you're naming people who are not present and unable to respond. So I think if you take that advice and temper your comments accordingly, then that should be fine. Thank you.

DR. PERCY: Thank you, Mr. Speaker, and I accept your wise ruling on that.

Debate Continued

DR. PERCY: To refer, then, to the principles of this Bill and why I will vote against this Bill in principle. First, I do not think this Bill is consistent with parliamentary accountability and ministerial responsibility. Second, I think the Bill is enabling legislation that allows through order in council any form of privatization to occur without due regard to the costs and benefits. Third, I think this Bill, again referring to the principle, continues the move that this government has made to earmarking funds to specific entities or specific departments, and at some point income that accrues to government is general revenue and has to be allocated across the various demands of government on the basis of need, not where it's generated. If you carry this to its limit, you can have a high enough gasoline tax, Mr. Speaker, that there will be more money than the hon. minister of transportation could ever use, but he would still have it.

With those comments, Mr. Speaker, I will conclude.

9:30

MR. ACTING SPEAKER: The hon. Member for Redwater.

MR. N. TAYLOR: Thank you, Mr. Speaker. If I may continue along the same line, this indeed is a very interesting Bill, because after – how long is it since this government was re-elected?

AN HON. MEMBER: In '71, Nick.

MR. N. TAYLOR: No, no, not '71. I'm talking about the last election.

MRS. ABDURAHMAN: Eighteen months.

MR. N. TAYLOR: Eighteen months or so. [interjections]

MR. ACTING SPEAKER: Order please.

MR. N. TAYLOR: Yes, it's been elected for 18 months, which is probably one of the longest gestation periods for such a monster that I know of. But really what's coming out now, if there's a key to the whole philosophy of what this government is trying to do and, I guess you would say, if there is an outward expression of what the Three Stooges are up to, this would be it, and that is take away . . .

MR. SMITH: Who do you think they are, Nick?

MR. N. TAYLOR: The hon. member says who do I think they are. Well, they're certainly not in this House; that's for sure. Mr. Speaker, that will be a subject for another debate some other time. If the Speaker ever opens up the floor on who they are, I guess we could go after it.

Right now what we have is this government doing its best to carry across to the public that the free market can do anything, that it can go out and govern the province, forgetting the fact that governing is what we were elected for. If indeed the free market

and business could run things, that would have transpired many years ago. A Jay Gould or Vanderbilt idea would have taken over, and indeed we would have a society with no necessary form of government really, except maybe a Lieutenant Governor to proclaim laws now and again.

So our hon. friends are elected. They're elected to make decisions, but what this is is a wholesale transfer of authorities from the Legislature and the cabinet to other organizations. The worst part about it is that when you look at these so-called other organizations, you can't help but realize the government must have been trying to set up a system whereby, Mr. Speaker, they would insulate themselves from the doctrine of ministerial responsibility. Now, we have seen already ministerial responsibility take a pretty bad beating with this government. In fact, they thought so little of ministerial responsibility that they could make patronage appointments without waiting for the six-month cooling off period because they felt that cabinet ministers had that little to say, unlike the hon. member from Vermilion, who always has lots to say, and it varies in an inverse proportion to what he knows about the subject. Nevertheless, they did have a chance to – lucky he's not a mathematician. He would have figured that one out and threatened me to a duel outside.

Mr. Speaker, there's no question that what we're attacking here is the whole idea of cabinet responsibility and that they hope that by transferring it to outside organizations – and I don't think the caucus has really had a look at it. I think they've been so trained now to do whatever the cabinet tells them to do that comes out, and then they will follow with it.

We can look at a couple of areas. For instance, there's no open competition, Mr. Speaker, for the appointment of the members to the board of directors of these administrative bodies. There'll be no competition at all. The only competition you might hear is the minister of agriculture and his sidekick from Vermilion arguing back and forth in the front row, trying to interfere with the rapt attention the minister of social services is trying to pay to this debate. They must be bothering him no end. The minister of social services might suggest that those two be put in one of those baby-sitting services that are unlicensed, with a maximum of six, and see what could be accomplished.

Nevertheless, Mr. Speaker, as we go on from that and look at what could be accomplished, why would they say that there was no open competition for the appointment of members to the board of directors of these administrative tribunals? It's very intriguing indeed. In other words, everything from relatives to insiders to the right party faithful of the government of the day could be appointed to these facilities with no real comeback on the government appointment service on how the civil service goes about selecting their people. I think also that the traditional separation that always lies between the elected politician and the professional bureaucracy is a very fragile thing and varies all the way from where the bureaucracy is practically the boss in France to the British system where definitely the elected person is the boss. Nevertheless, a very fragile system exists where the bureaucracy is free, as much as possible, from political influence from the politicians, yet they have a check and balance on each other. This will be completely destroyed because the politicians will be appointing the top bureaucracy, their bureaucrats.

