

Legislative Assembly of Alberta

Title: Wednesday, February 21, 1996 8:00 p.m.
Date: 96/02/21
 [The Speaker in the Chair]

THE SPEAKER: Please be seated.

head: Government Bills and Orders
head: Second Reading

Bill 5 Racing Corporation Act

[Adjourned debate February 20: Mr. Sekulic]

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

DR. NICOL: Thank you, Mr. Speaker. It gives me great pleasure this evening to rise and speak to Bill 5, the Racing Corporation Act. This is a Bill which basically puts in place a corporation which will allow the racing industry to operate in a manner that they've been kind of striving for for a number of years now. They want to have the independence, the ability to determine their own operating environment and look at how they would operate their industry to the betterment of both their industry and the consumers, people in the entertainment industry that they're serving.

We have to look at this Bill within the context of two different aspects. First of all, we're dealing here with a group, Mr. Speaker, that are part of the agriculture industry, and the agriculture industry is subject to a number of conditions and rules that determine how it can organize to promote itself. We have the agricultural product marketing Act. We have some of the others that allow groups within the industry to organize. Because of the special conditions of the horse racing industry, they can't really operate under the same conditions as the other commodity groups within agriculture because they serve a dual function in terms of their operation. First of all, they have the function of being an agricultural, income-generating, biological activity the same as any other farming activity, but they also operate within the context of the entertainment industry associated with the gambling and racetrack operation. What we've got to do, then, is look at them from the perspective of how their agriculture operation overlaps and interacts with our societal expectations and our societal values associated with gambling and the racing aspects of their operations.

Now, what we've got as a background is a group that have been facing stiff competition from this secondary function or this entertainment function that they provide as the product of their endeavours. This now has been created by the proliferation of other risk-taking enterprises: the lottery machines, the bingos, the casinos. This has taken a lot of the gambling dollars away from the racing industry. We've got to recognize this now that the racing industry has to in essence operate to renew itself, to refocus itself, and put itself back into a position where it can really operate as a viable industry in competition with these other products demanding the consumer's chance dollar, risk dollar, entertainment dollar, however we want to put that. So from the perspective of providing a framework within which the industry can operate and deal with its own future, I think this Act provides us with a really good framework to do that, and we have to look at it from that perspective as to how it functionally operates.

What we then have to do is look at the principles that we have within this Bill in terms of the agriculture activity. As I've said, Mr. Speaker, I don't see anything wrong with allowing the horse racing industry to come together to deal with their own promotion, to deal with their own organization, because we allow all of our agriculture groups to do this. Here we're doing it in the form of legislation rather than a ground swell from the group petitioning the agriculture marketing agency to form a commission and to allow them to operate to promote their own product. Well, here we're doing it through a special Act of the Legislature. I think this is appropriate because of this second function that we spoke about, the relationship between the product produced and the gambling aspect of our social structure in Alberta.

So what we have to do, then, is look at how these two functions interact and how this Bill deals with these as a set of different principles. I guess, Mr. Speaker, what I'm saying from the perspective of the agriculture product is that I really support this Bill and think that it's a good approach for the racing industry.

Now, let's look at how the racing industry interacts with our other standards in society: the social structure, the gambling component. Horse racing really is kind of the base from which we start in Alberta with gambling. It's always been part of our structure, of our entertainment industry. We have to look, then, at issues that come up with the type of control that we as a society want on this gambling aspect of the industry.

The options that exist within the Bill for the agency to look at its own control of the gambling part of the promotion of its industry have to be looked at very seriously. Let's start with, first of all, the issue of how they can go out and establish their contact points. In other words, how does the public when seeking entertainment value participate in the gambling part of their industry? If they're doing it through the recognized racetracks, the recognized facilities that are part of the industry, this is quite good, quite acceptable. This is what we've been doing in the past. It's been done under good government regulation. The industry itself has to deal with that part of the regulation and keep their integrity in place. They have to operate within the context of the integrity of their industry in Alberta as it compares to other provinces, as it compares to the international market, because many of the horses that run move across those borders. So the standard for care of the horse process has to be maintained within the constraints of that kind of international and interprovincial scrutiny.

I guess the question we have to look at within the context of this piece of legislation is how the public interacts. If they go to the racetrack, this is a good experience, kind of accepted. What we have to look at is whether or not this Act also allows for the offtrack, corner bookie type option for the promotion of the industry. I don't know whether we as Albertans want to deal with that. I would like to see some possible amendments in committee stage that would regulate or outline more strictly the relationship of the commission to the provision of the gambling, the betting parlours out in the community.

The other aspect that we need to look at is to compare how this Act sets up the structure of the commission relative to the way that other agriculture commodities set up their boards, Mr. Speaker. They're usually done by election of the membership. They're not done by a self-perpetuating board. I would like to suggest to the sponsor of this Bill that maybe we should be looking at amendments in terms of the rejuvenation of the board where the participating members in the industry vote or elect members to the controlling board. This puts it back to the same

type of board renewal that all of the other agriculture associations are involved with. So what we in essence have is the entire industry determining the board that's controlling the mandate and the promotion and the agenda for their industry rather than the board being a small clique in the middle that kind of picks the people that they feel will maintain their own agenda and replacing themselves with it.

I think that what we should be doing is looking at that kind of replacement of the board in terms of an elected process, that the members of the board who serve the industry can be elected by industry members. The members of the board who are there to look out for the public interest, to serve the public, can be elected at large from, say, a group of constituents who participate in the betting or attendance at the tracks. You know, these are the groups that have to have some input as well. So they could be set up as a group with an election to replace the board members. This basically gets us a step removed from the idea that this board would automatically replenish itself, reappoint members who it feels will support their own agenda as their terms expire.

I would just like to suggest to the member sponsoring the Bill in the government that we look at the idea of a more democratic process of replenishing the board rather than this self-perpetuating mechanism that is proposed in the Bill. This almost reflects the attitude, you know, of big business where the board members trade off and get representation on the boards to promote an agenda based on the interests of the people who are on the board, because they're the ones who are reappointing members.

8:10

The other and final aspect that I'd just like to address for a couple of minutes, Mr. Speaker, is the idea that we've got a situation where this racing corporation that we're setting up has the right to set regulations which deal with how they as an operating group interact with the gambling sector. Here I think we're kind of again moving into this area of our society where we're dealing with a social structure much more than an agriculture structure, and as they set regulations that determine how they're going to operate in that gambling component, I think we've got to have within the Act some prospect of a public review.

In agriculture we've got a lot of precedent for that already in the sense that the Dairy Control Board sits as a review group over the regulations and the rules that the dairy producers set and the dairy marketing board sets for the standards of milk, for the pricing of milk, for the increase in milk prices. This is all controlled by the producers, but then it's regulated and reviewed by an arm's-length agency of the government. I think that if we're going to allow this racing corporation to set rules and regulations in terms of how that group interacts with the gambling component of our society, we should have a societal group that oversees those regulations and just kind of acts as a safeguard to deal with them. As I said, the precedent is there for this public review of the regulations that are being put in place by these administering corporations.

