

Legislative Assembly of Alberta

Title: **Tuesday, November 1, 1994** 1:30 p.m.
Date: 94/11/01
[Mr. Speaker in the Chair]

head: **Prayers**

MR. SPEAKER: Let us pray.

O Lord, we give thanks for the bounty of our province: our land, our resources, and our people.

We pledge ourselves to act as good stewards on behalf of all Albertans.

Amen.

head: **Presenting Petitions**

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

MR. VAN BINSBERGEN: Thank you, Mr. Speaker. With your permission I'd like to present a petition signed by 105 residents from Robb and Cadomin in my constituency as well as by some tourists. They're asking the Legislative Assembly to take suitable action to increase the safety on the graveled parts of Highway 40 south of Robb.

head: **Reading and Receiving Petitions**

MR. DALLA-LONGA: Mr. Speaker, I request that the petition which I presented on May 24 concerning the Alberta Children's hospital now be read and received.

CLERK:

We, the undersigned, petition the Legislative Assembly of Alberta to urge the Government to maintain the Alberta Children's Hospital in Calgary on its current site and as it currently exists as a full service pediatric health care facility.

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

MRS. SOETAERT: Thank you, Mr. Speaker. I'd like the petition that I presented on May 30 regarding the Sturgeon general hospital to be read and received.

CLERK:

We, the undersigned, petition the Legislative Assembly of Alberta to urge the Government to reconsider the inclusion of the Sturgeon General Hospital within the Edmonton Region and to allow the Sturgeon General Hospital to serve its customers from the City of St. Albert, the MD of Sturgeon, the Town of Morinville, the Village of Legal, the Alexander Reserve, the Counties of Athabasca, Barrhead, Lac St. Anne, Parkland and Westlock.

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

MR. HENRY: Thank you, Mr. Speaker. I would ask that the petition I tabled in this House on October 19 regarding full support for kindergarten now be read and received.

CLERK:

We, the undersigned residents of Alberta petition the Legislative Assembly to urge the Government of Alberta to continue to recognize the importance of, and fully support, the provision of Early Childhood Services to children in this province.

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

MR. COLLINGWOOD: Thank you, Mr. Speaker. I would ask that the petition I presented in the Assembly on October 19 respecting the beautiful Horseshoe Canyon now be read and received.

CLERK:

We, the undersigned, call upon the Legislative Assembly to urge the Government to not allow the excavation and development of Horseshoe Canyon into a golf course and to designate Horseshoe Canyon as a provincial park, for the viewing of all Albertans and for the viewing of future generations.

head: **Notices of Motions**

MR. SPEAKER: The hon. Government House Leader.

MR. DAY: Thank you, Mr. Speaker. Three motions actually all tied in to the same topic. The motion may not be required, but I am giving oral notice of it just in case it is.

Be it resolved that the debate on second reading of Bill 41, the Government Organization Act, shall not be further adjourned.

Also:

Be it resolved that further consideration of any or all of the resolutions, clauses, sections, or titles of Bill 41, the Government Organization Act, shall be the first business of the committee and shall not be further postponed.

And:

Be it resolved that the debate on third reading of Bill 41, the Government Organization Act, shall not be further adjourned.

Thank you, Mr. Speaker.

MRS. BLACK: Mr. Speaker, pursuant to Standing Order 34(2)(a) I give notice that tomorrow I will move that written questions stand and retain their places on the Order Paper with the exception of questions 215, 216, 217, 218, 219, and 220.

I also wish to give notice that I will be moving that motions for returns stand and retain their places on the Order Paper with the exception of motions 212, 213, 221, and 224.

head: **Tabling Returns and Reports**

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

MR. PASZKOWSKI: Thank you, Mr. Speaker. It's my pleasure today to table the 1993-94 annual report of the Alberta Agricultural Products Marketing Council. I'd like to table four copies, and additional copies will be available at my office.

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

MR. ADY: Thank you, Mr. Speaker. I beg leave to table four copies of each of the annual reports as follows: the financial statement of the Alberta College of Art; the annual report of Keyano College, 1992-93; the annual report of the University of Alberta, 1992-93; the annual report of Medicine Hat College, 1992-93; the annual report of the Northern Alberta Institute of Technology, 1992-93; the annual report of the Department of Advanced Education and Career Development, 1992-93; also for the Banff Centre, 1993-94; for the University of Calgary, 1993-94; for the University of Alberta 1991 Foundation, 1993-94; and the University of Calgary Foundation, 1993-94.

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

MR. RENNER: Thank you, Mr. Speaker. I would like to table four copies of a letter I received from the Vincent Massey School Council in Medicine Hat. The purpose of the letter is to encourage the government to mandate "fully funded kindergarten programming to a minimum of 400 hours . . . per school year."

head: **Introduction of Guests**

MR. DAY: Two quick introductions today, Mr. Speaker. First, it's an honour for me to introduce to you a very hardworking Alberta woman. She leads the Alberta Union of Provincial Employees. I believe she's seated in the public gallery today. I wonder if we could ask Carol Anne Dean to rise and receive the warm welcome of this Assembly.

I'm also pleased to introduce Mr. Don Clarke. Mr. Clarke has served the city of Edmonton as a community leader in many organizations such as United Way and as president of Klondike Days. He's also received numerous community service awards, including the *Edmonton Journal* citizen of the year award in 1989. I'd ask Mr. Clarke to rise and receive the warm welcome of the Assembly.

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

MRS. SOETAERT: Thank you, Mr. Speaker. It gives me great pleasure to introduce to you and through you to members of the Assembly on behalf of myself and the Member for St. Albert 58 brilliant, bright, wonderful students from Bertha Kennedy in my riding. They're here with two parents, Mrs. Esslemont and Mrs. Shudra, as well as teacher assistant Mrs. Marie Yacey and two past colleagues of mine and excellent teachers that I'm very proud to say are my friends: Mrs. Heather MacKay and Mrs. Sonia Reid. I would ask that they please rise and receive the warm welcome of this Assembly.

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

MR. ZARIWNY: Mr. Speaker, thank you. It gives me great pleasure to introduce to you and through you to the Assembly two guests. One is Carol Anne Dean, the president of the Alberta Union of . . . [interjection] I beg your pardon?

SOME HON. MEMBERS: She's been introduced.

MR. ZARIWNY: I missed that one. She's worth being introduced twice.

I would also like to introduce Russ Clemens, who is the labour economist from the American Federation of State County & Municipal Employees. He is also an expert on the privatization of American jails. I'd ask that he stand and we give him a warm welcome.

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

MR. CARDINAL: Thank you very much, Mr. Speaker. I'd like to introduce to you and through you to the Assembly a resident of the beautiful and prosperous town of Athabasca. Brenda Sheets is the director of the Athabasca Regional Economic Development Association. She's sitting in the members' gallery. I'd like to ask

Brenda to rise and accept the traditional warm welcome of the Assembly.

1:40

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

MS HANSON: Thank you, Mr. Speaker. I'm pleased to introduce to you and to the Assembly 25 bright, lively young people from Bellevue elementary school in my constituency in Edmonton. There are 25 students, and they're accompanied by their teacher Mrs. Kathy Sloane. They are sitting in the members' gallery, and if they would please rise and receive the warm welcome of the Assembly.

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

MS LEIBOVICI: Thank you, Mr. Speaker. It gives me great pleasure this afternoon to introduce to you and through you 42 students from the constituency of Edmonton-Meadowlark. They're seated in the members' gallery, and they're from St. Justin elementary school. They're accompanied by their teachers Mr. Dave King and Mr. Harold Rakowski as well as parent helper Mr. Bryan Kordyban. Just so that Edmonton-Meadowlark isn't outdone, they're just as brilliant and just as bright as the students from Spruce Grove-Sturgeon-St. Albert.

I also have one more introduction, an individual whose name is Winston Gereluk. He's in the public gallery, and he's a friend of Ed Tel, to say the least. If he could please stand and receive the warm welcome of the House.

Thank you.

head:

Oral Question Period

Energy and Utilities Board Appointment

MR. SPEAKER: The hon. Member for Redwater.

MR. N. TAYLOR: Thank you, Mr. Speaker. Over the weekend we've witnessed one of the most interesting chapters of the book of Kleineken capers. We've seen the government caucus go from sabre wounds to hugs and kisses in just three days. This has got to be the greatest conversion since Saul fell off his donkey on the way to Tarsus, and it's left Albertans with a few questions. They'd like to ask more about this so-called open and transparent government. [interjections] Shows what happens, Mr. Speaker, when you don't feed them their fish early.

Since firing the Deputy Premier cannot be a private affair – and the public has a right to know, Mr. Premier – will the Premier share with this House: what were the four other offers the Member for Barrhead-Westlock received?

MR. KLEIN: Since none of this had anything to do with government, Mr. Speaker, it is none of the hon. member's business.

MR. N. TAYLOR: Mr. Speaker, I think the Premier should know that firing a Deputy Premier is everybody's business.

Since the Ethics Commissioner ruled yesterday that if this appointment had gone ahead, both the Premier and the Member for Barrhead-Westlock could have been dinged with \$20,000 fines, could the Premier confirm that this is the real reason why he was in a rush to withdraw the nomination as chairman of the board?

MR. KLEIN: Mr. Speaker, I made it quite clear that nothing . . .

MR. SPEAKER: Order.

MR. KLEIN: I'm sorry.

**Speaker's Ruling
Legal Opinions**

MR. SPEAKER: The Chair really feels that that question is asking for a legal opinion on the effect of a piece of legislation. [interjections] No. Order.
Supplemental question.

**Energy and Utilities Board Appointment
(continued)**

MR. N. TAYLOR: Can I rephrase that, Mr. Speaker? Did the Premier, in order to avoid \$20,000 fines, withdraw the appointment?

MR. KLEIN: Mr. Speaker, the order in council was never signed, so in fact no appointment had been made. This hon. member wants us to release details of cabinet and caucus dealings, and a lot of these situations had nothing to do whatsoever with the government. [interjection] Just as the hon. Member for Edmonton-Glengarry opens his mouth and starts to beak off, perhaps the Liberal caucus would like to share with us the details of the firing of the hon. Member for Edmonton-Glengarry.

MR. N. TAYLOR: Mr. Speaker, obviously the Premier is hearing messages that nobody else is hearing.

Recalling, Mr. Speaker, that in Saul's case it was a vision of the Lord that made him convert, could the Premier share with the House whether he had given the Deputy Premier a vision of maybe a job in Mexico or Hong Kong that made him convert?

MR. KLEIN: Well, Mr. Speaker, the only one around here who's having visions, or hallucinations I should say, is the hon. Member for Redwater.

Highway Construction

MR. GERMAIN: Mr. Speaker, the minister of transportation has shown some real insensitivity on road safety in the province of Alberta. Secondary highway 881 in northeastern Alberta has claimed lives and has caused numerous injuries. Recently native groups barricaded the road out of concerns relating to public safety on that road. My question is to the minister of transportation. Is highway 881 in northeastern Alberta one of those 31 incomplete safety projects that you have ignored?

MR. TRYNCHY: Mr. Speaker, I have a letter from the hon. member in regards to construction on 881, and I'd like to advise the House that just recently we allowed a tender to be let on 881, and I believe it'll be awarded in the next few days.

MR. GERMAIN: Well, they will certainly understand in Fort McMurray how effective I am, Mr. Speaker.

MR. SPEAKER: Supplemental question.

MR. GERMAIN: Thank you, Mr. Speaker. How can the minister justify that in 1993 6.4 percent of the new road projects

were in his riding, with only 1 percent of the population, when these 31 safety projects remained incomplete?

MR. TRYNCHY: Mr. Speaker, yesterday I announced to this House that we had in '93-94 done some 265 projects totaling some \$225 million. I'd like to also add that the hon. member did make a request that we should work on Highway 63, and that's ongoing and being done now. So we are looking at all the projects that are safety related, and we're doing them.

MR. GERMAIN: In the area of insensitivity, Mr. Speaker, I would ask the minister why he felt it of concern to have the driveway to his farmyard paved when there are other gravel roads in this province that constitute risks to the public?

MR. TRYNCHY: Mr. Speaker, I don't recall any tender being let to pave a driveway to anybody's road.

1:50

MR. BRUSEKER: Mr. Speaker, lately we've seen the minister of transportation attempt to justify all of the paving that has gone on in his own constituency. He bragged about being open and accountable by tabling a list in this House that was two years old showing what happened in that year while neglecting to mention that nine of those projects were of a low priority. Now, the minister has mentioned that he listed a dollar figure. My question to the Minister of Transportation and Utilities: will the minister table a list of all of the projects that were completed in the 1994 summer building season so that Albertans will know how many miles of pavement went into Whitecourt-Ste. Anne this year?

MR. TRYNCHY: Mr. Speaker, yesterday I made the obligation that any member that wanted to know what paving programs were done in their constituency would just have to ask me and I'd provide him with a list.

MR. BRUSEKER: What we just asked for was the whole list, so the minister's got it now.

In view of this new open and accountable minister, who's saying that he's prepared to share any information, will the minister table the report of the 35 projects that were mentioned in the Auditor General's report, that his department neglected for four years so Albertans will know which roads to avoid because they're unsafe?

MR. TRYNCHY: All tenders are public. If the hon. member wants to find out what roads were done, all he has to do is get his research people, the \$1 million they spend on research, and find out. They're public knowledge. Further, Mr. Speaker, I tabled in this House on February 4 42 projects that were mentioned in the Auditor's report, and they're all ongoing. Most of them are done.

MR. BRUSEKER: That was a great answer, but it had nothing to do with the question that I asked, Mr. Speaker. What I asked was: which roads weren't done?

My final supplemental. The minister says that there's no political interference. I'd like to refer to the document he tabled in the Legislature, and I'd like to ask why it is that this priority list lists MLA interference as the second of the priorities, ahead of municipal priorities, ahead of public expectations, that are required to get his public stamp before a road will go ahead. Why are MLA priorities so high?

MR. TRYNCHY: Mr. Speaker, when we look at priorities across the province, we discuss it with local governments, and we also discuss it with MLAs. The government MLAs have been very, very active in working with their governments to get the priorities to come forward. Those people across the way have never done it.

MR. KLEIN: Mr. Speaker, the hon. Member for Calgary-North West is trying to leave the impression that all of this is related to government MLAs, and I think that that is inherently unfair, because there have been numerous consultations by the hon. minister with Liberal members as well. I know that there have been conversations with the Member for West Yellowhead, the Member for Spruce Grove-Sturgeon-St. Albert, certainly Fort McMurray – I know that the hon. Member for Fort McMurray was very concerned about having the highway to Fort McMurray upgraded or a certain section about 16 kilometres south of that city – Edmonton-Roper, one of the leadership candidates, and the hon. Member for West Yellowhead, the same member who said in March: under a Liberal plan there would be a freeze on all capital projects, no new hospitals, roads, or bridges. This initiative alone would save . . . [interjections] There's just one point I want to make. I want this member, the Member for West Yellowhead, to go to Grande Cache and tell them to bring Highway 40 to a halt.

MR. TANNAS: Mr. Speaker, I'd like to place my questions today to the minister of agriculture and rural development. [interjections]

MR. SPEAKER: Order please. [interjections] Order. If the Assembly is ready to proceed, the Chair will recognize the hon. Member for Highwood.

Cargill Plant Expansion

MR. TANNAS: Thank you, Mr. Speaker. I can assure you that I won't go down the same road with my questions to the minister of agriculture and rural development.

Yesterday, Mr. Speaker, Cargill Limited announced a major expansion of its operations in the constituency of Highwood, which I have the honour to represent. It will see a second daily shift and will add about 500 new employees to the High River plant. My question to the minister is: will the minister confirm or deny that this is yet another demonstration of the Alberta advantage and explain what the implications are for the cattle industry in Alberta? [interjections]

MR. SPEAKER: Order. [interjections] Order. The hon. Minister of Agriculture, Food and Rural Development.