Obviously, Mr. Speaker, the concept of one group of people being elected to govern, with another group of people to carry out the orders is going to be interfered with if the elected people can't appoint the bureaucracy without any open competition. If we've learned anything in our free, democratic society over the last 50

to 100 years, it's how important the separation is between bureaucracy and elected officials. Here they seem to be doing away with it. There's a coalescing of the two that really in some respect sets us back a hundred years, to where "I am, therefore I am," as you remember, the old philosophy that there is no one else, or I guess as de Gaulle would say: *après moi, le flood*. So there's no doubt that this government seems to be trying to . . . [interjections] Obviously, the Member for Red Deer-North wants to try to outshout the Member for Wainwright.

MR. DAY: No, no. He said, "I think, therefore I am," not "I am, therefore I am."

MR. N. TAYLOR: Yeah; okay. The hon. member is correcting me, and when it comes to the New Testament, he might be able to at times.

MR. DAY: That's not New Testament. That's not New Testament either.

MR. N. TAYLOR: Anyhow, he knows what I am talking about because he alerted up, his hair stood on end, and his poppy started to pulsate. So he understands what I'm getting at, that we're trying to separate – this government is trying to make as one the bureaucracy and the governing people.

Now, the other thing that comes about through this. If the government becomes one with the bureaucracy and if we were going to continue the idea of ministerial responsibility, then it would mean that we in the House should always be able to question a minister and get any administrative or other type of detail that is going on in the civil service. But, ah, our gentleman from Red Deer-North is too smart for us there, Mr. Speaker. He has put in a regulation that's called section 4(3), where he or she, the minister, can filter the information. They're not responsible for relaying from the bureaucracy to the minister and back. Now, that is not wrong in itself in the system we use in this day and age, where you've got the bureaucracy over here and the minister over here. As a matter of fact, the minister for social services well knows. He's in a bit of hot water now for releasing some of the information that the bureaucracy had, and he is being held responsible for it.

Well, under this system, if he had a system – just for imagination for a minute – if the hon. Member for Red Deer-North's Bill passes, he would have had a private group administering this area over here, and of course he would be able to say what he wished to say and what he did not wish to say. Well, he has that power now. But the point is this, that what he has not done – he as a governing body is still responsible to this House for everything that bureaucracy does. He has that delicate balance between the two, but if this Bill goes through, the balance is gone. What we have then is the minister saying, "Well, I can't give you the information; that's a private organization we've contracted to look after social services," or to look after agriculture or to look after trade. Section 4(3) very clearly says that the minister can filter the information. So much for the freedom of information Act. The freedom of information Act goes down the drain, then, because the minister can point and say: "Well, I can't say what's going on in the private sector, Mr. Speaker. I mean, that would be giving away some of the trade secrets of this organization." How would we know?

9:40

He can't get up now, though, and say, "I'm not going to give away anything that's going on in the bureaucracy," because it'd be trade secrets. The only argument for secrecy today – and it should be the only argument in any free, democratic society – is that it hurts the rights of an individual. The rights of corporations be damned, but the rights of individuals are important. The rights of clubs or select groups be damned in a democracy. The right of the individual is the important thing, yet this government would pass something that completely ignores that.

We go on to another step, Mr. Speaker. Not only these regulations under 4(3), where a minister can filter the information and where, as I mentioned earlier, he or she can appoint the members of the board of directors, but we go on to section 5(1)(a), which says that the minister has the authority to appoint whom they wish to these administrative bodies. Well, by any other name, that is called patronage, plain old patronage.

Now, there are probably proper areas of patronage. I think one can argue that the government of the day has a right to name their judges, name their Lieutenant Governors and so on like that because those are hardly the jobs you put up for open competition or popularity. The U.S. has experimented with electing judges, and in fact it's often said that the only difference between our two countries is that down there they have to win an election and up here they have to lose two.

Nevertheless, Mr. Speaker, there are places that patronage can be used but not in picking the administration of the bureaucracy. This is what appears here: we get a bureaucracy that's picked by government. Now, this may be all right for the ladies and gentlemen opposite, for the members on the opposite side, because a lot of them when they came into the world – at least, when they came into the political world – and, like kittens, had their eyes open, there was a Tory government. They think God in his heaven – maybe I'll go back again and quote Browning in *Pippa Passes*: "God's in his heaven – All's right with the world." PCs are in Edmonton; all's right with the world. They've been raised that way. [some applause]

See, they even clap. You hear their flippers going because they know that it was such a wonderful piece of philosophical data. But God forbid, Mr. Speaker; one of these days a non-PC – a Liberal or, may heaven stop us, an NDP – government might be elected with this type of machinery set in place. Mussolini would've loved it; he wouldn't have had to go through everything he had to because it would have already been set in place when he won power and got into government. We would have a system of government in here that they would inherit, or that their opposition would come in to get, that would utilize this idea of corporations and patronage appointments, things that took 100 and 200 years to get out of.