Mr. Speaker, I think this is a really good Bill. It has the prospect of being an excellent Bill that will really meet the needs of what the racing community wants, and it will also serve with some amendments – and I want to emphasize that part. I think there have to be some changes in it before it can really be an acceptable Bill, but it's got the framework and that to provide us with some really good structure to start with. We'll be dealing with some of those amendments when committee stage strikes.

Thank you, Mr. Speaker, for the opportunity to speak to this.

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

DR. PERCY: Thank you, Mr. Speaker. Imagine my surprise when I saw Bill 49 under the guise of Bill 5. You can look, then, in *Hansard* and see that in fact we have already staked out positions on this. It's clear that we've got a number of issues on this side of the House. The principle of having a strong, competitive, well-run racing industry in this province I think all members in this House would support. The real issue is the structure by which this is achieved. I recall in the context of Bill 49 that a number of issues had been raised on this side of the House about separating the promotional and regulatory functions, making sure that the Regulations Act was in fact in force with regards to this racing corporation, the issue of individuals who had indictable offences, the issue of whether or not they could serve on the board.

The other concern really is the ability of a board to appoint its successors. I think that's a concern. I think it would be a concern to all members of this House. It would be very much like us appointing our successors. You would just be locked into the status quo of 29 on this side and 54 on that side. You know, you would just replicate and clone yourself. So I do think there's a stronger role for the government to play in the issue of appointment of members of the board.

If the issue is "Will this Bill in principle lead to a more competitive racing industry?" I think the answer is a qualified yes, contingent on some set of amendments being accepted.

I don't think you can ignore the other issue with regards to the health of the racing and pari-mutuel industry in this province, and that is that there is tremendous competition for gambling funds. It's clear that the horse racing industry, just as the Legion bingo and the church bingo, has fallen victim to the impact of other forms of gambling that have really come to the fore. I think colleagues have mentioned VLTs. This Bill is not the panacea that will revitalize the industry, because there is a limited pool of funds to be wagered and there are multiple ways now of spending those dollars. That has to be borne in mind.

Furthermore, the structure that has been set out here has a number of weaknesses, as we've suggested, and again another set that I recall speaking on ad nauseam last on Bill 49 dealt with the issue of financial accountability. The hon. minister has said: well, this isn't to be a Crown corporation; we don't want the Financial Administration Act to apply. But the bottom line is that there has to be some mechanism by which the financial accounts of this corporation are public and subject to review. If in fact having the corporation subject to the Financial Administration Act is not deemed appropriate, there's got to be some mechanism by which the accounts are public, are there and can be scrutinized. After all, Mr. Speaker, this is a board that appoints its own successors. And they get to keep the books too? I mean, you've got to take it on faith. [interjection] Yeah, it would make me a little nervous, and I think it would make every member nervous.

So I would like to see the issues that we brought up in the context of Bill 49 addressed in terms of a number of amendments being accepted and certainly contingent on that, then, those amendments dealing with the Regulations Act, dealing with some mechanism to allow public scrutiny of the books, dealing with the issue of, you know, a criminal background and appointment to the board, the issue of somehow making this board a little more – I hate to say it – accountable to government in terms of appointment of some of the members. I think that goes a long way to addressing our concerns. So the issue here isn't: what can we do

for the racing industry? The issue is: how can we best do this for the racing industry?

I think there are issues related to VLTs, which were discussed this afternoon. I in fact heard impassioned statements here regarding the sanctity of VLTs. I think we beg to differ on this side of the House with regards to VLTs, but on this issue of how to make the racing industry more competitive, I think we're all agreed. It just requires some amendments, and I would suspect very much that this Bill would go in speedy fashion through the legislative process.

With those comments, Mr. Speaker, I'll take my seat.

THE SPEAKER: Is the Assembly ready for the question?

The hon. Member for West Yellowhead.

MR. VAN BINSBERGEN: Thank you, Mr. Speaker. I had to collect my thoughts here, because this is a very complicated subject.

DR. L. TAYLOR: Well, you'll never be able to speak then, if you have to collect them.

8:20

MR. VAN BINSBERGEN: Mr. Speaker, I will not pay any attention to the rude comments from the member of the extreme right.

Mr. Speaker, I've been a little puzzled actually by the resurrection of this Bill, and I've come to the conclusion that the minister responsible must be a very religious, a deeply religious man who clearly believes in the process of resurrection, especially since he has also declared that by introducing this born-again Bill, he is willing to entertain any amendments coming from this side provided they are submitted in good faith. There's that faith again. You know, when you combine that kind of mind-set with all its religious applications to the industry of gambling, horse racing, there seems to be a slight contradiction. Nevertheless, the minister's been able to make that leap of faith, and certainly the least I can do is try to follow him and jump the abyss here.

We made a series of arguments last time against Bill 49, and I must admit that I was briefly tempted to dig up our old speeches and just regurgitate them, but I think the intelligence of all members in the House is of such a level that I couldn't do that to them. I think there are some more elements in fact that cause us to focus on it once again.

Now, in looking at the items as they appear, what the minister is once again proposing is establishing a racing corporation which will combine several functions in fact, regulatory and promotional functions, of the racing industry. If I'm not mistaken, if this Bill is passed, it will be the first province in the country to actually do so. That of course doesn't all by itself make it a bad Bill. There are many other areas in which we've been leading the fray, so to speak.

There are some items, Mr. Speaker, that cause some concern. Perhaps the minister can allay our fears or my fears; maybe I should just speak for myself here. If this Bill were passed, it would give the racing corporation vast powers without seemingly any process of accountability to the Legislative Assembly, only to the minister, I assume, although that doesn't seem to be clearly mentioned in here. Much as I trust the minister and his tremendous powers of concentration and intelligence, I would still like there to be some kind of, shall we say, restriction on the powers that he has in the form of at least an open discussion within the confines of this Chamber. So that's one item.

I think it's safe to say that this particular Bill is supposed to solve the problems of the racing industry, which will continue to have to do battle with the VLTs and all their powers of addiction. I've written down some remarks that I'm trying to locate here in going through the Bill.

We still find in this Bill in fact, in section 1(1)(d)(vii), that those activities that can be licensed are "specifically related to [the] horse racing" industry, and that sounds great. Then a little further, section 22(1)(b) still allows the racing corporation to prescribe activities that are not defined under section 1, which I have just mentioned. In other words, it's still open in a sense to sneak in all kinds of activities that have really little to do with the horse racing industry, and I think many arguments have been raised against that before.