MR. PASZKOWSKI: Thank you, Mr. Speaker. It's rather unfortunate that a positive story such as this seems to be taken as a light joke by the opposition. This indeed is something that's really, really constructive for Alberta. This is demonstrating the Alberta advantage in its true form, and to make light of such a major announcement is truly, truly unfortunate.

Cargill indeed has indicated that they're going to be expanding their operation. They're going to make an additional facility of a hundred thousand square feet. They are going to double their kill capacity to over 4,000 animals per day. Indeed this demonstrates the Alberta advantage in a very, very positive way.

MR. TANNAS: Mr. Speaker, to the same minister: is the minister prepared to affirm that the beef industry in Alberta will be able to meet the supply of beef for these processors in Alberta?

MR. PASZKOWSKI: This announcement bodes very well for our three-year plan. As a matter of fact, it fits exactly what our three-year plan had demonstrated. Indeed we have indicated that we are wanting to double our beef production in the province of Alberta, and in the process of doubling the production, it's so critically important that we also value add. This process of course is going to allow for the value-added component of our three-year plan that had indicated that we want to double our beef production.

MR. TANNAS: Mr. Speaker, again to the same minister: has the minister any indication of additional expansion of the beef industry in Alberta that may in any way compromise Cargill's intentions to expand?

MR. PASZKOWSKI: Alberta is now the fifth largest beef producing area in North America. It is our hope and our intention within the next three years to be the third largest beef producer in all of North America. So indeed it fits very well within our plan. It's something to be proud of because this is a growing industry. It's a vibrant industry. Indeed when IBP was looking at the purchase of Lakeside just a very short time ago, they had also given indication that their intentions are to double their plant kill. They are also intending to fabricate on site. This was previously done in the United States. This is work that's going to be done right here in Alberta. Ultimately, if their plans and projections come true, that would mean an additional thousand jobs right here in this province of Alberta.

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

Health Care Funding

MR. SAPERS: Thank you, Mr. Speaker. Recently the president of the Alberta Medical Association warned of hitting the health care redline, and he demanded that the cuts to health care stop. Now Bud McCaig, the chairman of the Calgary regional health authority, predicts that in his region they won't be able to meet the government-imposed arbitrary budget targets. Will the Premier allow the Calgary regional health authority and its hired experts to determine the level of health care that Calgarians need, even if this means overspending the budget that you've imposed on them?

MR. KLEIN: Well, it's an interesting question. Basically the three-year plans are out. The budget guidelines are there, and hopefully, Mr. Speaker, we can achieve most of these savings through a restructuring of the fundamental administration of the hospital system. That's what it's all about. Instead of now having 200 separate hospital administrations – and I know the Liberals would like to have all those administrations back in place because it means bureaucracy, and they love bureaucracy because that is the socialist philosophy. I know they like that. But the savings through this fundamental restructuring can be achieved, and indeed those dollars will go to the patients.

2:00

MR. SAPERS: Mr. Premier, what happens if they don't meet the target? What will the penalty be if the region does overspend? Will you just keep on appointing board members until you find some that'll do your dirty work?

MR. KLEIN: This is not dirty work, Mr. Speaker. This is addressing a real problem, a problem that has resulted over the past 13 or 14 years of an increase in health care spending of something like 219 percent. That, sir, is unreasonable. What we are trying to do is get that kind of spending back in line and find new and different and more effective and more efficient ways of delivering these services.

MR. SAPERS: Mr. Premier, how do you respond, then, to your friend Bud McCaig when he says: we will have a very difficult time meeting the targets set out by this government?

MR. KLEIN: Well, I would be very happy to discuss this with Mr. McCaig, but I understand that all of the new regional chairmen and their board members are fully cognizant of the government's three-year business plans and what needs to be done to not only have Health generally contribute to balancing the budget by finding new and better and more effective and efficient ways of doing things but also, at the same time, finding better ways to deliver health services. If the board were to say, "We are going to do things in the same old way," yes, they would have problems meeting their budgetary targets and living within the budgetary guidelines, but the challenge to these new regional boards is to really look at ways to bring about community health, look at ways to utilize facilities more effectively and more efficiently. That is the challenge, and I think Mr. McCaig and all the other chairmen are up to that challenge.

MR. SPEAKER: The hon. Member for Calgary-Fish Creek.

Immigrants on Welfare

MRS. FORSYTH: Thank you, Mr. Speaker. A recent story in the media indicates that there is a significant problem in Ontario with sponsored immigrants collecting welfare because their sponsors refuse to pay. Could the Minister of Family and Social Services advise this Legislature what has been done in Alberta in regards to sponsors adhering to their obligations and preventing people from collecting social assistance?

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

MR. CARDINAL: Thank you, Mr. Speaker. In October '93 we amended the regulations and tightened up the rules on how this issue would be handled in Alberta, and I'll give you just an example. Immigrants must now bring their sponsors to the intake interviews as well as documents from their sponsors. In addition to that, this action may include sponsors who cannot pay having to bring documentation: their latest tax returns and possibly bank documentation.

MRS. FORSYTH: To the same minister then: what has been done to recover the cost of taxpayers' money being used to pay welfare in some cases because of a sponsorship breakdown?

MR. CARDINAL: Mr. Speaker, we are in the final stages of negotiations with the federal government now, and we will have processes in place to collect the benefits that belong rightly to Albertans, possibly even through the courts if necessary.

MR. SPEAKER: Final supplemental.

MRS. FORSYTH: Thank you, Mr. Speaker. Then to the same minister: how big of a problem do we have in Alberta?

MR. CARDINAL: Mr. Speaker, this issue is somewhat of a problem, but I don't believe it's as big a problem as in other jurisdictions in Canada. At this time we have about a hundred cases where the sponsorship has broken down. There is a total of I believe 300 refugees who are awaiting hearing, and a hundred have broken down in that whole process. It means about 400,000 a year in this whole process.

Jail Privatization

MR. ZARIWNY: Mr. Speaker, it is now known that Bob King was one of the government officials that accompanied the former Justice minister on his tour of private jails in the United States, the same Bob King who oversaw the privatization of liquor stores without public consultation or sufficient input from local governments. My first question is to the Minister of Justice. Why would the chairman of the ALCB, with a \$120,000 salary, be flown around America at taxpayers' expense to look at jails?

MR. EVANS: You know, Mr. Speaker, there's a very vast sum of money that is available to the Liberal opposition to do their research, but I don't know what they're using it for. The hon. member ought to be well aware that Mr. King served the people of Alberta for a long period of time and very effectively as the deputy solicitor general. That's precisely the reason he was down looking at these prisons.

MR. ZARIWNY: He was president of the ALCB when that happened, Mr. Speaker, not deputy minister. [interjections] I made it.

Will the minister tell us why he cannot wait until he has thoroughly studied the issue and consulted Albertans before going ahead with legislation that allows the privatization of provincial jails?

MR. EVANS: Mr. Speaker, as I've said before, the purpose of introducing Bill 50, the corrections legislation, is to ensure that we can get on with the business of governing as quickly as possible when the appropriate decisions are made and if they are made. Bill 50, as introduced in this Legislature, provides the opportunity to privatize our correction facilities, and as I have indicated previously to the media and to other members of this Assembly, we are currently reviewing whether it is both efficient and effective in terms of financial accountability and, more importantly, whether it is safe to consider the privatizing of correction facilities in the province of Alberta. The legislation is enabling legislation, and until such time as the report is available to me and I have a chance to review the recommendations, we would not be moving forward with Bill 50 even if it is passed by this Legislature.

MR. ZARIWNY: That again is an example of the cart before the horse.

Since the minister has just admitted that he has not done a thorough study of the cost savings of privatization of jails, will he admit that his decision, the decision of this government is driven by philosophy on privatization and not cost savings?

MR. EVANS: Mr. Speaker, once again I'll take this slowly. We are reviewing the cost benefit and the safety of privatizing our

correction facilities. That report should be available to me sometime before the end of this year. We have reviewed a number of scenarios, as the hon. member has indicated, some of the U.S. examples where this is occurring, and we have a piece of legislation before the Assembly which is enabling legislation. It is not the intention of this government, not the intention of the Minister of Justice to implement that legislation until such time and unless privatization of facilities are shown to be cost-effective and safe from the perspective of the general public and then, Mr. Speaker, only initially on the basis of a pilot program to see whether it would work in the province of Alberta.

2:10 Barley Marketing

MR. SPEAKER: The hon. Member for Innisfail-Sylvan Lake.

MR. SEVERTSON: Thank you, Mr. Speaker. I'd like to ask my question to the Minister of Agriculture, Food and Rural Development. Currently farmers in central Alberta are receiving \$2.20 per bushel for their barley. In the state of Montana the price of barley is \$5 U.S., or about \$6.50 per bushel Canadian. The cost of hauling barley to this market is \$1.30 per bushel. That is \$3 less per bushel, or \$20,000 per 100 acres of barley grown, less profit, I might add, to the producers. Because of the Canadian Wheat Board rule that this market is closed to our producers, the question to the minister is: what are you doing to try to correct this matter?

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

MR. PASZKOWSKI: Thank you very much. Certainly a very important question to the agricultural community of Alberta, because indeed it is an opportunity . . . [interjection] Yes, it is way ahead of you; I'm sure of that.

This is something that the farmers have been asking for and certainly something that the farmers of Alberta have indicated very strongly that they wanted changes to during the recent forums and roundtable discussions that we held throughout the province this past year.

Back in February we submitted an eight point proposal to our federal counterparts, and part of that eight point proposal was that the Wheat Board should be restructured. It should be restructured, not done away with but restructured, in a manner that allows for the continental market to take place and for the offshore market to take place in two different structures. To date we have not received an official response to our proposal.

MR. SPEAKER: Supplemental question.

MR. SEVERTSON: Thank you, Mr. Speaker. Is the minister pursuing a dual marketing program with his federal counterpart, and when is this supposed to be implemented?

MR. PASZKOWSKI: Certainly we're pursuing this, and this has been the initiative that the farmers of Alberta have asked us to pursue in a very aggressive way. This is an opportunity that would allow Alberta farmers to prosper, as the hon. member has rightfully pointed out. This is an opportunity that allows us an additional edge in the marketing of our product.

Quite frankly, I find it very unfortunate that there are initiatives to have RCMP patrolling borders, that prohibit and don't allow our farmers to maximize the return on the product they have

produced. They should rightfully be able to achieve the highest value for the product they produce.

MR. SPEAKER: Final supplemental.

MR. SEVERTSON: Thank you, Mr. Speaker. Given that the federal government seems unwilling to allow for dual marketing and since the prairie provinces and part of B.C. are the only jurisdictions under the Canadian Wheat Board, will the minister consider removing Alberta as part of the Canadian Wheat Board jurisdiction?

MR. PASZKOWSKI: This of course is not within provincial legislative authority. This would require a federal amendment to the Act. Under the circumstances, with all of the opportunities that exist, we are still hopeful that the federal government will recognize the opportunities that are there and through our advocacy will understand the advantages both to the farmers and to the Wheat Board of restructuring the Wheat Board in such a way that it will allow our farmers to access a higher value for the product they are producing. Under the circumstances, though, before this can be done, it would require a federal amendment to the legislation, to the Act.

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

Education Funding

MR. HENRY: Thank you very much, Mr. Speaker. Earlier this year the Premier of this province said that funding in education would follow the student in the public and separate systems. However, in allocating the program enhancement grants, the Minister of Education has told the Medicine Hat public board that they must transport children to central sites for services for disadvantaged children, while at the same time Medicine Hat Catholic is able to use the money in the schools where the students actually live. My question to the Premier is: why have you broken your promise to have the money follow the student instead of the student following the money?

MR. JONSON: Mr. Speaker, with respect to the program enhancement projects this was an initiative announced in the spring budget for the benefit of the high-needs students in early childhood programs. There was a basic additional amount of money of \$165 per student, which went to all students within a particular jurisdiction. Then there was an additional amount of money, \$1.7 million, as I recall, that was set aside to fund specific projects in the province which involved schools concentrating on services to such students, and that could be to a maximum of \$20,000 per project. Another very important component of the program was that there would be an evaluation. We'll see if that money has positive results.

Now, Mr. Speaker, with respect to the hon. member's specific question we are targeting money at a high-needs group. The best way and the most effective way of delivering that money is to programs in certain schools. This is quite irrelevant in my view to the overall initiative of providing choice for students in the province to move to different jurisdictions and different schools.

MR. HENRY: Then I'd like to ask the Minister of Education, Mr. Speaker: what is it that makes him know more about Medicine Hat, and why is he making these decisions in Edmonton

about where the high needs are instead of the Medicine Hat school trustees, who are elected by Medicine Hat voters?

MR. JONSON: Mr. Speaker, as I indicated, there was an allocation of money which we wanted to concentrate to a degree and target to certain projects and certain schools in the province. That was done in Medicine Hat. The Medicine Hat school board has developed those projects and that concentration of services in this particular area, and we're responding to that.

MR. HENRY: Mr. Speaker, I'd like the minister to explain to Albertans why he thinks disadvantaged kids in this province are all in little groups when the facts are already clear that we have disadvantaged kids in every community in our province.

MR. JONSON: Mr. Speaker, if my memory serves me correctly in terms of the debate on Education estimates last spring, the members across the way were asking the government to concentrate more money in particular areas of particular jurisdictions in the province because they felt there should be that kind of concentration of funding. Now they seem to have a different point of view.

Mr. Speaker, in the regular funding for education, let us take the area of special education. We do with our block grant for special education recognize that, yes, there are special-needs students in all parts of the province. We also recognize another reality, and that is that in some jurisdictions or in parts of certain jurisdictions there is a higher average incidence of these students and this need, and therefore we have another grant which concentrates on those high-needs areas.

Jail Privatization

(continued)

MR. SOHAL: Mr. Speaker, some of my constituents have expressed some concern over the move to privatize correctional services in this province. My question is to the Minister of Justice. Mr. Minister, as I understand, Bill 50, the Corrections Amendment Act, has not been debated in the House as of yet, and as you just said, the privatization of correctional services is at the feasibility study stage. Why, then, has the standard operating manual, a corrections in-house, confidential document, been given to a company called Protect, who have been told to get ready to start a pilot project? [interjections]

MR. EVANS: Mr. Speaker, that's an excellent question. Even the Liberals opposite think that it's an excellent question.

Mr. Speaker, there's some misinformation out here, and I'm glad that the hon. member's asked the question because it gives me an opportunity to talk about Protect and what they're involved in. In point of fact, as hon. members would be aware, the Belmont facility in Edmonton is closed down. So in order to deal with a cost-effective way of dealing with these minimum security prisoners, what the department has done is hired Protect and others to deal with the house arrest program that is a result of that Belmont facility closing down.

Now, the manual that the hon. Member for Calgary-McCall was talking about is a special procedures manual for the house arrest program. It has nothing whatsoever to do, hon. member, with correctional facilities generally and with any privatization that might arise as a result of this investigation that we're doing currently.

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

2:20

Millar Western Pulp Ltd.

DR. PERCY: Thank you, Mr. Speaker. On March 1, 1994, the former Deputy Premier proudly announced that his government was not prepared to sink one more penny of tax dollars, zero, big zero, into the financial restructuring of Millar Western, a company which presently has a \$120 million taxpayer loan and currently owes \$90 million interest on that loan. This restructuring involved making \$30 million of this loan interest free and putting this loan behind any current or future bank loan. My questions are to the Premier. How could your government say that there was not another penny going into this restructuring when the cost to government of forgiving interest payments amounts to \$9.4 million? This is over and above the \$90 million interest.

MR. DINNING: The government was faced with the prospect of contributing or providing additional financing and simply chose not to and in doing so, Mr. Speaker, allowed the company and the bank to refinance its financial structure.

DR. PERCY: Mr. Speaker, why would the Provincial Treasurer be so solicitous of a financial institution that has \$141 billion in assets? Why would you put the \$30 million behind any outstanding bank loans? Why? Why does the CIBC deserve better than the taxpayer?

MR. DINNING: Mr. Speaker, what the hon. member is suggesting is that the provincial government put additional funds into Millar Western. We chose not to do that because we said from day one that we have worked hard to get through the exercise of getting out of the business of business, and this is one further step in doing just that.