I remember my grandfather telling me that – and I shouldn't go to confession in front of this group. I hope they'll keep it a secret, and I know this time of night the press is asleep or out enjoying themselves so they won't be able to hear it, but I had a great grandfather that was a Conservative.

AN HON. MEMBER: Oh.

MR. N. TAYLOR: I know. I know. It does happen. Whenever the Conservatives were in power back in dear old New Brunswick, he was the game warden, but sometimes the Liberals won.

Point of Order Relevance

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

MR. ACTING SPEAKER: The hon. Government House Leader has a point of order. Citation, please.

MR. DAY: Citation? Yes. Standing Order 23(i), where it talks about relevance. It's late in the evening, Mr. Speaker. We would like to focus on the actual Bill, but we're seeing a clear demonstration of what I talked about earlier, and that is that the members opposite haven't even read the Bill. Many of them have not, yet they try to address it with rambling stories. Can we please get to the topic? It's late in the evening. We'd like to make some progress.

MR. N. TAYLOR: Mr. Speaker, 23(i) he's just pulled out. Always a knee-jerk reaction. If the water in the cooler is too warm or if there's not juice in the refrigerator, the House leader always gets up and says 23(i). The fact of the matter is that this is very relevant. If I've been moving at such lightning speed in my reasoning that he lost me, it is not my fault. I think I'm quite relevant. I will try to slow down so that he follows this stage by stage.

MRS. ABDURAHMAN: Standing Order 23(i) is imputing motives; it's not relevance.

MR. N. TAYLOR: As a matter of fact, 23(i) in Standing Orders says imputing motives. So I thought this would be a dialogue of the deaf indeed if I was quoting from one book and he's quoting from the other. Back on the thing, Mr. Speaker, I was quite clearly talking about patronage appointments, and I wanted to point out . . .

MR. ACTING SPEAKER: Are you speaking to the point of order?

MR. N. TAYLOR: I finished speaking on that. There was so little. He made the wrong quote, so it's not relevant.

MR. ACTING SPEAKER: The hon. Member for Stony Plain on the point of order.

MR. WOLOSHYN: Thank you, Mr. Speaker. I've really enjoyed listening to this debate. I haven't seen it even come close to Bill 57. In order to give the members opposite the opportunity to read the legislation so we can proceed with meaningful debate, I move that we adjourn debate on this Bill, Mr. Speaker.

MR. ACTING SPEAKER: The hon. Member for Stony Plain may not have been aware that we were on a point of order and I had not rendered my decision yet.

MR. N. TAYLOR: I told you, Mr. Speaker, what happens when you move with lightning speed in your thinking process here. Not only did I have the Member for Red Deer-North off on 23(i), which is imputing motives, but I had the Whip – had I known that he wanted to move adjournment . . .

MR. DAY: He said he was done. He's got to sit down.

MR. N. TAYLOR: No, no. No, no. Mr. Speaker asked for time to rule over a point of order. That's what he asked for, so I sat down. [interjection] Okay, he's going to rule on the point of order.

MR. ACTING SPEAKER: Well, in terms of relevance, I think I was having some difficulty relating your grandfather and what we're talking about here with respect to the Bill, but on the point of order I believe the rules would indicate that you can finish your debate if you wish.

MR. N. TAYLOR: Thank you, Mr. Speaker. It's nice to know that there's somebody that stands up here for freedom of speech.

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

MR. DAY: Point of order.

MR. ACTING SPEAKER: The hon. Government House Leader has a point of order.

MR. DAY: Mr. Speaker, not challenging at all, just asking for an explanation of your ruling. The member opposite said and indicated very clearly that he was done. The question of the point of order was raised. He shook his head, and he said, no, I'm all done, at which point this member stood up. Once the member opposite heard an adjournment motion, then he got up again to try and get back in. I would suggest that that is too late, Mr. Speaker, but of course we will submit ourselves to your ruling.

MR. ACTING SPEAKER: Thank you, Government House Leader. With respect to the point of order, my question to the hon. member was: are you speaking to the point of order? He said: I have finished that. I wasn't aware that he had finished that, at which point I had to rule on the relevance of the point of order. So I think, then, that the actions of the hon. Member for Stony Plain were in themselves out of order because I had not dealt with it. Therefore, the hon. member can finish his debate.

9:50

MR. N. TAYLOR: Thank you, Mr. Speaker. Having listened to your reasoning and the eloquence with which you put it forward, I indeed feel like the old prospector that found a diamond in the rough over there, because one didn't expect to find such clarity of opinion so clearly expressed coming from the backbenches over there. So, indeed, I feel very, very pleased that people of your quality are in the House.