The very fact that regulations are specifically exempt from the Regulations Act and therefore are not going to be made public, at least don't have to be, is of a questionable nature as well.

I think many members have already mentioned – and I just want to go on record and say it as well – that the self-perpetuating element of the board members being allowed to select and appoint other board members has a somewhat incestuous kind of connotation, it seems to me. There ought to be some free flow, some free blood, if I may call it that, introduced into the realm, and I don't think that this is a good element either.

Actually, Mr. Speaker, those were most of the elements. I'm reserving how I will vote on this particular Bill because I'd like to hear some more arguments, but at first glance there doesn't seem to be a change from Bill 49, albeit it is dressed in different clothes this time.

Thank you very much.

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

MR. ZWOZDESKY: Thank you, Mr. Speaker. It's a pleasure for me to rise before you and other members of the House this evening to address a few comments in relation to Bill 5, the Racing Corporation Act. I can appreciate some of the comments that have already been voiced. I have a couple of comments of my own. A few of them will reinforce comments made perhaps by some of my colleagues, and perhaps a couple of them will be new concerns.

I can start by addressing what I perceive to be some of the concerns of the racing industry and why they perhaps compelled the minister to relook at this Bill and give it some additional thought. I know, for example, that they are very concerned about the drop in attendance overall and that there's tremendous competition for attendance right now because of course people are being given other ways of entertaining themselves and, as well, other ways of engaging in what I would call softer forms, perhaps nonaddictive forms of wagering and/or polite gambling. I'm not a gambler myself, Mr. Speaker, but I do appreciate the fact that some people do like to participate in forms of soft wagering, and I have nothing against that type of entertainment whatsoever.

However, other concerns that have been expressed to me by people who are directly involved in the industry suggest that the type of competition going on right now comes primarily from other gaming activities, and I think specifically, Mr. Speaker, that most individuals involved directly in this industry of horses and the horse track, racing as it were, are concerned that the VLTs have come in and taken a little bit more than just the novelty gambler along with them. As a result, the track attendance and the track wagering that goes with it, in fact upon which the

industry relies, have been impacted significantly in a very negative sense.

I know, too, that there are significant things that the industry personnel, the boards of directors and other people that support it, have been involved with to try and reverse that trend that keeps people away from the track, including certain promotional things as well as certain expenditures on updating the tracks and everything from the seating to the facilities to the service that they provide for people at the track. There are significant things that have been done in the area of attractions by way of sideshows that sort of go on sometimes in and around the track to help promote, and I believe the promotion and marketing aspect itself, Mr. Speaker, as it relates to the racing industry is of major concern to the industry.

8:30

Then of course there are other aspects that pertain to the financial side of the industry and in particular, I think, the significant investment that owners and breeders and jockeys and other people thereto connected have already made. These types of concerns certainly are recognized by me and other members of the House, I'm sure, as well as one other concern that keeps coming up, and that is the concern for safety, not only safety of the riders, the jockeys, but also safety of the animals and of course the viewers. Those are just a few of the concerns that have been expressed to me.

One of the single largest concerns, Mr. Speaker, that has been expressed by people in the industry deals I think with one of the blatant absences in the Act. At least, I couldn't find it, and I've gone through it about three times, albeit quickly. I have gone through it looking for something that would prevent the racetracks from dealing so arbitrarily, it would seem, with the horsemen, horsewomen. By that I mean that there appears to be evidence out in the horse racing community that suggests that if you are an owner or a trainer or a rider, you could be prevented from entering the property of certain racetracks. Put in very blunt words, if the commission perhaps doesn't like you or doesn't like something that you may have done which isn't completely 100 percent in accordance with their wishes, they could physically ask you to remove yourself from their property. There should be some sort of a protection within this Act precluding such events from taking place.

Unfortunately, I could not spot anything in this Act that would protect the licensees, as it were, from such arbitrary measures as excluding them from entering racetracks, and that affects all the horsemen and horsewomen associated with this, right down to the veterinarians, the handlers, the breeders, and so on. So I would hope that the hon. minister would at least take that under advisement or under consideration, to perhaps somehow include it or perhaps direct me to that section where he feels it may be covered, because it is possible that I did not spot it as blatantly as I would otherwise have liked to.

The other issues are of concern to me on behalf of the taxpayers of our province. I note, for example, under section 11, Mr. Speaker, where it states:

The Corporation [will] operate in accordance with the laws governing gaming and the policies and directions [and so on] of the Government with respect to gaming.

In and of itself that sentence sounds pretty good, except of course that the policies of the government, or at least the policies of this government, don't seem to make their way into the Legislature for public scrutiny. Consequently, I don't think that section 11 of this Act is perhaps as toothy as it might be. A new word there, but

we make them up sometimes as needed. Similarly, some of the directions that the government takes sometimes are also kept a little bit too close to their own chest and not brought forward in this House, and therefore one could expect, in accordance with section 11 of this Act, that neither would the Acts of the corporation always be brought forward if they were crafted in the form of a policy or a directive measure. Certainly other things perhaps would.

Similarly, as I look through here, section 7, I believe, refers to the Financial Administration Act. There's a statement here that I just need some clarification on, and I'm sure the minister would be happy to provide that. It says here that "the Financial Administration Act does not apply to the Corporation or any matter carried out under this Act." On the surface at least, it sounds to me like there's almost a deliberate avoidance. Perhaps that's put a bit strongly, Mr. Speaker, but that's how it looks to me at least, that there's an attempt to deliberately avoid those things from coming under the scrutiny that the Financial Administration Act would otherwise provide.

So it begs a few questions on behalf of taxpayers in that regard, as well as one other area, which is section 9, which speaks about all the fees, costs, and other revenues which the corporation would receive, any form of revenues whatsoever that the corporation would receive. It seems to me that when you're talking about an industry that does have significant cash revenues, that should also be something that taxpayers are concerned about, because clearly there is a vehicle created here that allows for a lot of money to be accumulated and then dealt with by a seemingly small group of people with rather all-encompassing powers. I'm not opposed to that provided that it would come under some form of public scrutiny. In other words, if something were to go wrong with it, Mr. Speaker, who would become liable for those possible financial losses, and is there any possible way that it would come back on the taxpayers of Alberta? If the minister could just clarify that, that would alleviate another of my concerns.

A few other quick questions for the minister to consider. As we look at this, I still need to be convinced, Mr. Speaker. This Bill as it sits in its current form may not be in the best interests of either the total industry or the majority of Albertans. I would like him to persuade me a little bit further on that. I want to be very clear that I support the industry. I support it a great deal in my thought and in my missive today, as I do also support the owners and the jockeys and everyone else associated with it. But in its current form I cannot support this Bill at this stage the way it is now drafted. Perhaps the minister is considering some forms of amendments that would take some of these concerns into account as well as some concerns that others of my colleagues have raised. In that way perhaps they would garner our support as it moves through Committee of the Whole and the final third reading.