MR. SPEAKER: Final supplemental.

DR. PERCY: Thank you, Mr. Speaker. My questions are to the Premier. Why is there a double standard? Why do big firms like Bovar and Millar Western get tax breaks, tax dollars, whereas nurses, teachers, and government workers get 5 percent rollbacks and lose their jobs to boot?

MR. KLEIN: Mr. Speaker, there is no double standard, nor were there any additional funds to Millar Western. We made a very, very astute decision that this is something that the government ought not to be involved in any further. We do have some commitments from the past.

The Liberals have demonstrated – and I give them credit – that they are steadfastly opposed to loan guarantees.

AN HON. MEMBER: That's right.

MR. KLEIN: Right. You know, Mr. Speaker, I would remind them that they opposed, absolutely opposed the loan guarantee to Canadian Airlines International. They absolutely opposed that. They wanted to see the destruction of the backbone of air transportation in western Canada. They opposed that one.

They have opposed the extension of the loan guarantee to Bovar, which has a joint venture arrangement with the Alberta Special Waste Management Corporation, which is a Crown corporation, and they are opposed, Mr. Speaker, to this province cleaning up hazardous waste. They're opposed to that.

Mr. Speaker, they're also opposed – and I want to point this out. The vast majority of loan guarantees listed in the public accounts are for student loans; they're opposed to that. For farm feeder associations: they're opposed to that. To irrigation districts: they're opposed to that. To rural utilities: they're opposed to that. To social housing: they're opposed to that.

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

Heritage Savings Trust Fund

MR. SEKULIC: Thank you, Mr. Speaker. Last week the Provincial Treasurer stated that he was going to pay \$50,000 in order to assess the market value of the heritage fund. Yet in speaking to his own department's market value calculations, the Treasurer said, and I quote, the fact is that were we to go to the market, that would be the value the marketplace has on it. To the Provincial Treasurer: is the Treasurer now admitting to Albertans that the market values produced by his department in the heritage savings trust fund annual report are inaccurate, misleading, and not market values at all?

MR. DINNING: Well, Mr. Speaker, the very question asks: is the Auditor General telling the truth? Is that what the hon. member across the way is suggesting? That the Auditor General, putting his name on this statement, is in fact wrong. Is that what the hon. member is suggesting, that the Auditor General is wrong? It's a shame, and the hon. member ought to apologize to the Auditor General.

SOME HON. MEMBERS: Shame. Shame.

MR. SPEAKER: Order. Order.

MR. SEKULIC: Thank you, Mr. Speaker. The first time I read the Treasurer's comments, they confused me, and I'm comforted to see that they have had the same effect on him.

Can the Treasurer explain why his department has arbitrarily assigned money-losing Crown corporations as having market values which are \$170 million over their book value?

MR. DINNING: Well, Mr. Speaker, what the financial statements of the heritage fund provide is the market value, as audited by the Auditor General, for the commercial investment division of the heritage savings trust fund and the cash and marketable securities, an important and a very large part of the heritage savings trust fund. We've chosen to go and ask four very eminent qualified and well-respected independent investment firms across this country to do a complete review of the heritage fund financial statements and provide that assurance, that independent arm's-length assurance to Albertans so that as we begin the discussion on the future of the heritage fund, Albertans have all of the facts so that it is an informed debate.

MR. SPEAKER: Final supplemental.

MR. SEKULIC: Thank you, Mr. Speaker. Albertans definitely want all the facts.

Why does the Treasurer, then, continue to mislead Albertans about the value of the assets in the fund when he knows full well that an independent assessment conducted by Glen Mumey at no cost to the taxpayer, may I add, shows that the fund has an actual market value of only \$8.5 billion?

MR. DINNING: Mr. Speaker, a professor at the university operates – and the Member for Edmonton-Whitemud and the Member for Edmonton-Mill Woods know this all too well – under the motto: publish or perish. It doesn't have to be right. It doesn't even have to be accurate. I would suggest that an investment company, investment dealers, who operate and who survive because of their knowledge of the market, are far more eminently qualified to give a market valuation of the heritage fund than any professor at the University of Alberta.

I will add, however, Mr. Speaker, that we know where the Liberals stand; let it be perfectly clear. The Liberals want to liquidate the heritage savings trust fund so they can get their grubby, little hands on that money and, just like they did two weeks ago, spend \$1.2 billion in nothing less than 15 minutes. They are money-grubbing tax-and-spend Liberals that we don't agree with, and we don't take their approach.

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

Emergency Telephone Service

MRS. SOETAERT: Thank you, Mr. Speaker. People who travel across this province have no idea what number to call in case of emergency. In my riding alone there are at least nine different numbers to call for emergency service. A provincewide 911 emergency telephone service would reduce the loss of lives and increase access to vital emergency services. My question is to the minister of public works. How can this government justify not legislating a provincewide 911 system, that would increase efficiency in health care service and be cost-effective?

2:30

MR. THURBER: Mr. Speaker, I believe that the Department of Transportation and Utilities sometime ago entered into some surveys and studies on that very problem, that very concern that the hon. member brings forward. While it may be a very good idea to have a 911 number all across the province, it has to be determined how that can be put in place with the various telephone districts within the province.

MRS. SOETAERT: Leadership is what we need from this government.

My supplementary is to the Minister of Agriculture, Food and Rural Development. What are you doing to prevent this bias that exists between services provided to urban Albertans as compared to services available to rural Albertans?

MR. PASZKOWSKI: A very interesting question for a government that's provided rural electrification, for a government that's provided rural telephone service to Albertans, for a government that has just developed the rural development program, that would allow through the SPURT program . . . [interjections] All programs will allow information through rural Alberta. We have looked after rural Alberta very, very well, but it's our intention to keep a major focus on the developments throughout rural Alberta.

MRS. SOETAERT: Mr. Speaker, my final supplement is to the minister of rural development. How about getting this piece of legislation put forward?

MR. PASZKOWSKI: I'm not sure that Albertans operate under the process of legislation and more regulation. It seems to me we

have a program of establishing the 911 throughout the province. Just this week in the county of Grande Prairie, which is very rural – I'd like to remind the hon. member: it's very rural – the 911 was expanded. So we are expanding the program throughout rural Alberta, and it will ultimately be expanded through all of rural Alberta.

head:

Members' Statements

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

Drunkenness as Courtroom Defence

MRS. SOETAERT: Thank you, Mr. Speaker. The Supreme Court of Canada has ruled that extreme drunkenness can be used as a defence if an accused can demonstrate that a person was so intoxicated that he or she was insane. As a result, an Alberta Court of Queen's Bench justice has ruled that a man who severely beat his wife after a 30-hour drinking binge is not guilty of assault. This is outrageous.

Although the Criminal Code of Canada and the Divorce Act are clearly federal jurisdiction, the provincial government should take the initiative and lobby to close this loophole. The federal Justice minister, Allan Rock, has agreed to look at it. Well, time is of essence. People are being abused, and this case should be reviewed. Will this ruling open the doors to drunkenness being an excuse to forgive everything? If someone is drunk, then is robbery or a motor vehicle accident forgiven?

This new decision means that truth takes second place in the courtroom, and we cannot allow this to happen. The assault in Wetaskiwin happened, yet because of the drunk defence ruling it takes a backseat to truth.

I urge this government to show leadership, amend our own legislation where applicable, strongly lobby the federal government, and demonstrate that we will not tolerate this type of despicable behaviour. I'm writing a letter to the federal minister expressing my concern, and I encourage all Albertans to do the same.

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

Trucking Regulations

MR. FRIEDEL: Thank you, Mr. Speaker. You hear a lot these days about this government being open and accessible. [interjection] Believe it. To ensure that programs respond to the provincewide needs, we are continuing to consult with Albertans. Today I'm pleased to talk about an excellent example of this commitment.

Transportation plays a vital role in the economic growth of this province, and Alberta Transportation and Utilities is working with the commercial transport industry to ensure that our programs enhance economic viability. We are finding ways to reduce red tape and eliminate unnecessary regulation while at the same time protecting our roads and the road users. Last year, Mr. Speaker, we established 18 commercial transport district advisory committees. These are made up of representatives of all sectors of the trucking industry. They include large and small firms, interprovincial and independent local firms, and a representative from the motor transport division. All of these truckers volunteer their time to the committees. This clearly shows their commitment to efficient and safe trucking operations in Alberta.

The advisory committees have provided an excellent mechanism to resolve local and provincial issues, and they help the trucking

industry understand and comply with motor transport regulations and legislation. They also provide input to the minister and to the department regarding policies affecting transport. To date, Mr. Speaker, 40 local issues have been raised. All but one of these has been resolved, and that outstanding issue will be dealt with in the very near future. As well, 39 provincial issues have been raised, and all but one of these have also been responded to. A response to that outstanding issue will also be forthcoming very shortly.

These committees are another example of Alberta's leadership in the field of motor transport in North America. We have become leaders because we have taken advantage of partnerships with our industry. I would like to congratulate today, Mr. Speaker, those people who are participating in this lead role process.

Confidentiality of Social Services Records

MS HANSON: Mr. Speaker, on Wednesday, October 26, I was preparing questions for question period regarding an issue which had appeared that morning in the *Calgary Herald* and the *Edmonton Journal*. The questions focused on the story which alleged that child welfare officials allowed a young girl to be placed in the care of her grandmother who was a convicted child molester.

Before question period, at approximately 1:15 p.m., I was in the Legislature rotunda cafeteria and observed the Minister of Family and Social Services talking with members of the press and waving a piece of paper. After his discussion with the members of the media the minister approached my table and indicated that I should not ask a question about that particular news story. He then handed me a document and pointed to page 2. The document I received from him was the minister's briefing notes which revealed the identity of the child, her parents, her grandparents, and a portion of her case documentation. After receiving this, I pulled the question from the question period lineup. I kept the document in my possession while I was in the House that afternoon.

The following morning, October 27, I personally returned the document to the minister's office. The same day I wrote to the Premier requesting he investigate this matter and the actions of the Minister of Family and Social Services immediately. The letter was delivered by hand to the Premier's office. I also copied the Premier's letter to the Speaker of the Legislature to inform him of the actions.

Following a media availability on October 27, the same day I delivered those letters, members of the press informed me that on October 26, the same day that I was given that document, they also received copies of the same document. I did not ask them from whom.

I make this statement today to clarify the facts about this most unfortunate issue. Thank you, sir.

MR. SPEAKER: The time for question period and Members' Statements has expired. The Chair has received an indication that there are some points of order to be raised.

The hon. Member for West Yellowhead was the first to indicate that he had a point, followed by the hon. Member for Spruce Grove-Sturgeon-St. Albert, and then the hon. Member for Edmonton-Whitemud.

Point of Order Allegations against a Member

MR. VAN BINSBERGEN: Thank you, Mr. Speaker. I took issue with the statement made by the Premier – and this is

Standing Order 23(h), making allegations – in which he alleged that I had consultations with the minister of transportation. I wish that were so because probably I would have had more pavement to show for it in my riding.

2:40

But more importantly, Mr. Speaker, consultation to me means a process in which, in this particular case, discussions take place about priorities: which project should take place first and which should be second. We haven't had that. I've spoken to the minister twice, I think, since I entered this House last year. The first time was on the very first day of last fall's session when I wandered through this building before we started and decided to introduce myself to the minister of transportation because, after all, he's the designated buddy for my riding. While I was there, I asked him what his plans were regarding Highway 40 north, and he told me. Subsequently, when I shared a table with him at a dinner last spring, a rare pleasure indeed, I asked him for an update on those plans, and I kind of got a little bit of a notion about what was going to happen next. I have never sat down with the minister and discussed priorities at all, so there has been no consultation.

Then the Premier brings up this statement that – what did he say now? – I had said that Liberals, had they been in power, would have frozen all highway pavement. I don't quite understand that. I thought we were trying to follow the government's agenda here in this House. Aren't we? It isn't the Liberals' agenda that's being followed. Since we are following the government's agenda – and it's a pity indeed – I think it behooves me to go to bat for my riding and try to get the most out of this government and the most pavement possible.

So I find I don't like these allegations, and I ask that the Premier withdraw them. Thank you.

MR. DAY: Mr. Speaker, the member opposite is wasting the good time of this particular Assembly. This is not a point of order. It's a point of clarification, if anything, which Standing Orders do not allow for. Standing Order 23(h) deals with allegations, which would suggest casting aspersions on the character of a particular member. That has not happened, suggesting that a discussion took place. I hope he would understand that he's wasting time. It is a point of clarification; it is not a point of order.

MR. SPEAKER: The Chair will wait until the hon. Member for Spruce Grove-Sturgeon-St. Albert makes hers. They apparently were related.

MRS. SOETAERT: Yes, they were. Thank you, Mr. Speaker. I, too, am concerned by the Premier's comments. It would help if he would think a little bit before he would speak, because it would be nice if he wouldn't just say that the Member for Spruce Grove-Sturgeon-St. Albert, which they never get straight by the way, was in conversation with the minister of transportation. Well, that's not true. I have always supported what my municipalities have sent in as their priorities, and the minister of transportation knows that. But if we want it on the record, I'll say here and now: Highway 37 is dangerously narrow and so is 794. So there. Now it's out in the public, and they've heard it.

I have real problems with the Premier saying and alluding to the fact that we talk to the minister all the time and lobby for pavement in our area when it is not true, though quite honestly like West Yellowhead we need more pavement in Sturgeon.

Thank you.

MR. TRYNCHY: Mr. Speaker, it's true that they might not have talked to me, but I have letters from both members requesting pavement of Highway 40 and also construction and paving of highways 37, 794, and 43.

MR. ADY: That's all the Premier said.

MR. TRYNCHY: That's all the Premier said.

MR. SPEAKER: Order please. [interjections] Order please. The Chair will consider this a disagreement between members as to facts of what actually happened by way of communication between hon. members and ministers.

The hon. Member for Edmonton-Whitemud.

Point of Order Imputing Motives

DR. PERCY: Thank you, Mr. Speaker. I rise under 23(h), "makes allegations against another member," or 23(i), which I think also covers what the Provincial Treasurer had stated, which is: "imputes false or unavowed motives to another member."

The Provincial Treasurer in speaking of Professor Mumeey, a former chairman of the department of finance at the University of Alberta and author of numerous papers, stated that at universities – then he referred specifically to the Member for Edmonton-Whitemud and the hon. Member for Edmonton-Mill Woods – it was a publish-or-perish environment. It's true we have performance measures and benchmarks, and you do produce, unlike the government.

Second, he then made a statement which I think will offend every academic member in the province of Alberta: people who publish are not constrained by truth and they in fact will do anything to publish. I'm sure the many journals out there that engage in peer review, the many academic members who submit journal papers, referee papers that go through a refereeing process, would be pleased to hear what the government thinks of their research. I would think that the hon. minister of advanced education, as he talks about the high standing of universities in Alberta and the role that those universities play in making this a successful province both in terms of training students and in terms of generating research and development, would not share in those statements either.

I believe that the hon. Provincial Treasurer has impugned not only my motives and the motives of the hon. Member for Edmonton-Mill Woods but the motives of every professional at a university, technical school, and any other postsecondary institution in the province.

MR. DAY: Boring.

DR. PERCY: Mr. Speaker, the hon. House leader says that it's boring. Well sometimes you have to listen to things you don't like, and when you impugn the motives of other members of the House or a broad class of professionals in the community, you have to listen sometimes. This government doesn't listen and it doesn't care. [interjections]

MR. SPEAKER: We'll hear the prosecution first.

The hon. Member for Redwater.

MR. N. TAYLOR: Thank you, Mr. Speaker. In addition to what the hon. Member for Edmonton-Whitemud said, I wanted to

bring attention to the same offence in *Beauchesne*, but it comes under threatening language and unparliamentary language in clause 487.