Debate Continued

MR. N. TAYLOR: Mr. Speaker, in finishing, why I went to confession and mentioned that I had a grandfather, a Conservative, was the fact that when the Conservatives - this is a hundred years ago - were in power, he was always the game warden. When Liberals won the election, he was always the biggest poacher in northern New Brunswick. Of course, this was the old patronage system that we tried to get out of. Now we're going right back into it. This government may think they're inventing something, but they're not. What they're doing is turning back the clock to where there was no difference between the governing body and everybody they appointed, and when you changed governments, everything else changed. This is one of the reasons that I think they're willing to buy this, Mr. Speaker. What I was

trying to get across is that somehow or another they think the Conservative Party will go on and on forever.

[Mr. Deputy Speaker in the Chair]

Now, I notice my time is running short. There's 1 minute and 42 seconds left, and not being one to eat every last morsel on the plate . . . [interjection] Oh, have I got 3 minutes? Okay. Not being one to eat every last morsel on the plate, I will quit when there are still 3 minutes to go in my speaking time.

Thank you very much, Mr. Speaker.

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

MR. WOLOSHYN: Mr. Speaker, thank you very much. As I indicated earlier, in view of the lack of meaningful debate from the other side, I move that we adjourn debate on Bill 57.

MR. DEPUTY SPEAKER: The hon. Member for Stony Plain has moved that we adjourn debate on Bill 57. 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.
Call in the members.

[Several members rose calling for a division. The division bell was rung at 9:56 p.m.]

[Ten minutes having elapsed, the Assembly divided]

For the motion:

| | | |
|-------------|------------|------------|
| Ady | Friedel | Percy |
| Amery | Fritz | Pham |
| Beniuk | Gordon | Renner |
| Bracko | Hanson | Rostad |
| Brassard | Havelock | Severtson |
| Bruseker | Herard | Smith |
| Burgener | Hlady | Sohal |
| Cardinal | Jacques | Stelmach |
| Coutts | Jonson | Taylor, N. |
| Dalla-Longa | Laing | Thurber |
| Day | McFarland | Woloshyn |
| Doerksen | Mirosh | Yankowsky |
| Dunford | Oberg | Zariwny |
| Forsyth | Paszkowski | |

Against the motion:

| | | |
|------------|----------|------|
| Abdurahman | Kirkland | West |
|------------|----------|------|

| | | |
|---------|----------|-------------|
| Totals: | For - 41 | Against - 3 |
|---------|----------|-------------|

[Motion carried]

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

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

[Mr. Tannas in the Chair]

MR. CHAIRMAN: Order. Hon. members will recall some of the rules for committee stage: no more than one person standing and talking at the same time; a reasonable amount of informality is permitted; noise is discouraged. Those members wishing to carry on lively debate amongst themselves are invited to clear with the Whip and go to one of the lounges.

Bill 42
Banff Centre Amendment Act, 1994

MR. CHAIRMAN: We have tonight for our first order of business in committee Bill 42, Banff Centre Amendment Act, 1994. Are there any comments, questions, or amendments to be offered with respect to this Bill?

The hon. Member for Calgary-Currie.

MRS. BURGNER: Thank you, Mr. Chairman. I'd just like to make a few opening comments in committee and provide some background information that was requested when we were in the second reading process, and then we'll let my colleagues continue their discussions.

In section 4 some questions were raised with respect to the Auditor General. This section, which requires the Auditor General to be the auditor of the centre, will be repealed, and it will therefore be necessary for the Banff Centre board to appoint a new auditor in order to comply with the existing requirement for it to submit audited financial reports to the minister annually. The Auditor General is the auditor of provincial agencies, and as the centre will no longer be a provincial agency, the Auditor General will no longer be required to audit it. But as you can see, with the reporting process through to the minister, the centre will provide their own auditor, and that function will continue.

There were also some concerns about the powers of the board. In section 5 a housekeeping change was made to strike out the reference to section 17, which deals with the minister's power to approve programs. That is being struck out.

There were some discussions with respect to consultation, and I think that had more to do with process than content of the Bill. But I feel that it's important to keep my colleagues informed of the overall process. Without going in too lengthy a detail, as I've mentioned earlier, the strategy to deal with this proposed legislation has been developed in a co-operative fashion with the centre. A great deal of consideration was taken into account as to how the new role of the staff would be affected, and consequently the staff were included in various discussions. As recently as October 25 Graeme McDonald did meet with the staff to discuss specific amendments to the legislation. So you may rest assured that this Bill, therefore, is the product of a thorough review of the Banff Centre board and its officials and as to what is best for the centre as a whole. The interests of the staff were not overlooked.