Another area is to do with the responsibilities that go along with the wagering and gambling side of horse racing and where it is that this Bill offers some form of consideration, I guess, for the many, many people that do find themselves perhaps mildly addicted to this. What kind of responsibility would the corporation take in that regard? We of course have AADAC, which takes responsibility for alcohol and drug abuse, and I know that there is some money that I believe the Premier or somebody from the government has put aside for problem gambling. I also know, Mr. Speaker, that in a general sense gambling is on the rise. I don't think it has that much to do with the horse racing industry

as such. It's got much more to do with VLTs, as the Speaker very well knows, I'm sure, from comments in his own riding. So this is not an attempt to say anything negative about that aspect of the horse racing industry; it's simply a point of clarification. Has the corporation taken that into account and is there some form of provision herein that I've perhaps overlooked or not addressed? If that's the case, then I would like it just pointed out to me, for my own benefit if for no one else's.

The public disclosure of the financial records of the racing corporation I have spoken to. I do believe that some of my colleagues have also stressed that under that particular section of the Bill, they could tighten that up a little bit and at least allow us a little more of what we would call open, honest accountability for not only the industry but also for those of us who are attempting to critique the general operations of government.

Mr. Speaker, I think I have expressed the concerns that I have on behalf of the people that I have spoken to and consulted with. I'm not going to reiterate all the other things that my colleagues have said, in the interest of saving some time for the House or allowing others who may wish to speak to it.

So with that I would simply conclude by saying once again that while I do support the industry and the corporation and all the people associated with it, unfortunately at this time I am simply not able to offer my support for Bill 5 in its current state. However, if the minister would take some of the other concerns into account, I would be very happy to reconsider that decision at a future date.

Thank you.

8:40

THE SPEAKER: The hon. Member for Bonnyville.

MR. VASSEUR: Thank you, Mr. Speaker. There's no question that the Bill as presented will certainly have some good results. There's no question that the reduction of the provincial government's involvement in the Alberta Racing Commission can be substantial.

Now, having said that, we have some concern in supporting the Bill as presented. We recognize the fact that a good portion of the investment here is part of a long-term investment in Alberta from one corner of the agricultural community to the other. There's no question that the industry has been suffering and going down in popularity, but let's not fool ourselves by looking at this Bill and thinking that this Bill will rectify that problem. The competition that the industry faces presently comes from a lot of other opportunities to gamble. As other members have mentioned, the VLTs have taken a considerable amount of dollars out of Albertans' pockets to do just that, to gamble. Regardless if we support the VLTs or we support gambling and to what degree we support it, the Bill here, as it states, will not rectify the problem. The industry faces quite a task in trying to turn this around. I believe that leaving the industry to police itself is good. Having said that, we must ensure that Albertans are protected more than what is given in the proposed piece of legislation.

The first concern that I have is with section 2 of the Act where it states that the proposed members of the board of directors have the opportunity in this Bill to appoint new members. I find that unacceptable, because you can just go out there and select the people you want to make the decisions that you want, and it may be very self-serving, putting the members on the board in this fashion. There should be provision in the Act to get the board of directors elected. There's nothing wrong with having an election through the membership. There are a lot of people that are

involved, from the breeders to the racers, everybody that's in the industry. I think that the board of directors, the people that make all the decisions, should face their own people in an election. I think it would be that much more accountable to the task.

The other concern that I have here is that in the Act, it also states that the corporation is not necessarily restricted to horse racing, and we'd like to have that area cleaned up. If it's called the Alberta Racing Commission, it should stay with all aspects of racing and not allow any other activity that may eventually join in just by the board of directors making those decisions. I think that that accountability somehow should be accessible to Albertans through possibly the Legislature here. I'm not asking for any format that would create any considerable amount of expense but just some kind of a vehicle that would make the Alberta Racing Commission accountable to the Legislature so that people are protected. After all, we're not only talking about horses here. There are going to be people involved in this game.

I've got another one here I had awhile ago that I wanted to bring up. Certainly some of us on this side of the House are prepared to support the Bill with some revamp of some nature. So if we are successful in debate in committee to get some amendments to satisfy our questions that we've asked here, we may very well support the Bill with some amendments. But as we see it presently, it's very difficult for us, for me anyway, to support it as it is. Again, having said that, if the minister is prepared to accept amendments, we may be prepared to support the Bill as amended later on.

Thank you very much.

[Motion carried; Bill 5 read a second time]

Bill 4

Glenbow-Alberta Institute Amendment Act, 1996

THE SPEAKER: The hon. Minister of Community Development.

MR. MAR: Thank you, Mr. Speaker. It gives me great pleasure to move second reading of this Bill. The Glenbow-Alberta Institute is a unique organization. It was created in 1966 through the generosity of Eric L. Harvie and his family, who worked in partnership with the government of Alberta of the day. The family's private collections form the basis of the excellent collections at the Glenbow. The Harvie Foundation and the government of Alberta each provided a \$5 million gift to establish an endowment for the funding of the institute's operations.

The result is a combined museum, archives, art gallery, and library of international reputation. It houses and displays artifacts of northern and western North American history and hosts national and international exhibits. The Glenbow has rightly earned international acclaim for its collections and displays. It is a major tourist attraction in Calgary. Millions of people who have passed through the Calgary International Airport have seen some of their exhibits on both arrival and departure levels at the airport.

The Glenbow, as a Crown corporation, has traditionally operated at arm's length from the Alberta government. The move to consolidated budgeting meant that Glenbow became a formal part of Alberta Community Development. Because of Glenbow's entrepreneurial approach, things like corporate sponsorship for prestigious international events, it did not need to fully fund its operations from government. Both Glenbow's board of directors and the government agreed that this successful formula should

continue, so the decision was made to dissociate Glenbow from government and eliminate its Crown-controlled status.

Dissociation means that government will no longer appoint members to Glenbow's board of directors. Government will no longer hold any liability for Glenbow's operation. Glenbow's board of directors will have greater freedom to invest their money but will use prudent investment standards in doing so. The board of governors will have more flexibility in their choice of auditors, day-to-day administration, and generally running the institute. Government approval will no longer be required for the bylaws of the board.

Most members of the board of governors will be elected by the members of the Glenbow, the very people who visit the museum and contribute to its success. The original gift from Mr. Harvie and his family stipulated that the institute would have a perpetual life for the lasting benefit of the people of Alberta. We take this responsibility seriously. Government will continue to provide the building that the Glenbow occupies. The government will continue to own the collections. The government will contract with Glenbow to make sure that those collections are cared for and exhibited to the public. This contract will be negotiated at least every three years to ensure continuity and assurance of continuing support.