It is threatening when one of the highest officials in the land – as a matter of fact, I think he is the senior since the Member for Barrhead-Westlock got exiled to the netherworld – who employs directly and indirectly most of the professors in this province, except the odd one that uses some free enterprise to try to get out from under his thumb, uses that kind of language about that group of employees and then specifically infers that maybe this professor was making up things, Mr. Speaker. The second part that's unparliamentary about it is that the hon. Treasurer has seen this report. This isn't only one report. This report has been turned out by this professor two or three times over the last half a dozen years, and he had every chance to sit there and challenge that. Never. Never. He has hidden so far under the bed that it took a broom to find him. Now he comes out like the mouse full of whiskey and says, "Bring on your damn cat," once he's got the protection of the front bench.

I dare him to go out there and make remarks about that professor's ability and his work outside this Legislature. I would dare him to go outside and take apart that agreement. So obviously it's very unparliamentary.

MR. DAY: Mr. Speaker, the points raised today: people referring to unparliamentary language, offensive language. I sat quietly. [interjections] It was difficult, but I sat quietly while they babbled on, and now they're not returning the favour. [interjections]

MR. SPEAKER: Order. [interjections]

MR. DAY: Listen to the Speaker. When he says, "Order," that means be quiet.

Mr. Speaker, in terms of unparliamentary and offensive language, I raised that issue yesterday, which is probably why we're hearing this feeble counterattack today. In many, many of the questions that come forward, very offensive and very unparliamentary language is being used.

Directly to the point of order, today it was heard by a number of members here, and it was probably heard in the galleries.

AN HON. MEMBER: Speak to the point of order.

MR. DAY: You be quiet. The Member for Calgary-West in loud, uncertain terms . . . [interjections]

MR. SPEAKER: Order please. Order. I would say that members of the opposition caucus are fast talking their way out of any serious consideration of this point of order.

The hon. Government House Leader.

2:50

MR. DAY: Thank you, Mr. Speaker. The Member for Calgary-West at least on two occasions in a loud voice used the street term which refers to fecal matter coming from the male gender of the bovine species, which could be heard in the galleries, not just right here – school children in the galleries. I would ask that that be addressed, that some common decency in this House be addressed.

AN HON. MEMBER: You didn't raise the point of order.

MR. DAY: It's the point of order on unparliamentary language. The Member for Edmonton-Glenora talked about dirty work being performed. We'd like a ruling on that, Mr. Speaker.

MR. SPEAKER: Order please. The Chair will agree that the hon. Government House Leader is not addressing the point of order before the Assembly. That probably will be a good point of order for another day, because it will probably only be a day before the same offence will occur the way hon. members seem to be behaving lately.

The hon. Provincial Treasurer wishes to address the point of order against his alleged allegations.

MR. DINNING: Mr. Speaker, speaking to the point of order under 23(h) and 23(i). I think your directive is that I should speak to that. Clearly in having the Member for Edmonton-Whitemud spring to his feet, we have indeed touched a nerve, especially having heard Redwater assist in explaining the point of order and suggest that all university professors are now employees of the Provincial Treasurer or employees of the government. Well, Mr. Speaker, I should never have it so good, if that should happen.

Clearly, Mr. Speaker, in rising and talking about "allegations against another member," no such allegations were made. It's a frivolous suggestion that there was. As for "false or unavowed motives to another member," I did no such thing. I merely commented on a certain tradition at the university which the member knows all too well. It's often in a cliché term described as publish or perish. It's a phrase that's been in this room before, and it's a phrase that is well known at the university and in society in general.

As for the accuracy, Mr. Speaker, I'm not going to dignify Professor Mumey's work, that he regenerates and recycles every year for the last two or three or four years, which flies directly in the face of financial statements that the Auditor General reviews and audits each and every single year. I would simply refer all hon. members to page 27 of the Alberta heritage savings trust fund report, which suggests that there is a book value of some \$11.894 billion of assets as of March 31, 1994, in the heritage fund and that their market value is listed at \$12,482,000,000. So when I say that I have a slight disagreement with a certain professor and the certain writings of that professor, I have every right to stand in this Assembly and say that I disagree. I have not only said it in this Assembly, Mr. Speaker, through to the Member for Redwater; I've said it outside of the Assembly several times.

So, in conclusion, if I have somehow offended the hon. member across the way or any of his professional colleagues about the publish or perish, accuracy, or completeness suggestion, I would so apologize to the hon. member. I would ask you and all members of this Assembly that we continue to watch and be interested in the kinds of writings that come out of our universities in this province, across this nation, and around the world and that we as protectors of freedom of speech be allowed to make some suggestions. Where we disagree with those in the academic community, we have every right, in fact we are bound in duty to stand up and say: they are wrong. I will not apologize for coming to an honest disagreement with anybody in this room or outside of this room.

MR. SPEAKER: Well, first of all, the Chair does not believe the hon. Provincial Treasurer made any allegations against another member or imputed any false motives against any other member under 23. The Chair had thought about reviewing the Blues to see whether there was an unfair attack on somebody who was not in the Chamber and could not defend himself, but in view of what the Provincial Treasurer has said about apologizing to anybody

who might have taken his comments incorrectly, the Chair feels the matter is closed.

Before calling the Orders of the Day, the Chair had hoped to do this a little earlier but for one reason or another wasn't able to. This happens to be the birthday of the hon. Member for Calgary-Elbow. I just thought that hon. members might want to express their feelings in that regard.

head: **Orders of the Day**

head: **Public Bills and Orders Other than**

head: **Government Bills and Orders**

head: **Second Reading**

Bill 218

Water Resources Amendment Act, 1994

MR. SPEAKER: The hon. Member for Bonnyville.

MR. VASSEUR: Thank you, Mr. Speaker. Bill 218, the Water Resources Amendment Act, has become a priority in our caucus. We've been discussing it for some time. The Bill basically changes the Water Resources Act to ensure a long-term conservation of the . . .

Point of Order
Parliamentary Language

MR. SPEAKER: Is the hon. Member for Grande Prairie-Wapiti rising on a point of order?

MR. JACQUES: Yes, Mr. Speaker. I'm rising really to seek clarification on a point of order that had arisen during the question period. I had sent you a note because I was concerned that you couldn't see me when I rose on the point of order.

MR. SPEAKER: The Chair apologizes. The Chair did receive the note, but I don't know what there is about – the hon. member's going to think that the Chair has some sort of a conspiracy against him because this is the second time this has happened. The Chair hates to admit it, but it's true, and the Chair does apologize to the hon. Member for Grande Prairie-Wapiti for that oversight. Would you now please proceed with your point of order.

MR. JACQUES: Thank you, Mr. Speaker. I know it's difficult. At the time the Provincial Treasurer had just risen. I stood and I'm exactly in the sight line.

Mr. Speaker, I want to cite Standing Order 23(j) and more particularly *Beauchesne* 489 with regard to unparliamentary language used by the Member for Edmonton-Manning in his final supplementary to the Provincial Treasurer. It was with regard to the quotation, "mislead Albertans." I appreciate that the term "misleading" in 489 has a certain connotation and in 490 has a different connotation, one which is accepted and one which is not in terms of unparliamentary language. I think the context, as I understand "misleading," is if one spoke of perhaps information being misleading; in other words, that one would draw conclusions from it because of the way it was presented or maybe it wasn't complete or maybe it wasn't the whole, that indeed might be acceptable. However, in this particular case, Mr. Speaker, the member used the term – and I would ask you to subsequently look at either the Blues or *Hansard* – "mislead Albertans", and he used it in the context that the Provincial Treasurer was indeed purposely, wilfully, or otherwise misleading Albertans. I know that's

probably not what the hon. member meant. I know him to be a very honourable member, and it's not his style to do so.

So I would ask, Mr. Speaker, if you could perhaps clarify that later. Thank you.

MR. SPEAKER: Well, perhaps, hon. Member for Redwater, we will ask the hon. Member for Edmonton-Manning to clarify what he meant. If he meant something intentional, then of course he's going to have to withdraw, but if he didn't mean intentional, then the use of that . . . [interjection] The hon. Member for Edmonton-Manning made the statement.

MR. N. TAYLOR: I want to raise a point of order then on your . . .

MR. SPEAKER: Well, you wait until we finish this point of order then. You don't have points of order on points of order, hon. member.

The hon. Member for Edmonton-Manning.

3:00

MR. SEKULIC: Thank you, Mr. Speaker, and I appreciate the comments. What I was referring to in my second supplemental, my third question, was fact. On numerous occasions the Treasurer has stood and stated that the value of the heritage savings trust fund is just over \$12 billion. There are a number of studies out there done by independent individuals at arm's length, and they're stating that the value of the fund is significantly below that which the Treasurer is stating. The Treasurer, in fact, admitted in last week's comments that he would now summon an independent study at a cost of \$50,000 to the taxpayer to find the true value of the fund. Therefore, my comments were based on fact. They weren't meant to impugn but strictly speaking to the discrepancy between the \$8.5 billion that has been stated independently and the \$12 billion which is put forward by the Treasurer and his department.

MR. SPEAKER: On this point of order?

MR. N. TAYLOR: Yes, Mr. Speaker. I can't find the reference, but what's bothering me is that I'm under the understanding that as House leader – maybe you forgot because we move things around here so much – I have a right, I thought, when it comes to defending my side. Certainly the House leader over there gets recognized to speak on all points of order.

MR. SPEAKER: Hon. member, you indicated you wanted to speak on the point of order. The Chair felt that the first one to go to should be the one who actually used the words. The Chair was not going to overlook your intervention on it. The Chair does not believe that because of a certain position held in the Assembly that automatically gives the right of first response. When we're dealing with other hon. members who are in the Chamber, they should have a right to say what they meant by the words.

MR. N. TAYLOR: Okay, Mr. Speaker, we'll carry on the debate another time. Under your predecessor it was always understood that a Speaker wouldn't close in on a member of the government side or the other side without going through the House leader first, but we'll talk about that another time.

On this particular point of order I would refer to clause 490. It says, "Since 1958, it has been ruled parliamentary to use the following expressions." You turn over to page 148, and halfway

down it says that "misleading" is quite acceptable. So it's just whichever one you take. You can pick 489 where it says that it isn't, but 490 says that it is, and since 490 was written later than 489, I would assume that it is the correct one to follow.

MR. SPEAKER: The Chair is going to defer judgment on this to analyze what happened in question period plus what has been said since and will rule on this tomorrow.

The hon. Member for Bonnyville. The Chair apologizes for this interruption in your address.

Debate Continued

MR. VASSEUR: Thank you, Mr. Speaker. If I may continue from where I left off, the purpose of this Bill is basically three areas, the first one being to ensure the long-term conservation of not only the groundwater that is addressed in the present Water Resources Act but nonsaline groundwater. When I refer to nonsaline groundwater, I'm talking about freshwater aquifers. This particular source of water has been subject to a lot of extraction by the oil industry and has become a great concern not only in northeastern Alberta, where I'm sure this issue originated, but also in other parts of the province. Also, Bill 218 doesn't address just the issue in northeastern Alberta. It's amendments to the Act for the whole province. The second portion of the Bill obviously is addressing the issue of fresh water being used by the oil industry for oilfield injections to chase oil and the third part of the Act being the setting up of a water conservation and technical advisory committee. This is basically to enhance and not to diminish the responsibility of the minister but to assist him in making the decisions that must be made without interference from the industry.

Now, one of the reasons why we feel that it is quite important to address this issue is that we think the present Water Resources Act really doesn't contain any statement about the principle or goals of water resources or the use of water in the province. Bill 218, being this Bill, entrenches in legislation the long-term conservation of water as a guiding philosophy. This is the big difference between the present legislation that we have in the Water Resources Act and the proposed amendment.

You may wonder, at a time when the government is in the process of reviewing the Water Resources Act, why we would come up with a proposed amendment to the Act. I'd like to go into a brief history of the existing situation. We can go back as far as the late '70s, when the issue of water resources became a problem in northeastern Alberta. The first application that came forward and was looked after by the ERCB was an application by the oil industry in 1979. The ERCB of the time spent, I believe, about six weeks in the area looking at the application to develop a megaproject that would use a considerable amount of water chasing the oil in the tar sands in that neck of the woods. The ERCB of the time reviewed not only the amount of water that was going to be used in this project but also looked at the whole application as far as the effect on the environment. Shortly after the ERCB hearings in '79 the industry itself decided not to proceed with the megaproject. So the whole issue of water somewhat subsided in the local community.

But the government in 1981, regardless of the activity going ahead or not, decided through the department of the environment to initiate what they called the Cold Lake-Beaver River water management study, and that study was in the process and in consultation for some three to four years. In 1985 there was a recommendation that all industrial water requirements be met by

a water supply pipeline from the North Saskatchewan River. Now, that was 1985. Unfortunately, in '86 the price of oil went down considerably and the activity in chasing heavy oil also subsided. So again this issue of water supply took a backseat, and it wasn't until a little later on in the '80s that the issue came up again.

Now, during this whole process instead of the megaproject happening, the oil patch was developing in phases, which has proven to be a lot more beneficial than the megaproject and a lot less costly for the industry. The water licences that were given through the '80s were for surface water, being mostly from Cold Lake itself. At that time, there was a benchmark telling industry that if it was below that, the licence would be cut off. That did happen in the early '90s. I believe the licence was suspended in the fall of '91. Throughout this whole period of time, through most of the '80s, there were additional water supplies developed from the ground aquifers. Now, the ground aquifers are a source of water where nobody knows really how much water there is, and this is why we're addressing this situation in this Bill. We're saying that somebody has to be in charge, somebody has to make rules and regulations as to how much water we can use out of there.

3:10

Now, the price of oil, of course, has improved over the last few years and the activity in the northeast also because of the industry wanting to get back in there. The big issue again is water.

Because of the pressure by the industry on the water supply in the area, the department of the environment came out on March 27, 1990 – and the Premier of the province was the minister of the environment at the time. He said:

With continued economic development and population growth, there is an escalating demand on ground water for domestic, municipal, agricultural and industrial uses. The policy addresses concerns about the increased demand for ground water by competing interests.

It says here that "management of this vital resource will prevent its overuse and waste and resolve potential conflicts between users."

There are some indications to the quantities that the oil industry will be able to use, without going into all the numbers here, but really nobody knows how much water there is in those aquifers. That's why we believe it should be addressed in legislation.

If we can go back to the present time schedule the government has today, we saw in 1992 the government and the then minister of the environment appoint a water task force. I believe it was August 10, 1992. Now, that came about because of a lot of pressure in the community and also after a period of about four or five years of drought in northeastern Alberta, where there were a lot of people concerned about what the effects were on the groundwater. At that time, there was a considerable amount of water being used that came from these freshwater aquifers. We can take a look at an answer that was received here in the House to a question asking about the quantities of water used in oilfield injection. In the year '91-92 we looked at 1,345 acre feet. I don't know exactly how many barrels of water that is, but that's an awful lot of water. By the year '92-93 that amount had increased to 4,270 acre feet, about threefold in just one year.

The water task force that was put into place in the summer of '92 came to the government in early '94 with a recommendation, again the same recommendation from this task force as was found in 1985. In January of '94 the recommendation was that industrial users in the Cold Lake region obtain their water supply from a single-use pipeline from the North Saskatchewan River. Now, the recommendation after 15 years in the community, from '79 to '94, is again the same. They felt very strongly that the govern-

ment should abide by this recommendation being that it would guarantee the industry a permanent source of water and it would give an assurance that any future growth in the oil business would be carried out without the risk of having to choose between the environment and the local economy. So if you're asking us why we're somewhat skeptical about when we're going to have new legislation with the Water Resources Act, this is why we're proceeding and would like to see this Bill proceed.

Now, I'm not going to go into the details of the proposed amendment. I understand that there are going to be other people here that will do that, but I want to just allude to the House how critical this problem can be. I'm going to quote from an article here that appeared in the March '93 edition of *National Geographic*, and it's on the largest aquifer in North America called the Ogallala, also known as the High Plains aquifer. It stretches from Texas to South Dakota and covers an area of 174,000 square miles. It's the largest one, and it contains a huge amount of fresh groundwater. It says:

Within living memory this immense supply of water has transformed the very acres that blew away in the Dust Bowl of the thirties into an agricultural phenomenon. Because of Ogallala water, Nebraska can add 700 million more bushels of corn to its annual crop; Kansas can fatten three million more head of . . . cattle; Texas can produce two million more bales of cotton.