As you can see, there is an inclusion of a transitional provision between the existing authorities and the Labour Relations Code. This will require that the Labour Relations Board can recognize the existing bargaining agent of the nonacademic staff. This transitional provision was included because the bargaining agent for the nonacademic staff was recently certified, and the centre appreciated that the nonacademic staff wanted to continue to represent them.

10:10

Another question that was raised for clarification was the issue of only five of the nine governors needing to be Canadian. Well, the centre has a total of 16 governors including the president, and the Bill allows that the governors themselves appoint nine of the total number of governors and allows four of these to be non-Canadian. In other words, a maximum of four of the governors can be non-Canadian. The board's intention here is to appoint individuals who are representative of the centre's participants and financial supporters. This will better enable the board to understand the needs of its clients and will enhance its fund-raising potential.

I mention that again in a more clarified form. I think it's a fair comment to make with respect to the integrity of the board, as the Banff Centre is a very well-regarded Canadian institution. I think there's a safeguard there just based on the numerics that will identify that the inclusion of non-Canadians on the board will continue to enhance that profile. A majority of them will not be able to be appointed, and that would safeguard the integrity of the centre.

I look forward to some other questions and issues that may be raised in the Committee of the Whole.

Thank you, Mr. Chairman.

MR. CHAIRMAN: Any comments?

The hon. Member for Edmonton-Whitemud.

DR. PERCY: Thank you, Mr. Chairman. I would move an amendment that is, I think, currently being distributed.

MR. CHAIRMAN: Yes. The Chair would indicate that we have received appropriately signed copies of this amendment. I presume it's the one from the hon. Member for Edmonton-Ellerslie that you're moving.

DR. PERCY: Spruce Grove-Sturgeon-St. Albert.

MR. CHAIRMAN: Okay. I stand corrected. You're right.

DR. PERCY: The motion is: "Moved that Section 3(d) of Bill 42 be amended by striking out the number `5' and substituting the number `7.'" I'll wait till I'm sure that it's distributed.

The rationale for this amendment relates to the issue of really who ought to be on the board in terms of citizens versus noncitizens. To the extent that you view, for example, the national parks as being something that is collectively owned by all Canadians, I think the high level of foreign ownership in those parks causes some Canadians concerns. Beyond that type of issue, when you have an investment and an entity such as the Banff Centre, this is something that is owned really by all Albertans. It's a remarkable success story, and one would like and hope that its focus, although international, is outward looking. One would hope, though, to the extent that historically there's a significant investment by the government of Alberta, a significant investment by many Albertans in this entity, that really the board should be overwhelmingly Canadian citizens. What the amendment proposed by my colleague does is really ensure a much larger Canadian content on the board.

Now, some might argue what is the cost of an extra two non-Canadian citizens? Well, it's really the orientation, because ultimately we are dealing here with an entity that is and has been Albertan. It's been invested in by Albertans. One wants the

focus to be uniquely Canadian. As we are dismantling a wide array of national institutions, as we are dismantling CKUA and Access in this province, one would hope that some of these institutes that we have such as the Banff Centre, which have really carved themselves out a niche, would retain their unique flavour and their particular focus. We think to the extent, then, that you increasingly dilute the board and shift its orientation from being primarily Canadian in nature to, you know, basically those that don't have a vested interest in the success of the board or an effort to reflect those types of values that have been important in the generations of success of this centre, that this should be dealt with by ensuring that it is seven members rather than five.

With those comments on this amendment, I would close and hope that my colleagues would stand.

Point of Order

Clarification

MR. CHAIRMAN: The hon. Member for Calgary-Mountain View is rising on a point of order.

MR. HLADY: A point of clarification. I was just wondering: is it all right to do an amendment when the person who is doing the amendment is not in the House?

MR. CHAIRMAN: The hon. member can move a properly signed amendment in the name of a colleague.

Debate Continued

MR. ZARIWNY: Before I speak to the amendment, Mr. Chairman, I would like to say that I have good memories of the Banff Centre. It's a place where I attended not only as a student but as an instructor. The school attracts people from all over Canada. I was in the Northwest Territories when I attended on both occasions. As well, it is known worldwide. This centre has had a tremendous economic impact on the province of Alberta. It has been the focal point of many different learning experiences. Businesses use it, governments use it, and the general public uses it. So although I have some good thoughts about Bill 42, I believe the Bill is going in the wrong direction. I believe it is attempting to privatize the school, and if that's the case, I would very much support the amendment put forward by my colleague.

When government privatizes public structures, there are normally two rules and one maxim of privatization that are followed. Government needs to be systematic and logical in its decision. That's rule one. Rule two is: this process applies to decisions as well as privatization. The maxim is that government does not know in this case that privatization will affect cherished values and norms of individuals and groups.