The income from the original \$10 million endowment must be used, first, to protect that endowment. That means a portion of the revenue has to be reinvested to maintain its value. The board of governors has insisted on strict conditions for spending any income that would go back to building the principal. The government is pleased to include these conditions in this Bill.

The Glenbow library will not be transferred to the Crown. It will remain the property of the institute. The institute is also free to acquire other collections and add to existing collections as it sees fit and if it can afford to. Should the board of governors and the government both feel that new collections are important enough to be added to our provincially owned collections, this can be negotiated.

The Glenbow-Alberta Institute is one of the finest complexes of its kind in North America. There is a window of opportunity for the Glenbow-Alberta Institute. This Bill is the mechanism for fenestration, and accordingly I urge all members to support it.

8:50

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

MR. ZWOZDESKY: Thank you, Mr. Speaker. It's a pleasure for me to rise for a second time before you this evening, this time, however, to address Bill 4, the Glenbow-Alberta Institute Amendment Act, which is being brought forward by my hon. colleague from Calgary-Nose Creek, the Minister for Community Development.

Mr. Speaker, the amendment Act before us I find myself very much in agreement with on first reading. I'll need to dig into it a little bit more to give it my hundred percent endorsement, which I'm sure will be forthcoming, because of course the intent of this Bill is really to do a few rather routine if not housekeeping things on the one hand, as well as to advance the interests of the board of governors of the Glenbow, and, finally, to advance the cause of the Glenbow Museum in a total sense. So I looked at the Act very much as a tremendous supporter of the Glenbow Museum and as a supporter generally of all museums throughout our province.

The uniqueness, however, of the Glenbow Museum is seen in that it is one of the largest museums in all of Canada, not just in

the province of Alberta, and it is unquestionably the most self-sufficient museum of all museums across our great dominion. It attracts thousands of visitors, as everyone here knows, and I'm sure everyone in this House has been there at least a half dozen or more times, because it is a first-class venue. It's unique in that it houses, of course, not only a museum but also an art gallery and an archives unit as well as a library with tremendous educational potential for the thousands of young people who visit it for those purposes each year. In fact, I think the museum houses somewhere in the neighbourhood of 2 million to 3 million objects. The phenomenal growth in popularity of the museum in terms of people now bequeathing even more objects to it is tremendous.

It speaks very well for what the late Eric Harvie had in mind when he gifted the very first set of archival items to the people of Alberta through a unique Act that was created in 1966. That unique Act, of course, Mr. Speaker, created the Glenbow Museum as a partner of government, an arm's-length one, and at the same time took great strides toward preserving our social and cultural history of Alberta. So it was brought in with the best of intentions, and I think it's in the genuine interest of the minister and the board of governors to continue in that fine tradition with this Act itself.

I want to just comment briefly on the necessity, as I see it anyway, for the need to amend the existing Act, which is what Bill 4, of course, seeks to do. My understanding is that when the Government Organization Act was brought in last year, it required every partner of government, every arm's-length or semiautonomous agency of government, agents of the Crown, to re-evaluate their position and their relationship, their very structure, as it were, in relation to government. In the case of the Glenbow Museum what we see is the staff having to become members of government – in other words, staff or employees of the government – if the amendment were not proceeded with, because of course they would technically have to come under the accountability of the Financial Administration Act and so on. Clearly they had that as an option, I'm sure, and I'm sure they talked about it. However, in the end I think they chose option two, which was to seek some form of near severance from the government. This, as I understand it, would allow them to go and seek additional partners for financial projects they might wish to do without having to always jump through the hoops that government sometimes puts up for its partners. So that's certainly an intent that we understand and are looking to support from our side of the House.

The other thing that I find the Act largely does, Mr. Speaker, is that it updates a lot of the grammar that is perhaps less relevant today than it was back when the Act was first created. It changes the tense of certain parts of the Act, but none of it is really damaging to the furtherance of the museum's cause. So that, too, I support.

The significance of what the board is undertaking through this Act, however, is equally important, because now the Glenbow board of governors will be totally and completely responsible for the equivalent, I guess, of a fee-for-services contract with the government which would include the safe storage and maintenance of all the artifacts under its responsibility. That involves a great deal of expense, Mr. Speaker. I know from having spoken with the Edmonton Art Gallery five or six years ago, when I was more directly involved with the Edmonton Art Gallery here, that the officials there related that to store and properly maintain certain of their artifacts costs in the thousands and ultimately hundreds of thousands of dollars, because of course you're not just protecting

it from dust and other factors, but you're also trying to maintain a certain constant temperature with these artifacts. Otherwise, they will lose their value over a period of time.

So looking after the maintenance and the refurbishing and the repairs of all of those items is an expensive undertaking, and I can understand why the government wishes to continue some form of support for the Glenbow in that regard, for the proper care and preservation of these priceless articles that the Glenbow houses. We don't yet know what the exact arrangement will be. I'm sure that at some point the minister will be happy to share with us what that contract looks like, because of course it's not really spelled out in any specificity in the Act itself. However, I would ask the minister: would you be willing to share with us the specific contract that might be forthcoming or the details of the arrangement that would be forthcoming out of this Act? I would hope his answer would be yes, as he is undertaking that deliberation, Mr. Speaker.

The other area that I just wanted to comment on here, Mr. Speaker, is with regard to a certain section of the Act that refers to the board of governors and the annual meeting. There's really no reference in here that would cover the issue of the membership and how it would elect its new board of governors. Within a certain period of time in the old Act, notice had to be given that such an election was taking place. Perhaps it's just an oversight under section 13, or perhaps they intend to cover it in the bylaws, which is possible. Perhaps the minister could ease my mind just on that one. I think it's an important point that bears his attention.

Similarly, there are some references in section 18, which refers to the old sections 20 and 21 that are repealed, and they refer to the auditing of the books of the museum. In the old Act the Auditor General, Mr. Speaker, was responsible for auditing those books, but I note here under the new section 20 on page 14 of the Act that

the Board of Governors shall have the financial statements of the Institute audited as at the end of each fiscal year of the Institute.

I applaud that, because of course they have to be audited. I would just ask the minister for the record: is the minister prepared to make those financial statements public? I would think the answer is yes, but I'll await his word on that. Or is that going to be covered somehow in the bylaws as well? The blunt question is: will the financial affairs of the Glenbow and the final audited statement be made available to the public and specifically to members of this House for quick review?

9:00

One other concern is under section 23(4) on page 15. It's a concern from the positive side, Mr. Speaker, because here it says that "the Minister and the Institute shall negotiate every 3 years with a view to entering into agreements," et cetera. It suggests to me that the minister in concert with the board of governors is expressing a desire to get together every three years and review what it is that they have done and how successfully it has worked out or perhaps not worked out. The key word here is "negotiate," which suggests to me that there's a real willingness on the part of the government to review with a view to changing things such as perhaps reporting mechanisms or the actual duties that fall within the services contract and, more critical to the museum, I suspect, the financial arrangement.