But now the specter of drought – this time not from above but from below – has returned to haunt the plains. Parts of the aquifer are being depleted, primarily by farmers with powerful irrigation equipment, faster than rain can replenish it.

If the aquifer were completely drained, it would take up to 6,000 years to refill.

Mr. Speaker, 6,000 years is a long time to be thirsty. This is why I feel that we have a responsibility in this Legislature to definitely be concerned with the amount of water that's in the aquifers, and before we issue any licences, we should not issue those licenses just because some companies want them and need them. It's cheaper to take an alternate source of water, like groundwater coming out of lakes and rivers or even brackish water, which is in another system of water which is much further below. It's costlier to bring up and treat to use in the boilers, but it's available, and the industry is using it now knowing that it's more expensive than fresh water.

That's the reason I rise today in proposing this amendment to the Water Resources Act. I feel that it's very, very important that we consider legislation today and not 15 years from now, because we've seen this government debate or take issue with this water supply since 1979.

In conclusion, if I can just quote another quote from the article in *National Geographic*. Sometimes we try in this House – and I've seen it on different Bills – to leave the responsibility to the private sector and think that the private sector can resolve all of the problems. The quote here says, and I'm referring back to the '50s and the Ogallala aquifer: in the early days the politicians were reluctant to regulate, but now they realize that's not realistic. Legislation may be a necessary tool.

Thank you very much, Mr. Speaker.

MR. SPEAKER: The hon. Member for Dunvegan.

MR. CLEGG: Well, thank you, Mr. Speaker. I'm pleased to participate in the debate on this proposed Water Resources Amendment Act. I have read this Act through many times, and when we talk about the main resource in the province of Alberta, it always gives me a great deal of pleasure to talk on it. However, Mr. Speaker, I cannot support this Bill, and I say that with some degree of . . .

AN HON. MEMBER: Regret.

MR. CLEGG: Right. It is, as I said earlier, a very important resource, and I want to personally thank the Member for Bonnyville for bringing in this very important amendment so that we have a chance today to discuss in general water throughout Alberta. So often we as government members are accused of getting up and babbling on and just trying to say – we use what we call "Yes, we agree with it, but." So today I guess I'm going to speak on "Yes, but." Certainly it is an important item, and I want to just give a few remarks and a reason why I cannot support the Bill.

3:20

Mr. Speaker, my interpretation of the Bill is that it seeks to make the Water Resources Act more concerned with issues of water conservation, and I don't think anybody in this House can argue with that. Fines for violation would be increased significantly, and this is something that is very much a good thing. We on the government benches know just how important the careful conservation of water is to the province that has the agricultural sector as one of its primary economic contributors. So in evaluating this Bill, for the goal of the conservation and stepped-up penalties to enforce that goal I give the hon. member a B plus.

Later on in the Bill I notice that it calls for the controller of water resources to consider any applicable environmental impact assessment or written decision that comes from the deliberation of the Natural Resources Conservation Board when it comes to deciding whether or not to issue a licence for water use. This is another good point that I support, Mr. Speaker. The Natural Resources Conservation Board is a very competent body that provides an extremely important service for the sake of our ecological environment and the 2.5 million or 2.7 million people who inhabit the ecosystem.

The creation of the environmental impact assessment and the procedure surrounding it are excellent measures aimed at balancing the needs of consumers and industry, those of the natural environment. I might point out for the record, Mr. Speaker, that the idea of both the mechanism that is in the environmental impact assessment and the Natural Resources Conservation Board were both born from this government. This is something that we are quite proud of and that I hope all Members of the Legislative Assembly can recognize and appreciate regardless of what side of the House they sit on. So for the fact that the hon. Member for Bonnyville has seen fit to include this aspect in his Bill I give him a B, which is pretty good.

But it is not clear whether the consideration of environmental impact assessments are for all licences or just for those that are related to mandatory activities. Mandatory activities, I am sure many of us know, are outlined in the much praised environmental protection and enhancement grant that was brought forward by the hon. Premier when he was then Minister of Environmental Protection. However, since this Bill is not clear on this point, I only give him a grade B on this. Perhaps I have overlooked something, and I have. The hon. member is certainly welcome to come and see me after class today, and I would be excited to talk to him and maybe upgrade his mark on that point.

I spoke earlier that I was in favour of increasing the fines and prison terms for violators of various sections of the Water Resources Act. Sections 9 through 14 of Bill 218 address the issue of penalties and how they will be increased from those that are currently available under the existing Act; for example, changing from up to \$2,000 for an individual and \$10,000 for a corporation to \$100,000 for an individual and \$1 million for a

corporation. This is also a good idea, Mr. Speaker; \$10,000 was a lot of money back in the days when the hon. Member for Redwater was a young man or maybe even when the hon. Member for Olds-Didsbury was a young man. Today it is not a great deal of money. In the grading system I do give him an A for this.

Now, I must get into the butts. I'm sure the hon. members of the opposition have been waiting for the butts because their grading system has been from a B to an A. Let me explain why I will not be supporting Bill 218. The first and most important reason that I cannot support the Bill, Mr. Speaker, is related to the point I have just made about increasing the penalties for individuals and corporations that break the Water Resources Act. The public consulting process or the phase of the water management policy and legislation review that the government conducted a few years ago revealed that increasing fees for violators of this law was a high priority. Now, how this fits in with the most important of reasons for not supporting the Bill is that the public consultation that produced this suggestion was part of an extensive and well-thought-out process that this government has been working on for a more complete and comprehensive initiative to improve the entire Water Resources Act.

Mr. Speaker, in 1991 the Department of Environmental Protection set the process of fine tuning and overhauling of the Water Resources Act by drafting a discussion paper entitled *Water Management in Alberta: Challenges for the Future*. The paper represented a starting point at which Albertans could begin thinking about what they would like to see under the water management policy and legislation in Alberta. This discussion paper outlined five key issues: first, involving the public in decision-making; second, planning for the future; third, protecting our surface and groundwater resources; fourth, using our water resources wisely; and fifth, co-operating with other governments.

Mr. Speaker, this comprehensive process of improving the legislation in all of the areas that needed improvement went even further than that. Additional information in the form of 12 background papers was prepared to help stimulate discussion at a series of 14 workshops throughout the province. This process has continued at a varying pace and intensity in which our cabinet has granted approval to go forward with further draft legislation that will be analyzed a final time by the standing policy committee on natural resources and sustainable development.

Mr. Speaker, what we are talking about here is an enormous piece of legislation, not like mudflap legislation. Even though this topic is a good one; this is big-time legislation. It is for that very reason that the private member's Bill, no matter how well introduced and how well constructed, is of far larger magnitude and needs a lot of input from the people of Alberta.

MR. SPEAKER: Hon. member, the Chair sincerely regrets having to interrupt, but according to our Standing Orders, and the clock is now at 3:30, we must now adjourn this order of business and move on to the next.

head: Motions Other than Government Motions

3:30 Health Services Smart Card

517. Moved by Mr. Brassard:

Be it resolved that the Legislative Assembly urge the government to adopt the use of smart cards for the general procurement of health services in Alberta.

[Debate adjourned October 25: Mrs. Abdurahman speaking]

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

MR. HENRY: Thank you, Mr. Speaker. I rise with great pleasure to speak to Motion 517 proposed by the hon. Member for Olds-Didsbury. The motion urges the Leg. Assembly "to adopt the use of smart cards for the general procurement of health services in Alberta." This is not a new idea; it's an idea that's been floating around since before the Hyndman, or Rainbow, report came to us a few years ago.

The idea as proposed by the hon. member and the rationale that he gave last week as I sat and listened to the debate on October 25 prompt me to remember a situation I found myself in about a dozen years ago in central Africa. Mr. Speaker, it was the Outward Bound school in Mbala in northern Zambia, and we had an old four by four. It was the rainy season, and we were driving down a trail with some of our students instructing, and this four by four, believe it, got stuck in the mud. We tried everything. We got all the students and we pushed behind this four by four to get it out. We hooked up to a tree and tried to winch it out. We tried everything we could, and we just couldn't get that old machine that was about 15 or 20 years old out of that mud.

So we did the prudent thing. We walked away from it, and we left it there in the mud. We waited a couple of months, and lo and behold the soil dried up. The rainy season ended, and we moved into the dry season. With a different group of students, actually, we went back down that trail that was very seldom traveled, and lo and behold the vehicle was still there. We said, "Well, maybe we can move this sucker", if I can use that colloquial, "out of there and get it back on the road." Then we sat around and looked at it for a while and said, "You know, it's probably not worth moving, so let's cannibalize it, take what we can from it, and trash the rest." Frankly, that's what should be done with this particular motion.

The motion itself may not be in essence a bad idea. However, the rationale given for the motion smacks of ideology, and it smacks of an ideological base that has no ground in fact or no ground in experience to justify the reasons given for the support of the motion.

The hon. mover of the motion suggests on the basis of some experience he and friends had with regard to using the health care system as a result of accidents – and I refer members to 2559 of *Hansard* – that it was important for that individual to be able to see the hospital invoice so he would know exactly how much of the publicly funded health care system he used and how much essentially you and I paid for that individual's care.

I give the member credit. The member indicates that in this province there was a time when we received an accounting of health care services that we used, and that accounting came to citizens every six months. Well, I would challenge the hon. member to show us anywhere how that affected the use of health care in our province when we did have that practice of sending essentially statements to Albertans about what they spent on health care. There's no evidence to suggest that by having somebody sign an invoice or by having somebody receive a statement saying, "You've used up so many dollars of the health care system," they in fact use the health care system less. What that ideological position suggests is that people use the health care system because it's kind of fun to use it and because it's a luxury we'd rather have rather than a necessity we use when we're ill or injured or otherwise.

There was a reason, and I challenge the hon. member, because I believe he was a member of the government when the decision was made to stop that kind of mailing to citizens of our province to let them know exactly the value of the health care services they

use, to show us why in fact his government, which he was a member of, chose to stop sending those bills. Well, I suggest to you, Mr. Speaker, they stopped sending those bills because it didn't do anything except satisfy an ideological urge of some members of the government of the day. It did not reduce health care costs. It did not produce a more efficient health care system. It did not produce a more effective health care system. So to use that as a rationale for bringing in smart cards simply doesn't add up to anything more than an ideological push.

The other rationale that was used by the hon. member was that we would have these smart cards so if a particular citizen was perhaps doctor shopping or prescription shopping, as is often known, and the individual member had a variety – and I believe the hon. member referred to one individual with 28 different prescriptions – and was going to different pharmacies, the smart card would pick that up and tell the pharmacist not to fill the umpteenth prescription for a particular drug.

Well, it's my understanding – and I'd ask the hon. Health minister when she's in the House to perhaps inform us if she's learned in her travels to Japan at the volunteer conference from any of those volunteers if the actual computerization of pharmacists' records is going ahead. If in fact my information is correct, this purpose is already being served right now. This is coming from a member of the government who claims they want to avoid duplication.

I give the pharmacists in this province significant credit, and I'm thinking of a particular instance. Recently I visited a pharmacist who reminded me of the fact that one of my children was on a particular medication. His records showed that on the computer. So my point is that if we're going to use that as a rationale for smart cards, it simply doesn't hold water, because that procedure or that intent of being able to avoid duplication or abuse of the health care system through multiple prescriptions is already being looked after. It is already moving very fast if it's not already there in terms of the pharmacists.

The other rationale was that an individual would get – now, let me get this straight. According to the hon. member, we're going to have smart cards. The smart cards are going to save a lot of paper, and we'll have a more efficient system because you'll have a little card somewhere like your bank card that you can plug in and you'll be able to get the information and your physician or the health care provider as appropriate will be able to get certain information. Then after we do all of that, we're going to present the individual health care user with an invoice, a piece of paper that they will sign, that they will send in, according to what the hon. member said on October 25. Well, Mr. Speaker, is this a question of the hon. member actually questioning the integrity and honesty of health care professionals, physicians, hospitals, and other billers of the system as to whether they are actually submitting invoices that are accurate or not?

It seems to me, again using the examples by the hon. member, that if I was hurt badly in an automobile accident and then I was treated by physicians in a hospital care system and then was released and presented with a bill, an invoice, and asked to verify if I actually received that injection or actually had those procedures, well, chances are I'm going to be unconscious for some of that, and chances are I may not understand all of the procedures. I have looked at the breakdown of billing codes for physicians, and half the things the physicians may bill you for they may have done to you, but you may not understand the technicalities. So asking the user to verify seems to me is not our most effective way if we're looking at controlling costs.

There's no question that the technology we're entering into and the idea of the smart card is a step in the right direction in terms of making more information portable in terms of a consumer of health care services being able to show up at a health care facility or office and not having to wait two or six or more weeks for their files to be transferred but being able to carry it with them. But then to use the smart cards for the ideological position put forward by the hon. member on October 25 seems to me to be an abuse of the technology and not an effective use of the technology.

3:40

I would in principle support the notion of the smart cards. In fact, when I came in here last week, I thought I would be voting for this motion. But after having listened to the hon. member, the rationales being primarily ideological in nature and not based on any sense of making a more effective system or having a more efficient system with regard to the user but rather to curb abuse, to make the person understand how much health care they're using, and to keep health care workers and providers in line with regard to their billing simply don't hold water.

I challenge the notion again that it's beneficial to the public to spend a lot of energy sending individuals invoices or giving them statements of exactly the health care costs that they have used. Again, we've tried that in the past. It hasn't worked. It hasn't affected it. In fact, I think the statistics would show, Mr. Speaker, that the more affluent one becomes in Canadian society, in Alberta society, the more likely one is to use the health care system. Therefore, showing a \$25,000 a year income person a statement that they used \$5,000 worth of health care and showing the same statement to a quarter million dollar income earner will mean two very different things. In fact, statistics show the quarter million dollar income earner is likely to use more of the health care system.

Mr. Speaker, if we follow the logic that says that when you or I use the health care system, it's incumbent upon the public, because the public pays for it, to make sure you get a bill for that, then I want to know why we're not calculating how much the hon. Member for Olds-Didsbury drives up and down Highway 2 and how much maintenance and construction of Highway 2 costs us taxpayers and why we're not calculating that. I'm sure we could if we put in a toll bridge and gave us each a little card and sent that member a bill so that maybe he'll think twice before he travels back and forth between Olds and Edmonton. Again, the logic is the same.

If you're going to use the logic, again the unfounded in fact or experienced logic, that says that we need to blame the user for the abuses in the health care system when the abuses have been in the management of the health care system and if we're going to send each user a bill to that effect, then why not transfer that to other services? Why not transfer that to transportation? Why not put a toll bridge on Jasper Avenue and say, "Those who are going to shop downtown more, we're going to send them a little bill saying: this is how much it costs."

DR. L. TAYLOR: Good idea.

MR. HENRY: I hear from the hon. members on the other side, "Good idea." Well, I would challenge the members on the other side to stand up and say that we should actually put toll bridges on our roads and charge individuals according to the use in terms of downtown Edmonton. If they're going to do that in my riding, I'm sure they'd want to do it in every riding in this province. I sure wouldn't want Albertans to think that every time they drive

to the Tyrrell museum in Drumheller, they're going to get a little statement from the government that says: aha, you used a bit more than your share. That's what's really at the bottom of this.

I want to express profound disappointment that when this motion was first put on the Order Paper, we had an opportunity to get into a debate here about how it is we could use the information to make records more transportable and to make our health care system a bit more effective, not just blame the user.

Mr. Speaker, there are issues that will need to be addressed if this motion is passed or if we go in this direction as a province or as a government. We're going to have to address the issue of confidentiality. Again, we look at technology, and most of us are in awe of what technology can do today, but the reality in terms of confidentiality of information in regards to technology is that technology in that area is very much in its infancy. If the government wanted to pursue this direction, it might be worth sponsoring some research or some R and D so that we have the confidentiality provisions that we need when we do enter into this kind of technological recording of information, so that we do have those safeguards.