So, Mr. Speaker, before we can improve on the decision-making of this government in matters such as the privatization of the Banff Centre, we need to know what kind of decision-making process this government follows. I believe the biggest problem is the consultation that did not occur before the decision-making. It seems to me that the government has followed an elitist preference model where the Banff Centre was put out to tender. It doesn't reflect the values of the preferences or the values of those who are involved. It appears that government never tried even holding at bay a few interest groups or leaders or one or two ministers who essentially call the shots, as the Member for Vermilion-Lloydminster is agreeing, nodding his head up and down.

Also the government tended to weigh the Bill and the decision to privatize the centre without listening to a larger group of

people, relying primarily on one or two individuals. Bill 42 would allow a small elite of officials and political leaders to exercise an enormous effect on the privatization policy, more than any single ordinary citizen of Alberta.

Rationalization seems never to have been a model that this government followed. The reason why this is the case is that it's too scientific, too logical, too time-consuming for the government to analyze the relevant factors. In fact, when we look at the centre, it seems that a rational, normal approach to decision-making about the centre would have meant not minimizing debate over its objectives, not cutting off consultation with the staff, not minimizing the risks and the benefits, because the process would have been, I believe, too intellectually challenging to the government.

To be rational in this case meant that it was impossible to make decisions in this regard. In fact, it seems that the whole decision-making process of the government is one of being incremental, bit by bit, without any plan at all. That, Mr. Speaker, is why I support this amendment.

Thank you, very much.

10:20

MR. KIRKLAND: Mr. Chairman, just one brief, quick comment on the proposed amendment. I stand in support of the amendment. Looking at clause (3.1) as it is:

At least 5 of the 9 members appointed by the remaining members of the board must be Canadian citizens or lawfully admitted to Canada for permanent residence.

That seems to me to be a very generous allocation of members beyond the Canadian boundaries. I look and think that if one member in fact is absent, then we have a contingent from outside this country that would be in control of that institution, and that institution really has been purchased and paid for by the Canadian taxpayers over the years. I find that a little too liberal, if I might use that term.

So I would support the amendment whereby seven – and that I think gives us the opportunity to safeguard that particular institute and ensure the Canadian interest is maintained and looked after.

I'd call for the question.

[Motion on amendment lost]

MR. CHAIRMAN: Hon. Member for Edmonton-Whitemud, we have a bit of problem in that we don't appear to have a signed copy of your proposed amendment. If we could have that, we would then invite you to proceed. This is section 15?

DR. PERCY: Yes.

DR. WEST: Question.

MR. CHAIRMAN: The question has been called; however, we do have a member standing. I'm just telling him that before we can distribute what you're trying to move, hon. member, we need the documents. If not, then we'll entertain the main question.

Hon. members, if we're going to have amendments, they must be in order. The mover has kindly supplied us with a great bundle, and we'll have them distributed.

DR. WEST: Question.

MR. CHAIRMAN: The hon. Minister of Municipal Affairs is quite aware that if he wishes to move the main question, he can

rise and do so. However, the Chair has recognized Edmonton-Whitemud. The only thing is that he's under the admonition to produce this signed amendment, which he has done. So you may proceed.

DR. PERCY: Thank you, Mr. Speaker. The motion that I move that is under the signature of my colleague for Spruce Grove-Sturgeon-St. Albert is to delete section 33. Section 33 of the Banff Centre Amendment Act requires that "the academic staff association for the Banff Centre is dissolved and ceases to exist for all purposes." This amendment is brought forward because of concern over the abolition of the association, because it's clear in discussions that they do not fully feel that they have been consulted. It's also not at all clear about the disposition of the assets of the Academic Staff Association. Their concern is that the association is being dissolved. Its assets and liabilities are being given to the board, yet it's not clear that there was significant consultation with the board members. It's not clear really what the intent of that dissolution is and how it furthers the aim of the overall Bill itself.

So this motion is very specific. It is to delete section 33. It is to ensure that there is better consultation with the affected parties, particularly with regards to the disposition of the assets of the Academic Staff Association, particularly since they're already in debate with the board over the future of that association. It's important that they have some assets on hand.

With those comments, Mr. Chairman, I will conclude on this amendment.

MR. CHAIRMAN: The hon. Member for Clover Bar-Fort Saskatchewan on this amendment.

MRS. ABDURAHMAN: Yes, Mr. Chairman. I rise to speak in favour of the amendment. I'm appalled to see through this legislation the high-handed way that this whole subject of the Academic Staff Association is being treated. One would think that if we live in a democratic society, indeed negotiations should have taken place. One should really be asking the minister the following questions. What are the assets and liabilities that this Academic Staff Association has? Why would the minister allow the board to take the assets of the association while the academic staff are still without a contract and in need of these assets to pay for a lawyer to help them negotiate with the board?