Now, I know that the budget is coming down tomorrow afternoon and that there will be business plans and so on, and I'm sure some of the details will be collected and reflected within that particular budget. However, I do think that we will need to know

the specifics of the amount and so on that this Act encompasses. How much money are we going to be putting in? You see, we're creating here a bit of a unique situation, Mr. Speaker, and I'm not being critical of that at all. I'm simply saying that, on the one hand, the Glenbow was an agent of the Crown, albeit an arm's-length agency, or perhaps more accurately put, a partner of the government, so there was a different type of accountability because of that arrangement. Now of course we're moving to make the Glenbow Museum rather autonomous from government. I think the minister in his introduction during first reading said that this will give the museum more control over itself and less Crown control over the museum. I'm not opposed to that. I think that that is likely a very good move and probably a welcomed move insofar as supporters of the Glenbow are concerned.

However, in creating that autonomous relationship, so too are we entering into a special fee-for-services type of contract, which means the government will be putting forward a significant amount of money. Traditionally the government has put forward approximately \$3.2 million per year toward the museum for the last I think 10 or 15 years or somewhere in that neighbourhood anyway, and I would expect that there would be something possibly within that same amount. It might be a little less; it might be a little more. I don't know at this stage. Only the minister himself probably knows.

Given that we as taxpayers are committing through the fee-for-services contract a significant amount of money, it suggests that there still is some form of accountability – accountability is the only word I can think of, Mr. Speaker – for those moneys. I'm sure the minister would agree, as would the board of governors. There should be some accountability on everyone's part because we're talking about a significant sum of money that we're putting forward here. It's all being put forward for a very, very good cause and certainly one which all members on our side of the House support. Anything to do with the cultural and historic and social preservation of our Alberta does require an investment from all of us and equally our support for it as well.

As we go through this discussion and this debate on the motion, I'm hopeful that our colleagues on both sides of the House will recognize the need to give this Bill very serious consideration and give it support with the understanding that the questions I have just posed as well as those questions that other members will be posing are answered to everyone's satisfaction. I have no doubt that they will be. So we are looking forward to receiving from the minister perhaps later tonight or sometime shortly thereafter some kind of a further explanation as to those points immediately raised.

Now, Mr. Speaker, I want to conclude by thanking the government for not putting the Glenbow Museum through the wranglings of creating yet another bureaucracy, which is not needed right now insofar as this industry is concerned, and for allowing the Glenbow Museum to become quasi privatized but in a very sensible way. At least it appears to be a sensible way, because it doesn't appear to be a knee-jerk reaction such as some would say was the case, for example, with the Alberta Motion Picture Development Corporation. That, too, is a unique situation that deserves a look because it also contributes to Alberta's quality of life as well as the economics of our situation.

So, Mr. Speaker, I would conclude by thanking also the Devonian Foundation, who have contributed significantly to the Glenbow cause. It's of course comprised of several members of the Harvie family and numerous others. I also want to thank and congratulate all the volunteers who work so hard to keep the

Glenbow Museum alive and well and a real world-class showpiece not only for Calgarians but for all Albertans and for all Canadians as well as visitors from abroad. I know that it was overflowing and bursting the seams when we had the pleasure to make a display there during the Ukrainian Canadian centennial in 1991 and going back to the Olympics in 1988 when we also had displays there of a sports and cultural nature from the arts community and elsewhere. In that vein I hope they're allowed to continue to operate, and I wish them every success in that regard.

So I'll take my leave, Mr. Speaker, by saying that this is a tremendous opportunity for the members of the House to join in and support what I perceive to be on second reading a significantly good Bill. Thank you.

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

MR. DICKSON: Thanks, Mr. Speaker. I'm pleased to rise and indicate my support for Bill 4 as well. The Glenbow of course is located in my constituency of Calgary-Buffalo, and I've always thought that it serves two very important purposes in the city of Calgary and for the province of Alberta. The first one, of course, is what I might call the tourist attraction. The Glenbow has broad public appeal. I think we've talked in this House before about the tremendous number of dollars generated in terms of revenue to the city of Calgary and the province of Alberta through tourism and conventions and people coming from other parts of the world, other parts of the country, and the Glenbow certainly is one of the prime attractions for those visitors to the city of Calgary.

The other way it strikes me that the Glenbow is particularly important is as a basis for academic research. There is no shortage of graduate students who have spent many, many hours in the archives and back rooms of the Glenbow. So it is a wonderful public facility in the city of Calgary, and it is important that the government make the necessary modifications to be able to allow the Glenbow to operate on a reasonable and efficient basis.

There may be some members who say: really, this is something that should be of little concern to the Legislature; let's turn it over to the institute. It seems to me, as I look at the Bill, that there are three specific public interest issues in the Glenbow and why I think that the points I'm going to make in a moment are legitimate sorts of concerns we would have in this Legislature.

9:10

In terms of the three aspects of public interest, the first one of course is that we have title to the collection by virtue of section 22(1) and (2). Secondly, there's an interest acknowledged in the Bill in terms of public access, and that's found in both sections 5 and 23(1). Thirdly, there's a provision in the Act for taxpayer dollars to go into the Glenbow Institute, and the authority for that is section 23(3).

So as anxious as we may be to allow the institute optimal freedom and flexibility to be able to manage the collection, I think there are some legitimate questions, some touched on by my colleague from Edmonton-Avonmore a moment ago, and they would be these. I raise them as someone who is a supporter of the Glenbow, somebody who supports the Bill, but as it's here before us, I'm hopeful that the minister can give us some clarification.

Firstly, in terms of section 8(b), which is an amendment to section 4, there's the provision to delete a provision for compensation to MLAs who may be on the Glenbow board. I guess the short question is: does this mean that the government will not be

encouraging the appointment of MLAs to the Glenbow board? [interjection] Well, I'm delighted to hear the minister indicate that it is not the intention to appoint MLAs to the board. I'd like to commend the minister for taking that stand, because I think it's high time that this important public collection be addressed by community people other than those who've been elected to sit in this Legislature. So I appreciate that clarification.

The other point would be the question of public access and how that's protected and how that's protected in the Act. Public access is referenced, I've just noted in a cursory review of the Bill, in two places. In section 5(c) it talks about providing the "public access to the collection assets" and then again in section 23(3). Actually it's part of section 19. It always gets a little confusing, Mr. Speaker, when we're dealing with an amending Bill, but it's on page 15 of the Bill, Mr. Minister. Again we talk about ensuring public access to the collection assets, and that's important because we've already determined that title to all the collection assets vests in the Crown.