To simply pass this motion and say: "Trust me. Don't worry; this government will protect your privacy. This government will stand up for individuals and ensure that information is used for purposes of bettering our system and not used in a negative way in terms of the individual" – and I draw on my experience as the director of mental health. Certainly we still have discrimination in this province, and we still know that some people will not hire people if they've had a history of psychiatric illness. If that's going to be on somebody's card and they've recovered and they're back in the work force, then we want to make sure that information is available to appropriate health care providers and not to a government or other kinds of employers who might want to purchase that kind of information.

Mr. Speaker, we know that when private information in other governments has been made public inappropriately, there have been dire consequences to that. In September 1990 the minister of health and fitness for Nova Scotia resigned as a result of information that was accessed and released inappropriately. In 1991 the same thing in Ontario: Evelyn Gigantes, the Minister of Health at the time, resigned because she gave information inappropriately that was in her care. In 1992 the conduct of the minister of northern development of Ontario was also used.

Mr. Speaker, this is a good idea, but the rationale given for it is wrong, and it represents an ideological position and nothing else.

Thank you.

MR. SPEAKER: The time allotted for consideration of Motion 517 has now elapsed.

[Motion carried]

Motor Vehicle Rear Mud Flaps

518. Moved by Mr. Tannas:

Be it resolved that the Legislative Assembly urge the government to amend the Highway Traffic Act to require mandatory rear mud flaps on all motor vehicles that travel on public roads.

MR. SPEAKER: The hon. Member for Highwood.

MR. TANNAS: Thank you, Mr. Speaker. I rise to speak on behalf of the motion that stands in my name, 518. As my

colleague from Dunvegan has reminded me, this is not an earthshaking issue, but there is a bit of earth moving in it, if you get the point.

Mr. Speaker, today I'm bringing forward an issue that on its surface, then, is not a bread and butter issue. My motion has nothing to do with health care policy or Family and Social Services or educational issues or any of those sorts of crucial issues of the day no matter how important they may be. However, we as legislators need to recognize that sometimes the little things which make the lives of Albertans more convenient need to be addressed in this Assembly from time to time. That is in part, then, what my motion today seeks to accomplish.

How many of us in this room have cringed when the windshield of his or her car or truck has been pelted by flying rocks that have been spit out from another vehicle?

SOME HON. MEMBERS: I have.

MR. TANNAS: Quite a few of us. I'm sure, indeed as the response indicates, this is a universal experience. But how many times have you noticed that the offending vehicle shows no evidence whatsoever that its owner has taken any care or steps to prevent such projections? In other words, the offenders are more often than not vehicles that are traveling on our public roads without proper mud flaps, mudguards, or adequate fender overhang.

[Mr. Clegg in the Chair]

I think if you travel as the hon. Member for Olds-Didsbury does and members from Calgary do to Edmonton, you notice how many four by four vehicles that have been elevated – they elevate the body above the tires – almost universally do not have mud flaps or mudguards, and certainly the fender is too high in the air to prevent any rocks or debris from spraying out.

3:50

Generally speaking, Mr. Speaker, commercial vehicles are well covered. However, there is one category in there that I think bears some note, and that is the log trucks. Many of the logging trailers in fact lack mudguards in many cases behind but even more important in front, because with no body, no fender the vehicles in a catapult fashion can be going at quite great speeds, as I'm sure the Member for West Yellowhead could attest to.

The purpose of Motion 518, then, is before us. Mr. Speaker, for the purpose of debate I'm using the term "mud flap" in a generic sense so that it includes mudguards or fender extensions and so on. It should be pointed out that vehicles that are equipped with adequate fender or overhang protection provided by the body, as outlined in section 49 of the Highway Traffic Act, are not targeted by this motion. I realize that my motion reads, "require mandatory mud flaps on all motor vehicles," but I would like to make use of the generic term of reference that I have just described.

Now, I got that cleared up. I want to address the need for vehicles on Alberta roadways to be properly equipped so as to minimize the spray of stones, water, or snow. Many of the roads that lead onto highways are gravel roads, and our treads are such on trucks or cars that small rocks can lodge there, large rocks in some cases between the dual tires, and when you get onto the highway, they come flying at you.

DR. L. TAYLOR: Sounds dangerous.

MR. TANNAS: It is indeed, Cypress-Medicine Hat, dangerous.

When you take a look at section 49 of the Highway Traffic Act and then begin inquiring as to whether or not legislation in each of the other nine provinces is similar for this purpose, I realize that our legislation is sound and comprehensive, as it is on the books. Alberta's legislation is at least as stringent as most of the other provinces.

At this point, Mr. Speaker, I'd like to briefly outline for members of the Assembly the requirements that are currently under section 49 of the traffic Act.

- (1) A motor vehicle and a trailer shall . . . be equipped with a body, fenders, mudguards or other similar devices that are located as far as practicable behind the front and rear wheels of the motor vehicle . . . and extend laterally for at least the width of the tire . . .
- (2) The vertical distance from the ground to the bottom edge of the body, fenders, mudguards . . . shall not . . . be greater than
 - (a) 15 centimetres, or
 - (b) 1/3 the horizontal distance between the body, fenders, mudguards . . . and the vertical centre line of the wheel.

Point of Order Relevance

MR. ACTING SPEAKER: Point of order, hon. member?

DR. L. TAYLOR: Yes. *Beauchesne* 459 on relevance.

MR. ACTING SPEAKER: Would you like to comment on the point of order?

MR. TANNAS: Certainly. Mr. Speaker, there is an order of decorum that's normally present among members of a legislative body. It appears to be absent in the case of someone who on the same side of the House would get up and speak to the issue of relevance when it is perfectly relevant. However, I bow to your good judgment as to what you would judge in this case.

MR. ACTING SPEAKER: Hon. member, I think the hon. Member for Highwood is right on base, and I have no qualms in saying to the hon. member on the point of order that I think he's a little bit off with relevancy.

Would the hon. member please continue.

Debate Continued

MR. TANNAS: Well, further to that, section (3) under the same Act says that

no person shall . . . sell or offer for sale a motor vehicle or trailer in Alberta that is not equipped as required by this section.

So we can see clearly that in fact for the last 10 or 15 years the Act has not been enforced when it comes certainly to section (3). In spite of this, we are still regularly faced with that universal experience then, Mr. Speaker, of flying rocks that I talked about at the beginning of my remarks this afternoon.

How can this be still happening when there are adequate regulations in place in the Highway Traffic Act? This is not out of the blue, a whim based on some isolated personal experience, real though that may be. Being a representative in a rural constituency, I have received a number of complaints about this. Almost every year a rural MLA, particularly in the proximity of large cities where you have commuters in your area, receives complaints at the first few snowfalls when rock chips are placed on the road in order to combat ice and prevent the kinds of accidents we saw this morning. I suspect that many of my colleagues on both sides of the House, and as I say, especially rural members have received those kinds of complaints.

We really can't completely eliminate the instances of rock, water, or snow spray from automobiles because that's a fact of life in wintertime if we want to continue to travel our highways in these kinds of vehicles. But one would certainly think that if section 49 of the Act were being adequately adhered to and enforced, then instances of spray and rocks that we have experienced would be less frequent.

Well, you might then ask the question: "Highwood, how come your motion says to urge the government to amend the Act to require mandatory mud flaps?" That's where my motion comes full circle, if you will, and remains true to its form. The term "mandatory" is the operative word in the text of my motion. If the legislation is not being enforced on a consistent basis, then indeed it's not being mandatory. Quite simply, the legislation is less than useful if it is not being enforced to an adequate degree. Now, I don't think I'm suggesting at all that we have a new cadre of highway police in order to enforce this, but a simple ruling for new vehicles would soon get it, and if it had been done some years ago, we wouldn't have quite the problem we seem to have today.

Well, Mr. Speaker, I want to make it clear that I do not wish to get into any finger pointing and say that our law enforcement officials are not doing their job. They have far more important things to do. By and large, our police forces, whether they're the motor transport officers from the Transportation and Utilities department or members of the municipal police in the various municipalities of the province or indeed the Royal Canadian Mounted Police, do a fine job of serving and protecting the citizens of this province. I might also add that they are having to do it with fewer resources, as many of these, then, are also engaged in civil service in the province of Alberta.

However, I feel strongly that a more expanded campaign of enforcement of section 49 of the Highway Traffic Act is definitely something that can be useful in Alberta, especially in the rural areas, but I think you'll hear also that in the urban areas it would be useful. Even realizing the traffic patrol units – and I make special mention of this specialized unit of the RCMP, lest you think that I'm suggesting that the criminal unit shift their focus from investigating murders to ticketing flapless motorists – are having to do more with less, I still feel that they ought to somehow manage to find a balance that would allow them to step up the enforcement of section 49 of this Act, and I think one of those would be new vehicles.

At this point I want to build up a little bit of a case as to why this increased enforcement of the mandatory mud flap regulation would be needed. I spoke earlier of the inconvenience that rear wheel spray can cause the over 1 million drivers in this province. Certainly there's the danger of the occlusion of the windscreen, but there's also another kind of inconvenience, and I don't mean the kind of inconvenience of standing in line at the supermarket or having to get up off the couch to change the channel because the batteries in the remote are dead. The very least of the problem results in chips and cracks in windshields, makes the windshield dangerous and difficult to see through, chips on the paint. All of this occurs. Whether you're willing or able to live with it, it's an inconvenience.

When the problem gets bad enough so that one is forced to have the windshield replaced or have a new coat of paint put on, then we're getting into some significant costs to each individual motorist. When you consider that the vehicle you drive is an investment that costs you somewhere between \$10,000, \$15,000, and \$30,000 and indeed even more, then you begin to see the magnitude of the problem in terms of costs.

Mr. Speaker, I have had some research done that sheds a little bit of light on the cost of the problem, particularly as it relates to the automobile insurance industry. First allow me to relay a little disclaimer, like the insurance people might do as well. This research effort was to try to find some hard data to compare and contrast. It wasn't all that I initially hoped it would be. First I thought maybe the Insurance Bureau of Canada would have statistics that would be helpful. They did not and suggested that the best bet would be to do a random sampling of automobile insurance companies in order to get the information that we were looking for. Specifically I wanted to know what the average cost of a windshield replacement is today and how much money each company paid out for windshield replacement claims in the past fiscal year and, finally, what percentage of all automobile insurance claims were indeed for windshield replacement.

4:00

I originally thought I could get some precise figures and that we would be able to average out and say to the members of the Assembly, "Well, look; this is what the auto industry is faced with, particularly because of the windshields broken by flying rocks on Alberta's highways." Research then called seven Canadian insurance companies looking for this precise information. Unfortunately, they were only able to comply in varying degrees. For us to relay the findings to you and argue that it's an absolutely full and accurate picture of the problem in Alberta and what is occurring due to the lack of enforcement of section 49 of the Highway Traffic Act would be erroneous.

Less than half of the companies contacted were able to comply due to different record-keeping practices, and among them the numbers were very wide ranging. Some companies track these statistics on a nationwide basis, thus rendering the statistics only partly relevant to the situation in Alberta. Some companies simply did not keep records that were claim specific. The ones that did, though, reported that the average cost of a windshield replacement was somewhere around \$280 to \$350. Also, there were insurance companies that had approximately 5 percent of their claim payouts go toward windshield replacements, while others were in the neighbourhood of 25 to 30 percent. Apparently, this was due to the fact that most companies are now phasing out their involvement in glass insurance by means of charging rather hefty deductibles because of windshield replacements that were costing them too much.

This research, while not complete, does lend some weight to the argument that flying rocks on Alberta highways are resulting in significant monetary costs and losses. It is costing the insurance business in this province a great deal of money, who in turn are passing the costs to the consumer in the form of higher premiums. Also, for those Albertans who do not carry glass insurance, either because they can't afford to or because the insurance companies are making it almost impossible to do so by means of large deductibles, the roughly \$300-plus per windshield is costing Albertans a considerable chunk of change.

Mr. Speaker, if you've been following my line of reasoning, you have noted that I brought this issue from one of inconvenience to rather significant financial implications. I would like to take this one step further. This goes further in importance than rocks and stones cracking windshields and chipping paint.

Ultimately, the lack of adequate mud flaps, mudguards, and body fenders can lead to serious injury and even death. In winter conditions, cars and more so trucks that are not properly equipped to reduce the spray of rain or slush and snow can be indeed a serious safety hazard on the highway. The driver can be tempo-

rarily blinded by excessive spray from the wheels of the lead car or truck that the driver is attempting to pass or when such a vehicle passes the driver that we're concerned about. The results, then, of that kind of occlusion to the windshield may be fatal. Of course, this is the worst case scenario, but it is one that does happen on occasion on our roads and highways. I'm sure many have been personally blinded for a few moments when driving, and I think we all feel lucky that under those circumstances we didn't have a serious accident.

In conclusion, then, I hope that my colleagues in this Assembly can appreciate that I've attempted to build the argument for the need to toughen up on the enforcement of section 49 of the Highway Traffic Act. I trust that this has shown that the results of not doing so can range from being an inconvenience to drivers in the province to being a source of financial costs to drivers in automobile insurance. Finally and most importantly, if in doing so we can make travel on our roads and highways safer, then I think it is something we ought to do. It's for these reasons that I urge all members of the House to support Motion 518.

Thank you.

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

MR. BRUSEKER: Thank you, Mr. Speaker. The previous speaker, the Member for Highwood, raises an interesting and certainly a difficult issue. It was unfortunate that the member's own caucus chose to fling some mud at him in his debate when he was exactly on topic, as you pointed out, Mr. Speaker.

The motion is a good motion, but it's absolutely redundant to the legislation that we have before us already. Section 49 of the Highway Traffic Act, to which the member referred, states quite clearly: "A motor vehicle and trailer shall, on and after January 1, 1981, be equipped with a body, fenders, mudguards or other similar devices." Then it goes on to describe how wide they are and so on. So indeed the motion is redundant from the standpoint of needing to make an amendment to the Highway Traffic Act.

The concern I think, and appropriately so, the member referred to in his closing comment is that what is needed is not an amendment to the Highway Traffic Act but in fact better enforcement of the legislation we already have. The Highway Traffic Act, 1980, indeed covers this particular issue thoroughly. What is needed is an increased amount of enforcement of the legislation. I guess the difficulty from the standpoint of police forces is that with all of the cutbacks that are happening in budgets to different departments, an issue of mudguards, although it is important, as the member pointed out in his discussion, probably takes a considerable second, third, fourth, or fifth place to speeding infractions, overweight infractions that trucks may have, oversize infractions that trucks may have, and so forth.

So while it's an important issue – and I admire the member for raising the issue – I would suggest, Mr. Speaker, that indeed to amend the Highway Traffic Act is in fact redundant. I would just perhaps suggest to the hon. Government House Leader that a \$1.58 million research budget as support for the Tory caucus might be more effectively spent in the future than by putting forward a motion that is indeed redundant. I just thought I'd mention that for the edification of members across the way.

With that, Mr. Speaker, I thank the member for raising an important but repetitive issue.

Thank you.

MR. ACTING SPEAKER: The hon. Member for Olds-Didsbury.

MR. BRASSARD: Thank you, Mr. Speaker. I would like to speak in support of this motion, and in doing so, I would recognize that it's not an earth-shattering question, although it's a windshield-shattering question in many instances.

As the Member for Edmonton-Centre pointed out earlier today in a different discussion, I do travel the highway a great deal between Olds and Didsbury and Edmonton. I'm on the highway quite a great deal. One would assume that most of the damage that occurs to my windshields would be on a gravel road. Well, I have a certain amount of control over that, by keeping my distance back from the car in front of me, but it's the traffic that passes me going the other way that does as much damage. As was pointed out earlier, I believe many of the logging trucks do need better mud flaps, front and rear.