As I say, it seems a very high-handed way of treating staff that are well respected not only within the province of Alberta but across Canada. We've heard the mover of the Bill talk about the high regard that this centre is held within Alberta, so to treat the staff in this way I think is most unfortunate and most inappropriate.

I would urge members on both sides of the House to support this amendment.

Thank you, Mr. Chairman. I call for the question.

MR. CHAIRMAN: Okay; the hon. Member for Clover Bar-Fort Saskatchewan has called the question.

MR. N. TAYLOR: Mr. Chairman.

MR. CHAIRMAN: The question's been called.

MR. N. TAYLOR: I was trying to get there before the question was called.

MR. CHAIRMAN: Hon. member, maybe you can get in on the next battery of amendments. The question has been called. The Chair recognized that the person making that motion was in the process of informing the members.

The hon. Member for Clover Bar-Fort Saskatchewan has moved amendment A2 that amends section 15. All those in favour of this amendment, please say aye.

SOME HON. MEMBERS: Aye.

MR. CHAIRMAN: Opposed, please say no.

SOME HON. MEMBERS: No.

MR. CHAIRMAN: The amendment is defeated. Call in the members.

[Several members rose calling for a division. The division bell was rung at 10:30 p.m.]

[Ten minutes having elapsed, the Assembly divided]

For the motion:

| | | |
|------------|----------|------------|
| Abdurahman | Hanson | Taylor, N. |
| Beniuk | Kirkland | Yankowsky |
| Bracko | Percy | Zariwny |
| Bruseker | | |

Against the motion:

| | | |
|----------|-----------|-----------|
| Ady | Friedel | Paszowski |
| Amery | Fritz | Pham |
| Brassard | Gordon | Renner |
| Burgener | Havelock | Rostad |
| Cardinal | Hlady | Severtson |
| Coutts | Jacques | Smith |
| Day | Jonson | Sohal |
| Doerksen | Laing | Stelmach |
| Dunford | McFarland | Thurber |
| Evans | Mirosh | West |
| Forsyth | Oberg | Woloshyn |

| | | |
|---------|----------|--------------|
| Totals: | For - 10 | Against - 33 |
|---------|----------|--------------|

[Motion on amendment lost]

DR. PERCY: On behalf of my colleague the Member for Spruce Grove-Sturgeon-St. Albert I move that the following be added after section 17: "This Act will come into force on January 1, 1995."

MR. CHAIRMAN: Hon. member, just for a moment. We're going to be calling this amendment A3. If you'd give us a moment to have the pages deliver it to the desks of the committee members. I'm sure they're all waiting for it.

Hon. member, you may proceed.

DR. PERCY: Thank you, Mr. Chairman. The purpose of this amendment is to ensure, then, that there is some certainty as to the process when the Act comes into effect. As it presently reads, it will come into effect "on the date that the amendment to the Schedule to the Public Service Employee . . . made by section . . . applies." This amendment has in fact put a specific time line to this, and this is important both from the perspective

of the centre itself in terms of organizing its affairs and from the perspective of the staff association in terms of some certainty. It will just ensure that we don't see, as we've normally seen – many Acts are passed but not proclaimed for months, years, several years in some instances. So the amendment is very straightforward. It just simplifies the process and the planning horizon of the various parties involved in the Banff Centre.

With those very brief comments, I will close my comments on this amendment.

MR. CHAIRMAN: Are you ready for the question?

HON. MEMBERS: Question.

[Motion on amendment lost]

MR. CHAIRMAN: Are you ready for the main question?

HON. MEMBERS: Question.

[Title and preamble agreed to]

[The sections of Bill 42 agreed to]

MRS. BURGNER: I move that this Bill be reported when the committee rises.

[Motion carried]

Bill 43

Students Loan Guarantee Amendment Act, 1994

MR. CHAIRMAN: The Minister of Advanced Education and Career Development.

MR. ADY: Thank you, Mr. Chairman. Having some recollection of the debate that took place in second reading, I think that it would serve us well if I spent a few moments outlining the provisions of this Bill and the intentions of it, because it became obvious in the debate at second reading that the members opposite had not read the Bill, were not familiar with the provisions of it, and consequently need to have a better understanding of it so that we can discuss it on more of an informed level.

First of all, let me just deal with the highlights of this Bill and what it's intended to accomplish. There was a great deal of misunderstanding about what part the bank would play in the legislation that we are proposing. I want to be clear that in the student finance program, the province or the Students Finance Board will still determine the eligibility for loans. The bank does not have any part to play in determining eligibility for the loan. The government guarantee of 90 percent of the loans will be removed, and the banks will assume that risk. In exchange for that they will receive a risk premium that will be payable to the bank. The premium will be paid after the student graduates; it will not be paid when the loan is first taken down.