I wonder if this isn't such an important issue that we go somewhat further than simply delegating this to the institute. The province has a stake in ensuring public access, and I guess I find some disquiet when we delegate this responsibility to someone else. There's nobody else I think that's more appropriate than the Legislative Assembly to ensure that every Albertan is going to have ready access to the Harvie collection. I'd ask the minister to consider by what other means he could give us comfort that ensuring "reasonable public access" can be done in a way that it's not left simply to the institute but that that public interest can be addressed in some fashion in the Bill, because I think that is important.

The other concern – and once again it's because of the three reasons that I said there's a significant Alberta public interest in this – the election of members. We find that that's almost been entirely subdelegated or turned over, if you will. Section 7(3) talks about the provision for enacting bylaws. Section 12 talks about membership. My question to the minister would be this: how do we ensure, Mr. Minister, that this doesn't become a closely held board, a board of too few people that may not be alive to the whole heterogeneous Calgary community? We may want to consider that if there isn't some way in the legislation or in the regulations to ensure that the Eric Harvie trust is honoured and respected on behalf of every Albertan, not just on behalf of a small number of people who may end up being on the institute board. [interjection] Sure and I think there's some question in terms of the bylaws. Are we going to have a diverse range of Calgarians and Albertans represented on the board? We don't know that. I'm sure that the minister shares this concern, that he wants this to be widely held. I'm sure he shares the concern that access can best be protected and ensured over the long haul by making sure that the membership base is as broad as possible. Maybe this is a case where the initial set of bylaws should be reviewed by either the Legislature or the Standing Committee on Law and Regulations chaired by the Member for Calgary-Shaw.

[Mr. Clegg in the Chair]

In any event I have those concerns, firstly in terms of how we ensure reasonable public access. What that means. Not only what it means to the minister, but what it will mean down the road in two years, five years, or a decade from now and also ensuring that fees are reasonable. I am encouraged, Mr. Speaker, to note that the Friends of the Glenbow totaled 4,095 in 1995.

Well, that addresses very much the concern I've got. I guess I'm wondering aloud whether there's some way of ensuring that it continues to be so broadly based and diverse and hopefully as representative as possible.

The last comment I say, I guess, somewhat facetiously, is that I have always thought that the biggest challenge for the Glenbow was simply being able to access all of the material that's been stored away in the back rooms. I've talked to archivists who tell me that if you're impressed as an Albertan having gone in and seen what's on public display, you would be absolutely astonished if you could go into the back rooms and see the vast amounts of this eclectic collection that Eric Harvie had put together over many years and which is in the back. I'm hopeful that more Albertans, more Calgarians will have a chance to be able to get the full benefit of all of that material in the back rooms.

With those comments, I'll take my place, Mr. Speaker. Thank you.

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

MR. BRUSEKER: Thank you, Mr. Speaker. I, too, would like to just offer a few comments on Bill 4, the Glenbow-Alberta Institute Amendment Act, 1996. Certainly I want to join with my colleague from Calgary-Nose Creek, the minister who introduced the Bill, and the Member for Calgary-Buffalo, and indeed the Member for Edmonton-Avonmore, who talked about the many good works of the institute.

The Bill itself proposes to do a number of things: allow the institute to have the "rights, powers and privileges of a natural person," and it gives them certainly a lot more autonomy to be more independent. That may well be a very positive thing. I suspect in part it is being driven by this restructuring that we're seeing in government and reinventing government, in fact, that is occurring with respect to a whole variety of issues and certainly is being applied in part to the Glenbow Institute.

Mr. Speaker, there's no question that the Glenbow Institute serves a variety of purposes within the city of Calgary, and indeed, if I may say it, it is the southern Alberta anchor of a couple of well-known provincial museums in the province. As recently as only a couple of weeks ago my daughter had the opportunity to go with her school to the Glenbow Museum. They spent the day down there. The teacher was prepared with some work sheets and assignments for them, and she came back saying that it was just an absolutely fascinating day.

9:20

Now, the Member for Calgary-Buffalo has already talked about the research capability of the vast store of archived material that is contained within the Glenbow Institute, not only what's, as he mentioned, on the front shelves, if you will, but also what's on the back shelves.

I did have a couple of questions that I wanted to raise with the minister. Recently I had the opportunity to attend the annual general meeting of the Glenbow Foundation at which the hon. minister was the guest speaker. Although he couldn't foretell any details of the budget, he certainly alluded to the fact that this museum, along with others in the province, is facing yet another series of cutbacks of the funding that has been provided.

Now, the Glenbow Institute has already faced a considerable cutback in the annual provincial grant given to this museum. As a result, they've had to lay off a considerable number of staff. Somewhere, as I understand, in the neighbourhood of 40 staff

have been laid off directly as a result. The concern that I heard from people that day at that meeting who are involved with the Glenbow Institute is that if more cutbacks come forward, the museum will be facing curtailing services. That, Mr. Speaker, I would argue, would be a loss to Calgarians, to Albertans, and to anyone who comes through Calgary.

As the Member for Calgary-Buffalo has talked about, there are many tourists who come through Calgary who take the time to stop in and see the facility. One only needs to look at tourism records across the province to see that Calgary and Banff, the Calgary-Banff corridor, are the number one tourism destinations within the province of Alberta. To cut back this facility even further would make it more difficult for those tourists to enjoy some of the tremendous resources we have here.

The minister talked about a display that is currently at the Calgary International Airport, a very small portion of the total collection, of course, that the Glenbow Foundation has put together. But certainly as you walk past it, as I have done on a number of occasions in my travels back and forth between Edmonton and Calgary, it's a real eye-catcher, Mr. Speaker. I can tell you, it's one of those ones that causes you to turn, stop, look at it, and read the little card on the display that's in there. There's one little section with a variety of sports items, I guess would be the best way to describe it: golf, polo, football, a whole variety of items that are there for display. Wouldn't it be tragic if we had people coming through and see that display that says, "Come on down; come see the Glenbow Institute," but as a result of government cutbacks, son of a gun, they can't get in because the hours have had to be curtailed? That would be a real tragedy if the Glenbow Institute had to have that occur.

One of the issues that I would like to raise with the minister is that in his talk he talked about a move to increasing self-sufficiency. Of course with this particular Bill we're talking about the Glenbow in Calgary, but there is a drive by this government for all the bodies, museums included, to move to increasing self-sufficiency. I guess the question that I would have to put to the minister in that regard – because we do talk about fees being paid to the institute here – is: how far is it realistic to move in that direction before we get to the point where these kinds of facilities in fact are so severely cut back that they simply cannot survive?

While the idea of self-sufficiency is noble if you are driven solely by balancing the budget and worrying about the bottom line, there is a broader issue that is addressed by facilities like the Glenbow. If we simply say, "Gee, we don't have the money to run it," and we shut it down, then we are denying an important part of our cultural background, our society, and a measure of our history. I would urge the minister on the day before the budget is coming in – and I'm sure it's printed and ready to roll – not to forget that there are things like the Glenbow Institute that while they may not pay their own way a hundred percent I would argue are more than worth every dollar we put in to them to maintain those facilities.