Having said that, Mr. Speaker, I have to admit that most of the damage to my windshields occurs on the highway, not in the country at all. I think that when you're traveling along at a certain rate of speed in a long line of traffic, you really are held hostage to the vehicle in front of you. I think the motion certainly recognizes the rising insurance costs and the kinds of damage that can come from gravel on the road. It's worse, as a matter of fact, in the wintertime because of the crushed gravel that is used on the highways.

One other thing that I think should really be addressed in this motion is the lack of enforcement of some of the bumper heights, which the mover of this motion referred to. I'm constantly amazed at some of these four by fours that are jacked up almost out of sight, almost bordering on monster cars – and some of those are on the highway as well – with total disregard for any of the laws governing the height of a bumper. The heights of the bumpers were regulated simply because the damage would be minimized if there was an accident to happen.

4:10

We don't enforce that law, and my concern with the mud flap regulation would be much the same. I don't think there's any point in putting in a law that is not going to be adhered to or not going to be recognized. I wonder if perhaps we couldn't have a regulation in place that could be enforced by commissionaires. The vehicle is parked at the curb, and it really is the best time to take a look at the height of a vehicle off the ground and see if a mud flap would be appropriate. A lot of the cars, as we recognize, already are contoured in such a way that they minimize the gravel coming up from the rear tires.

That's not so in the case of half tons. Most of the half tons, in my experience, don't have mud flaps on because they're so difficult to mount. You can put one in the fender well, but for the most part it doesn't stand up that well. The most effective of the mud flaps that I've experienced have been ones that have been set back from the wheel enough that they catch the gravel and deflect the gravel from coming to the car following.

I think there is a place for this motion. I think we all need to be aware of the rising insurance costs. As I say, a lot of us don't put windshield insurance on anymore because of the cost of such insurance, and that's reflective of the kind of damage that is incurred by the lack of mud flaps.

This motion really is only urging that all measures necessary be taken to effectively reduce that rearward spray of rocks and gravel and crushed rock. I'm sure that most cars already meet that criterion, as I mentioned. I think the manufacturers today have got the cars sitting so low to the ground that the gravel thrown up is minimal, but not so with most of the trucks.

Mr. Speaker, I would support this motion. I hope everyone in this Assembly will support this motion. It is urging that attention be paid to what I consider to be a very costly situation that could be corrected at the responsibility of the individual that's incurring the damage. So I would support the mover of this motion and ask everyone else in this Assembly to do likewise.

Thank you.

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

MR. HERARD: Thank you, Mr. Speaker. It's indeed a strange sort of pleasure to rise today and speak in favour of the motion sponsored by my hon. friend the Member for Highwood, a rural neighbour of mine.

I'd like to make some very brief comments, because I think most of the points have already been touched on. Mr. Speaker, I differ from my colleagues on this side of the House that have spoken to this motion before in that it will bring a fresh new perspective that only an urban MLA could bring to this discussion.

Most of my highway travel occurs along Highway 2, of course, between Calgary and our great provincial capital. Here the rock and slush spray from vehicles is kept at a minimum due to the usually impeccable driving conditions of this most traveled highway. It's interesting to note, Mr. Speaker, that the worst part of this weekly trip to Edmonton is the first 25 kilometres on the Deerfoot Trail and not on Highway 2. Therefore, I feel that it should be pointed out that the problems associated with rock spray are not exclusive to highways and rural roads.

Mr. Speaker, the highest concentration of road graveling occurs in the large urban centres. The problem is not quite as acute, though, because the rocks aren't quite as big and the traffic doesn't move quite as fast; that is to say, on some of the smaller arterials in residential neighbourhoods. But on some of the main freeways, like the Whitemud or the Yellowhead or Deerfoot or Crowchild, where speeds are between, you know, 80 and 100 kilometres – and really if you're doing 100 kilometres on the Deerfoot Trail, sometimes you think you're going in reverse – the gravel and rock thrown up onto the windshields at those speeds in those urban areas is very much a problem. Now, I'm not quite sure how acute the problem might be on those secret highways that members opposite reported this week. I guess we'll have to ask them.

It almost seems that municipal governments in Calgary and Edmonton are being almost too zealous in their winterization of city roads. Although as soon as I say that, I know there'll be just as many people who disagree with me as there are who agree, because some people want even more graveling to be done.

Mr. Speaker, I do feel that the matter before us today is quite a bit easier to reach an agreement on. I think we can all concur with this motion's aim of making sure that all vehicles that are traveling in Alberta have either mud flaps or body overhangs that are as set out in section 49 of the Highway Traffic Act. I believe these regulations are adequate, but we have to make sure that Albertans are abiding by these rules. I'm surprised that the hon. Member for Highwood hasn't been accused of having shares in a mud flap company, because I'm sure that the demand could go up, certainly for those vehicles that do not comply with section 49.

To wrap up my comments on Motion 518, Mr. Speaker, I'd like to reiterate my support for this motion. I believe it can save Alberta motorists money, save insurance companies money, and, most importantly, make our roadways safer for all.

Thank you. [interjections]

MR. ACTING SPEAKER: Order.

The hon. Member for Calgary-Currie.

MRS. BURGNER: Thank you, Mr. Speaker. It's a privilege and an honour to deal with this motion in this Assembly. [interjection] And a joy. Thank you.

The concept that we have to be a little more concerned about safety on our roads has always been focused mostly on speed limits. It's had a lot to do with the engineering that goes into our roads and a number of other safety features that we built into it. Mr. Speaker, what this motion has done is identified that we also have a concern for safety because of how we drive and where we drive. We like to see the ownership for that responsibility placed squarely on the driver. Again, we've dealt with that through policing, through speeding traps, the use of MultiNova, and amongst those issues other ways of controlling traffic.

What the hon. Member for Highwood has spoken to is a problem that many drivers find very difficult to deal with in that throughout Alberta, through no fault of their own, their safety on the road is compromised because of vehicles which through passing or in a gravel area fling up rocks and gravel on their windshield and cause damage not only to their vehicle, which is expensive, but also puts them at a safety risk.

I was struck in doing the research for this motion that – and I'm surprised that the hon. members opposite didn't raise it. So much discussion has been going on over the last week about our secret highways, and it struck me that maybe what we could do is run a test project of mud flaps on the secret highways. I actually felt that if the mud flaps were even secret to start with, we might be able to test this without the opposition even knowing it was happening.

Mr. Speaker, the issue may be frivolous to those who live in an urban centre and have the opportunity for . . . [interjections] An urban centre north of Red Deer. But for those of us who have consciously traveled the province far and wide and who spend our time visiting in rural areas, it is a problem. If you look at the growth industry of windshields and the cost of insurance, there is a factor here to be considered.

4:20

I do have some concerns, and they've been addressed by the opposition, although I think they require some more formal attention in that it is appropriate to mandate in law this type of initiative, notwithstanding its safety features. The hon. Member for Highwood spoke to the concern that policing it and implementing such a law, if it were to move from motion stage to legislation, would be difficult. The hon. Member for Olds-Didsbury did recommend possibly the use of commissionaires.

So I think what this motion has done is identified not just the concern about the use of mud flaps but also a more appropriate use of our . . . [interjections]

MR. ACTING SPEAKER: Hon. members in the back seats of the government side, I sure wish you would be quiet, because I know the hon. Member for Calgary-Currie has a lot of good suggestions on this motion.

The hon. Member for Calgary-Currie to continue.

MRS. BURGNER: Thank you, Mr. Speaker. I wanted to identify that in the process of this Legislative Assembly the motions that come forward give us an opportunity to look at issues not only from a legalistic point of view but also from a social point of view and the implication of how one would implement such legislation. I think the debate that we've heard this after-

noon has broadened the discussion beyond the physical allocation of mud flaps to every vehicle to the issue of policing and the issue of better use of our commissionaires.

With that, Mr. Speaker, I think there's one more speaker that wanted a chance at this.

Thank you.

DR. WEST: Mr. Speaker, I don't want to take too long to discuss this Bill . . .

SOME HON. MEMBERS: It's a motion.

DR. WEST: A motion that wants to move forward to be a Bill.

One of the things I told my constituents when I came in here was that I wouldn't be coming in here to establish more government, more police, more regulations, and to look at ways that we could control every avenue of their lives. This Bill itself has good intentions and I admire the reasons for bringing it forward, but I totally reject its common sense and its application.

Putting mud flaps on every vehicle in this province is a hundred million dollar attack on the vehicles that are out there today. It would cost probably \$50 a vehicle. Two million or two and a half million – I don't know what the total registry is, but it's there and over. That's just off the cuff in simple arithmetic: a hundred million dollars. So immediately we've inflicted another hundred million dollars and then the cost of sending robocops around to look under cars this size or that size and measure to see if they comply in every corner of this province, not only the cities, which might be easier to enforce, right out to Czar, Alberta, and to Rumsey and to all over the back roads of this province to those individual farmers and those individuals that have been working hard to try to sustain a living let alone having to worry when the next enforcement officer is coming around on a law like this.

I believe in a society we have to legislate common sense in some instances. This is unenforceable. This is an unenforceable, unattainable dream. We do have mud flaps on trucks and we do have regulations that enforce a percentage of it, but putting it on a small Mazda or a Grand Am or little vehicles and measuring the height off the road I think is not practical. I didn't come here to continuously legislate everything from bicycle helmets to whether you can ride a horse on a road out in the middle of nowhere or to legislate individuals in their ways of life where they will never, never effect danger on other citizens. There are many places in rural Alberta where this law is totally redundant.

So, Mr. Speaker, I had to get up and say that I won't be supporting this motion. Although I acknowledge the member's intent to create a perfectly safe world, let's not legislate away freedom to have a perfectly safe world to live in where you don't have choices.

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

MR. RENNER: Thank you.

Point of Order Recognizing a Member

MR. HENRY: A point of order, Mr. Speaker. It's been the custom in the House that the Speaker has alternated on both sides of the House, and I understand there was a member on this side of the House interested in speaking.

MR. ACTING SPEAKER: The hon. member certainly brings up a good point. However, the Speaker has the choice. What I usually do when I'm in the Chair is I alternate; that is exactly

right. I guess when I recognized the hon. Member for Medicine Hat, I had looked that way. I do apologize to a point, but it is my prerogative to have the member that I chose to speak.

The hon. Member for Medicine Hat.

Debate Continued

MR. RENNER: Mr. Speaker, I rose to speak unfortunately about the same time as the hon. Minister of Municipal Affairs rose, and sadly the minister stole a good deal of my thunder. I, too, wish to speak against the motion for many of the same reasons that the minister went through, but I'd like to point out further arguments why I feel that this motion would be really unenforceable.

The main argument, Mr. Speaker, is that we live in a mobile society. We don't live on an island in Alberta. I think this is the kind of legislation, if it were ever contemplated, that would have to have some kind of universality to it. We would have to have something that would be approximately the same as our neighbours in British Columbia, in Saskatchewan, in Montana. The city of Medicine Hat relies very, very heavily on shoppers coming from Saskatchewan to do their shopping, and I certainly wouldn't want the mud flap police giving tickets to all of our friends and neighbours that come from Saskatchewan to shop in our city.

The motion is very specific. It says that the Highway Traffic Act should be amended to mandate the use of mud flaps on all vehicles that travel on roads in Alberta. While I certainly do understand and I've had the misfortune of having windshields damaged and headlights damaged as a result of driving, I look at that really as a hazard of driving on the road. I do think we have a provision in the Highway Traffic Act now that deals with highway trucks, where obviously the danger is much more critical. If you get a rock between the dual wheels on a vehicle, you can do some major damage. I think there is very good justification for mud flaps on the bigger vehicles, but we have that covered already. Mr. Speaker, in addition to that, we're not alone. The jurisdictions around us also have similar legislation. So I think that is covered.

Apart from that, Mr. Speaker, while I sympathize with the mover of the motion and I understand where it comes from, I can't support the motion simply because I don't think we as a Legislature should be asking the government to legislate something that is really unenforceable. If there's any argument that can be made against this, apart from the argument that has earlier been made, I would encourage all members to vote against this motion.

Thank you.

MR. ACTING SPEAKER: I hesitate to interrupt this very worthwhile discussion; however, the time for consideration of this item has elapsed, so we must go on with other business.

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

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

4:30

[Mr. Tannas in the Chair]

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

Bill 43 Students Loan Guarantee Amendment Act, 1994

MR. CHAIRMAN: Are there any comments, questions, or amendments to be offered with respect to this Bill?

MR. ZARIWNY: I tabled an amendment with you – did I not? – on behalf of my colleague from Edmonton-Mill Woods.

I'd like to move on behalf of my colleague from Edmonton-Mill Woods that Bill 43 be amended in this fashion: in section 4, by striking out section 3.1; in section 5(1), by striking out "other than pursuant to an agreement under section 8"; in section 6, by striking out subsection (c); by striking out section 7; by striking out clause (b) of section 8.

MR. CHAIRMAN: Hon. member, would you like us to take these in one fell swoop?

MR. ZARIWNY: Yes, one whole thing.

MR. CHAIRMAN: Is that agreed? Okay.

Edmonton-Strathcona, please continue with the amendment.

MR. ZARIWNY: What these amendments attempt to do, Mr. Chairman, is to deal with the winning situation that the CIBC has been placed in as a result of Bill 43. The bank currently wins in three ways: the bank gets paid a risk premium, the government continues to guarantee high-risk students, and the bank gets the interest when the loans are repaid. So here's a situation where the students are pawns. The bank is going to get the benefits of a commercialized loan system pursuant to Bill 43, interest payments for life, when banks should, our belief is, shoulder more of the risk.

The amendments proposed by my colleague for Edmonton-Mill Woods would still have the government negotiate a risk premium to the bank. This should provide the necessary incentive to ensure that all students, even the disadvantaged that would have a history of high risk, would continue to receive loans.

In conclusion, I would like to say one more thing and then ask some of my colleagues to speak in support of the amendment. The Students Finance Board would continue to determine eligibility for loans, which would also ensure that high-risk students would get the financing they need as well.

Thank you.

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

DR. PERCY: Thank you, Mr. Chairman. I stand to speak in favour of the amendments brought forward by my colleague from Edmonton-Strathcona. I guess the issue really is one of risk sharing and who should pay the price of this. When you look at the Bill as it stands – and then I'm leading into discussion of the amendment – the Canadian Imperial Bank of Commerce is allowed to skim the cream and then leave the dregs for the government to pick up and to assume the risk, then, for the lowest 10 percent. I'm afraid that when I look at this, this strikes me to be very similar in some respects to the very favourable treatment that firm after firm after firm has received from government. I look at Bovar – again very favourable treatment: loan guarantee, guaranteed rate of return – Millar Western, and then I look at the favourable treatment the Royal Bank had received in its holdings in Bovar.

Now I look at this and I ask: is this really a partnership with the private sector? What this amendment attempts to do, then, is ensure that the chartered bank in question actually pays an appropriate price, because I really do believe that the networking that the bank will receive from the many thousands of students who will be using the services of the CIBC will pay off in spades

for that institution. We've in fact conferred a significant benefit upon them, and this significant benefit that has been conferred upon them is worth something, at least it would be in the market. At the same time, though, not only have they received a significant benefit, but they're not bearing the 10 percent of the students that will default, the risk associated with that.

This is, in a sense, the worst type of privatization. It's one where the government assumes the risk, and the banks receive all of the benefits. So I would really question the structure of the contract, and I would urge that all hon. members, when they look at the Bill and they look at the amendments that have been proposed by my colleague for Edmonton-Strathcona, would consider them and ask the basic questions. Is this fair to the taxpayer? Does this really represent a level playing field for other institutions? Does this in a sense represent a type of privatization that's consistent with any sense of equity, with any sense of the private sector bearing an appropriate level of risk? I would suggest that if you use those criteria and assess the Act as it stands, you would have to answer no. When you consider, then, the amendments brought forward by my colleague, they have the force of ensuring that the private sector pays the full freight for any benefit that's conferred upon them by the government.

So with those comments, Mr. Chairman, I will conclude.