A limited guarantee will be provided on loans to students who have experienced previous credit difficulty in order that no student is turned away from the bank when it comes time for consolidation. The intent of that was to ensure that in the case where a student may have run into some difficulty in the past, creditwise, there was still a provision where they can get a student loan and get into university or postsecondary education and that there will be something there that will allow them to get funding as opposed to being disqualified for having had some bad experience, which

wouldn't necessarily always be something that they could control. So we felt it was important that there was something there to ensure that they could access the system.

The flexibility repayment terms will be provided to students by the bank including a graduated repayment schedule and the adjustments for amortization schedules. Decreased interest rates will be available if the loan is co-signed by a qualified guarantor. The government will pay the interest on loans held by students in school and for six months thereafter.

10:50

The student will be provided with interest rate options at two levels after graduation: first, he can choose a floating rate of prime plus 2 and a half percent or a fixed rate of prime plus 5 percent calculated at the beginning of the repayment period. To protect the student from rapid upward movements in the prime rate, an interest-shielding arrangement has been developed with CIBC. Under the arrangement an interest subsidy will be provided to students in the event that the new rate of prime plus 2 and a half results in a higher interest rate for students than under the old loan program that was in effect. So students can feel comfortable that with this new arrangement with the bank, they are not going to be any worse off interestwise than they were with the old system.

There will be some benefit flow through to this. We feel there will be a dramatic decrease in the default rate primarily because the students will have a better opportunity to repay their loans. Under the old system that opportunity was often snatched away from them without them hardly ever knowing that their loan was due. The bank had a circumstance where they were paid interest for the four years and six months. If they could find some reason to not have the right address or not contact the student, or if the student didn't come in on time, they immediately called the loan. The government made good on the loan, and the bank would have had the benefit of four years plus six months or whatever the term of the education was. Then the government paid the bank off, sold the contract to a collection agency, and the student was in for a rough ride. The government took a loss, and the bank was the winner. We feel that this is going to give the students a much better opportunity to sit down with their bank and work out a repayment schedule that they can live with. The expectation is that students will be treated like any other consumer borrower, that the banks will be anxious to work out repayment schedules that can be acceptable to the student.

There will be some improved services to students, including a provision of budgeting and financial planning assistance by the banks, that they didn't have under the old system; the ability of students studying out of the province to deal with a local bank branch in the province of study – again, that wasn't available to them – provision for the possible future harmonization of the provincial loan program with the Canada student loans program. As I mentioned in second reading, the federal government has passed legislation which will allow them to move to a very similar repayment system as we are adopting with this legislation. The banks feel that they'll be in a position to guarantee processing within 72 hours of receipt of papers at the banks' student loan centre and a 48-hour turnaround on deposit to the banks. [interjections]

Chairman's Ruling Decorum

MR. CHAIRMAN: Order. Hon. members are reminded that there should be only one member standing and talking at a time. For a period of time we've had five. Now three.

The hon. Minister of Advanced Education and Career Development.

Debate Continued

MR. ADY: Mr. Chairman, thank you. I would just like to read from a news release dated May 9, 1994, which was a release from the federal department of human resources Canada. It says in there:

New arrangements with lenders to provide borrowers with income sensitive repayment loans, including a choice of interest rates and expanded interest relief during periods of unemployment or underemployment,

which is exactly what our program is. Members opposite were very concerned that we were doing something that was way out of sync.

Mr. Chairman, there are other interesting things that have taken place. The Graduate Students' Association at the University of Alberta have issued a press release in support of our income-sensitive program, and there is a great deal of support among students, finding this to be much better than the old system.

Mr. Chairman, I don't believe I need to make further comments. Because of the lateness of the hour, I move to adjourn debate.

MR. CHAIRMAN: The hon. Minister of Advanced Education and Career Development has moved that we adjourn debate on Bill 43. All those in favour of this motion, please say aye.

HON. MEMBERS: Aye.

MR. CHAIRMAN: Those opposed, please say no. Carried.

MR. DAY: Mr. Chairman, I do now move that we rise and report.

[Motion carried]

[Mr. Deputy Speaker in the Chair]

MR. SOHAL: Mr. Speaker, the Committee of the Whole has had under consideration certain Bills. The committee reports Bill 42. The committee reports progress on Bill 43. I wish to table copies of all amendments considered by the Committee of the Whole on this date for the official records of the Assembly.

Thank you.

MR. DEPUTY SPEAKER: Does the Assembly concur in this report?

HON. MEMBERS: Agreed.

MR. DEPUTY SPEAKER: Opposed? It is so ordered.

[At 11 p.m. the Assembly adjourned to Tuesday at 1:30 p.m.]