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

MR. VAN BINSBERGEN: Thank you, Mr. Chairman. I notice that no one on the other side is wading into this kind of discussion. I suppose that talking about mud flaps is a little more innocuous, yet this is where the meat of the so-called Klein revolution I think is taking place. This is one of the many items, and no one is talking to it on the other side. I find that amazing. Mud flaps are all they can deal with. Mr. Chairman, in all respect to you here, it is a very important subject of course.

Mr. Chairman, I speak in favour of this amendment needless to say. After all, without it we're actually dealing with another Bovarian type deal here, of which we have seen too many in this particular province and handed out by this government. This is another move in its zeal to privatize everything that's important and therefore to give the advantage to big business, it seems. They give away, in this particular case, an enormous amount to the CIBC, and I would think it's probably done again in accordance with the famous or infamous ALCB model, by which everything is given away and there seems to be very little of a return.

This is why I think it is absolutely necessary to pass this amendment, because without it the CIBC will deal with all the postsecondary students, get all the benefits, including a 5 percent premium from the government to cover the risk, and for the bottom 10 percent, the riskiest kind of students in terms of credit, their loans are guaranteed to the CIBC. It all means that the taxpayer will end up holding the bag again, and that's not what we think ought to happen. We think private enterprise can certainly look after itself, and by getting all this business, they ought to be able to deal with it in their own manner. Now, this amendment therefore would place more of the risk on the CIBC and not on the government. We all know that CIBC - I think they just reported another vast increase in their profit, like all the other chartered banks. The last thing they need is subsidies from this government.

4:40

Then, of course, Mr. Chairman, we know that the only sector that does well by this government is big business, and CIBC is a firm proponent of big business. We've seen an example of that,

I think, in how quickly and how high the government jumped when the energy sector spoke out against the appointment of the ex-Deputy Premier. It didn't take much, and they let the Premier know that they weren't particularly in favour of that appointment, so it was changed. That's an immediate response, and I think every sector of the province, of the population, wished they had that kind of response from the government and the Premier particularly. I'm talking about kindergarten students. I'm talking about nurses. I'm talking about teachers and so on. They've asked, but there has been no response at all other than a rejection.

Therefore, Mr. Chairman, I think it is quite clear that we must pass this amendment and make sure that big business does not benefit from the moves by the department of advanced education. We must make sure that it isn't only big business that benefits from the Alberta advantage, that it in fact should extend to all sectors of the population.

Thank you very much.

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

MR. HENRY: Thank you very much, Mr. Chairman. I'd also like to speak to the amendments moved by the hon. Member for Edmonton-Strathcona. The amendments would essentially put more of the responsibility on and make less of a sweetheart deal for the CIBC. Reiterating what the Member for West Yellowhead has said, I don't think the CIBC or any other banking institutions in this country, given the economy we're in right now, need to have a public subsidy for its operations. Profits are up, liabilities are down, and I think the banks do not need, at the expense of students, to have subsidies or cushions provided by the taxpayer in Alberta. Goodness knows, we can't afford it, and there are many other things that we can do, many other ways we can spend our money or take our risk.

I think it's a bit strange that the bank would get a premium for taking a risk in the high-risk loan area. The bank would get paid the premium, the government would guarantee the high-risk students, and in the end the bank gets the interest once the loan is collected. I would have preferred, in this whole restructuring of student loans, if the minister had looked at what was recommended by the student governments, the student unions around the province, and at what is being, I think, moved to rather quickly with regard to the American administration and other administrations. Rather than having a repayment plan - and I recognize the move from what we've had in the past for the minister - which would have, quote, unquote, more potentially flexible arrangements but be left to the discretion of the banking institution, in this case the CIBC, I would have preferred if the government had moved to an income contingency-based repayment plan that would allow the . . . [interjections]

MR. CHAIRMAN: Order.

MR. HENRY: With respect, Mr. Chairman, my words have never convinced the other side to date, and I'm not that hurt that they're not listening right now. Goodness knows, they haven't listened to Albertans so far.

MR. SMITH: But we are. We are. We listen, we care, and we like the content.

MR. HENRY: Thank you, hon. member.

Mr. Chairman, I question why the government hasn't moved to the income-based contingency repayment plan that would allow a student, rather than to have to rely on the goodwill of the bank

with regard to arranging the terms of the repayment, to have it based on an income-based level of repayment. I think if we had sat down with our federal government and negotiated it through the tax system, we could have ensured essentially a surtax, because we all know Revenue Canada eventually collects its money. In that way we would have a system whereby, in this economy and the economy that I think is going to be down the road, when a young person graduates after four or five or six years of postsecondary education and they're having trouble getting into the mainstream work force, the payment schedule is based on their income and their ability to pay, not on the bank's perception of what that may be.

I ran into an instance recently where a constituent of mine was not able to repay their loan at the rate that the bank wanted them to repay it. Again, this admittedly was with the old system prior to this Bill coming in. The point here is that the individual went to the bank and tried to renegotiate the terms of the repayment schedule and was not very successful, because it looked on paper as if the individual's income was higher than his disposable income really was. If that individual had had the repayment schedule actually based on the real income, then I think there would have been more flexibility. Now, that one did end happily, but it required intervention at the regional level with the financial institution.

I also question why one banking institution should get all of the traffic, if I can call it that, with regard to student loans. This is such a nice deal for the bank, Mr. Chairman, that I wonder why this deal essentially wasn't offered to the students: let the students choose the banking institution, and any banking institution who wanted to participate could, under these terms, rather than in a sense a monopoly.

We all know what happens when a student goes to a banking institution with their student loan. They're first asked: "Do you want to consolidate your student loan or repay it? Why don't we get you a credit card at the same time? Well, if we're going to do that, as you get older, you really should move any savings over to us as well." I don't blame the bank for doing that, but the point I'm trying to make is that I think, as the hon. Member for Edmonton-Whitemud said, it is a marketing advantage to the banking institution to have the students have no choice with regard to which institution they should deal with and would like to deal with, but rather they must deal with the institution of the government's choice. I think in this whole equation with regard to what kinds of premiums are paid and what kinds of risks are taken, the value of that advantage is being able to have that kind of captured market, in that sense, in being able to have the entry into that new credit market which students represent. I think it's not clear that that has been factored into the whole arrangement here, and I wonder if we could have gotten a better deal for the taxpayers of Alberta.

Again, the bank can end up with a long-term clientele with regard to the repayment of the student loan, and the taxpayer's are not getting any benefit for having delivered, essentially, customers in bulk to the CIBC. I don't fault the CIBC, but I do fault the government in this shortcoming. I think it's another example of the government trying to play with the big boys and not using big boy's expertise to do that.

With those comments, Mr. Chairman, I'll take my place.

Thank you.

4:50

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

MR. BRACKO: Thank you, Mr. Chairman. In speaking to this amendment, as you go around, Albertans do not want to subsidize big business. That's a fact. They're tired of the big losses we've made in the past. We know from bank research that they say that customers who start at the bank stay with the bank for many years unless something goes wrong, so the bank has a tremendous advantage here in recruiting these students. Speaking, I believe, for most Albertans, they'd want to see the bank take the responsibility for their own loans and not the government guaranteeing the loans.

I'd like to have the research done by the minister showing that this is what Albertans want instead of the loan guarantees, instead of the bank supporting itself. I know he has a huge research budget, \$12 million or \$13 million. That should be done and it shown to us that this is the case.

The other point I'd like to make is that any money spent on loan guarantees by the government could be used to help those who need the help for advanced education. We want to get people off social services. We want to elevate people out of the jobs they have. One of the ways that most of us have come up in society is through education. We believe it should be used in this appropriate manner instead of being used for loan guarantees to support a big bank that has made a good return for its investors. I could understand it if the return would go back to Albertans as investors, as taxpayers. As taxpayers we want to make sure that our money is used in the most wise manner so that the next generations can also benefit from it.

Therefore, I strongly support this amendment.

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

MR. ADY: Thank you, Mr. Chairman. I would like to respond to some of the comments by members opposite. I had hoped that they would have taken some time to read the actual agreement between the CIBC and the Students Finance Board so they'd have a better understanding of it, but, for whatever reason, they obviously have missed it.

In speaking to the amendment, I'm surprised at some of the provisions of that amendment because it's so negative and detrimental to the students, and I'll get to that in a minute.

There's some concern over the interest rate that students would be charged. I'd like to give the members opposite some comfort that there is an interest shielding program there to protect the students so they won't be subject to interest rates in the event that they move dramatically upward, as we know they have. They've cycled over recent years, and we felt that they should have some protection there.

Someone – I think it was the Member for Edmonton-Whitemud – talked about the banks now having a sweetheart deal. Let me just clarify that if you want to talk about a sweetheart deal, the banks had it under the old system whereby they were paid the interest on a student's loan for four years in an undergraduate degree plus six months after they graduated. No questions asked. Guaranteed, and they received the interest on that loan. At the end of that time, because the government guaranteed the loan and paid the interest, banks were happy to find a student in default. As a matter of fact, I know of cases where the banks actually told the student, "Default on this loan; don't pay it." The student obliged, and do you know what? The next day the bank phoned over to the Students Finance Board and said: "Send the money on that student. You guaranteed the loan. Send the money."

They'd had a happy time of four and a half years of interest being paid to them under that scenario, and here they are. Now the government has got that loan on its plate to deal with. The next step was that the government would make an attempt to collect it. If they couldn't collect it quite quickly, it then moved to the department of Treasury. Treasury is not in the collection business, so they sell that contract to a collection agency, and you know what collection agencies do to students.

There was no winner in this for students in that system, and probably that was the most overwhelming point that caused me to revise the repayment side of the student loan program. Students find that it's more advantageous than the old system. They didn't like that. They weren't given a real opportunity to repay their loan in many, many instances because the bank had a vested interest in having them not repay it. Now that's changed with this proposal.

The Member for Edmonton-Centre talked about why didn't we move to an income contingent plan. Well, let me remind the hon. member that he only needs to go out and talk to students today and see what kind of concern they have for the proposed income contingent plan that's in the new federal discussion paper, see how enthused they are about that. Not very. Not very. They see it as an opportunity to off-load onto students in a very dramatic way and that it isn't going to work well for them.

He also talked about why did we give this to one bank. Let me be very clear why we gave it to one bank: one bank came forward prepared to take the deal. The CIBC already is doing this in two other provinces, New Brunswick and Nova Scotia. The federal government is on the verge of entering into a deal, as near as I can tell, exactly like ours. Now, some of the other banks who gave us bids on this proposal wanted a risk premium as much as 10 percent for taking on the deal. We've left the door open, and the CIBC knows that they have to make room for another bank if it comes forward and is prepared to offer the same proposition. Not one has done it, not one. That's why CIBC has a monopoly on it, but they don't have a monopoly because their contract is very clear that if another bank wants to come – the only agreement we made with CIBC is that we would not give another bank a better deal than we gave CIBC, and to me that seemed fair. So that's why they're the only bank there. They're the only ones that stepped up to the plate and said, "We'll do it."

I think we need to make it clear that when you have a 23 percent default rate, not every banking institution in the country sees that as a bargain. We now find ourselves relieved of a great deal of that, and projections are that we will save in excess of \$8 million a year for the government, for the taxpayers with this proposal. Now, we could have stayed with the other one and gone on letting the taxpayers absorb that kind of loss. The members opposite seem concerned about the taxpayers here. If we're going to save them \$8 million with this proposal, why are you finding fault with it? The federal government is going to adopt it, take on the same proposal.

Let me deal with the actual amendment and what it really calls for us to do. The first section says to amend the Bill as follows: "in section 4, by striking out section 3.1." Well, because section 3.1 replaces an existing section, striking it out would on a retroactive basis remove guarantees on previous loans accepted in good faith by institutions and limited guarantees on new loans, resulting in the denial of student assistance to students with bad credit histories. Well, I guess I need to know: are the members opposite in favour of cutting those students out, anyone that's had a bad credit problem by the time they're 19 years old and heading into university? Do we want them cut out? That's what this

amendment would do. You really should have studied this a little further to see the ramifications before putting it in, hon. member. It's no deal for students, I can tell you. It's not anything they would want. So I hope you don't think that you've done them a favour.

5:00

The second one. Amend section 5(1) by striking out "other than pursuant to an agreement under section 8." The proposed amendment to section 5(1) – it really should refer to 4(1). The effect would be to reinstate a separate consolidation process by removing the provision for automatic loan consolidation in the new agreement. Again, it doesn't serve any purpose. It's a negative direction to go.

The third one. The proposed amendment to section 5(2) of the Act would remove the government's authority to pay interest on new student loans therefore leaving students with this burden. I can't imagine why they would bring forward amendments that would do this to students.

Number 4. Striking out section 7, which it calls for, would remove the concept of limited guarantees, a key feature of the new program. This would remove the access to loans again for students with a bad credit rating.

Number 5, by striking out clause (b) of section 8. The proposed amendment to section 8 of the Act would prevent the minister from entering into an agreement to harmonize the federal program and the provincial student assistance program. Well, we always talk about duplication and overlap and on and on it goes. We are positioning ourselves to be able to harmonize our system with their system, as soon as they catch up with our system, by enacting the new income-sensitive program. They make no apologies for the fact that they're negotiating to do that. So we're positioning ourselves to save some more money, as opposed to having duplication there, and harmonize with their program and give the students better service.

So, Mr. Chairman, I just really have to question the validity of this amendment to Bill 43, because it's counterproductive. We've put forward a program here that serves the students better. We have endorsements from some student groups for this program, and it seems to be serving them very well. I would urge all members to vote against this amendment.

HON. MEMBERS: Question.

MR. CHAIRMAN: The hon. members are ready for the question on the amendment. We have the amendment before us for consideration as moved by Edmonton-Strathcona on behalf of the Member for Edmonton-Mill Woods, five separate amendments known as A1. All those in favour of these amendments, please say aye.

SOME HON. MEMBERS: Aye.

MR. CHAIRMAN: Those 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 5:03 p.m.]

[Ten minutes having elapsed, the Assembly divided]

For the motion:

Bracko	Percy	Van Binsbergen
Bruseker	Sapers	Vasseur
Carlson	Sekulic	White
Collingwood	Soetaert	Zariwny
Henry	Taylor, N.	Zwozdesky
Hewes		

Against the motion:

Ady	Gordon	Pham
Black	Havelock	Renner
Brassard	Herard	Rostad
Burgener	Hierath	Severtson
Calahasen	Hlady	Smith
Clegg	Jacques	Sohal
Coutts	Jonson	Stelmach
Dunford	Laing	Taylor, L.
Evans	Mar	Thurber
Fischer	McFarland	Trynchy
Forsyth	Mirosh	West
Friedel	Oberg	Woloshyn
Fritz	Paszkowski	

Totals: For - 16 Against - 38

[Motion on amendment lost]

MR. CHAIRMAN: Are you ready for the question?

HON. MEMBERS: Question.

[Title and preamble agreed to]

[The sections of Bill 43 agreed to]

MR. ADY: Mr. Chairman, I move that Bill 43 be reported.

[Motion carried]

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

MR. EVANS: Thank you, Mr. Chairman. I would now move that the committee call it 5:30.

MR. CHAIRMAN: Deputy Government House Leader, I think that rather than the committee declaring that the clock is different than it is, we should have a motion to rise and report.

MR. EVANS: I know we're going into committee again at 8 o'clock, and that was the only reason for doing that. If you're happy to do it otherwise, that's fine, but the intention of the government side, Mr. Chairman, is to continue with committee this evening.

MR. CHAIRMAN: The regulations are such that the committee cannot declare the clock. It has to be done in Assembly, which is one of those neat ways of tying ourselves up.

MR. EVANS: Well, then, Mr. Chairman, I certainly stand corrected. I thank you for that information, and I would now move that the committee rise and report.

[Motion carried]

[Mr. Clegg in the Chair]

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

MR. ACTING SPEAKER: Thank you, hon. member.
All in favour of the report?

SOME HON. MEMBERS: Agreed.

MR. ACTING SPEAKER: Opposed, if any?

SOME HON. MEMBERS: No.

MR. ACTING SPEAKER: Carried.

[The Assembly adjourned at 5:20 p.m.]