With that little bit of a preamble, then, that leads me to page 15, that my colleague from Calgary-Buffalo talked about. First, let me throw out the positive side, which I think is a good side of this particular Bill. One of the sections that's mentioned on page 15, 23(4), talks about three-year contracts. I think that's a move in the right direction, Mr. Speaker, because it will give the Glenbow a bit of a target with which to be able to plan not just one year at a time but three years at a time. So from that standpoint I think that's a positive move, Mr. Minister, and I would support that concept. I think that's a good step.

My concern is with the phrase right above there that talks about the negotiation that will occur between government and the institute in terms of determining

such amounts of money as are appropriated by the Legislature to meet the fees payable to the Institute for providing the curatorial care of and ensuring reasonable public access.

Now, on the face of it that sounds fairly benign, I suppose. But the question is: whose figure do we decide is going to be the good figure? Certainly the Glenbow Institute would argue they have already been cut back too far. They are concerned, I must say, about the budget that is coming down tomorrow, with respect to what is going to come forward tomorrow. So the minister may be getting hammered by the Treasurer who says: you've got to get this budget in line. I know that the minister being a Calgarian himself wants to preserve this institution, and certainly the people from the Glenbow have a concern. How do you negotiate back and forth what is a reasonable sort of figure?

The phrase is pretty broad. It just says shall pay "such amounts of money as are appropriated." Well, how do you decide what amount of money should be appropriated? That's really the big question, I think, that I heard certainly that evening when we were in attendance at the annual general meeting. The members of the foundation that were there were saying: how do we ensure that this fabulous facility continues? So I want to raise that issue today.

I guess one of the issues that comes in is: will the money be appropriated on a regular basis through the GRF as a regular line item, or will we see it come through lottery funding, which maybe one year is good and reliable steady income, maybe the next year it's not, depending on what's going to happen? So that would be one question that I would have for the minister. Is this GRF money or is this lottery money? Are we going to see a steady funding source coming through all the time? Who knows?

The section right above that marked as section 22(1) and (2) talks about property that is not currently the property of the Crown reverting to the Crown as of April 1, 1996. Earlier on in the Bill it defines what is meant by collection assets, including those items that are on loan or rental. I was initially a little shocked when I read that, because it sounded like possibly the opportunity to legislate theft from those that have donated things. I think there is still a potential concern here. The concern that I want to raise with this particular issue deals with aboriginal artifacts, Mr. Speaker. That has been an issue with different facilities in the past. There has not necessarily been a purchase – shall we say? – but there are aboriginal artifacts that are in the possession of the institute, and according to this section as of April 1 all of those artifacts which aren't claimed one way or another suddenly revert to the Crown.

My question to the minister with respect to that particular section is: have all of those 3 million artifacts, which is a mind-boggling number, been carefully catalogued, identified as being already clearly, unambiguously, property of the Crown or property of somebody else and on loan or so on? I would hate to think that we would pass a piece of legislation here that might get the institute in trouble because of a clause in a piece of legislation that might raise a contentious issue and – who knows? – perhaps even legal action regarding ownership of a particular item.

So, Mr. Speaker, generally speaking, I would say that I support the Bill. I think there are a few questions that I would like to have the minister answer perhaps in closing debate or in Committee of the Whole stage. I support 110 percent the work of the

Glenbow Institute in Calgary. It's a marvelous facility, one that we should do our utmost to preserve within the province.

Thank you.

9:30

THE ACTING SPEAKER: The hon. Member for Edmonton-Whitemud.

DR. PERCY: Thank you, Mr. Speaker. I support this Bill.

AN HON. MEMBER: Then sit down.

DR. PERCY: There's more to it than that, hon. member.

There are two or three issues I would like to pose. First, my experience with the Glenbow comes from actually doing research there. I was looking at a project on prairie migration and who the homesteaders were that came to the Canadian prairies. It was fascinating because they had a very thorough collection of homestead records, and it was both well documented, accessible, and it was an ideal research tool for people interested in the economic development of this province in the late 19th or early 20th centuries. So in terms of a resource that's available for the academic community in this province and in terms of understanding how we emerged and grew as a province, it is really a very valuable resource. I subsequently used material there as well from a whole collection of older prairie newspapers, doing a mortality study of who came, why, and the role of women in the settlement process. So I found it just from my own personal experience as a researcher to be both well run, have extraordinarily professional staff, and also, then, just as a tourist having taken my children to the institute, I found it just a superb resource for the province.

This Bill, in terms of making it more autonomous from government, I think allows it to be arm's length, run on a more community-driven basis and less subject to policy shocks from the provincial government. But I, like my colleague from Calgary-North West, have concerns about the nature of funding for this, because often it appears that things that have a value that's not immediately transparent in dollars and cents seem sometimes to get the short end of the stick. This is one whose benefits to the community at large are very high but sometimes difficult to quantify.

I think the measure of a province is its willingness to invest in things that define us in terms of what we are, where we've been, and how we got there. The Glenbow does a superb job in this regard, and I think that this Bill then allows it to maintain its unique status and make it, as I say, more formally embedded in the community. The issue of a consistent flow of funds to the Glenbow is important, and I would hope that the business plans of the hon. minister would set out pretty clearly the funding that the Glenbow could expect because that would then allow them to do their planning on a two- or three- or four-year horizon.

So, as I say, I support this Bill in principle and look forward to seeing it passed expeditiously.

THE ACTING SPEAKER: The hon. Member for West Yellowhead.

MR. VAN BINSBERGEN: Thank you, Mr. Speaker. Just to allay the fears of all members here, I don't intend to say a great deal. I just want to go on record as actually supporting this Bill. I'd hate for members opposite to think that this is going to be a

habit, that it's habit forming. It is not. It applies solely to this particular Bill at this particular time.

I want to commend the minister specifically for getting his caucus' approval for this Bill, because it kind of institutionalizes at least for the next three years the revenue funds of \$2 million to \$3 million being used towards the Glenbow, and this is done by a caucus which kind of fancies itself at times, I think, the guardian of public morality, certainly in the artistic realm. I'm glad to see that the bulk of the caucus has triumphed and that we're not delivered to the Neanderthal tastes of some members, whom I will not refer to by name or even by constituency. Besides, he's not here right now.

Mr. Speaker, having said that, a very quick question to the minister regarding section 7, that refers to the board of governors. I'm a little confused there, so perhaps the minister can explain this. I understand that the number of board members could be between 12 and 24, and then: "The Devonian Foundation shall appoint 2 Governors." I wonder whether they are part of section 3(1), or is that in addition to section 3(1)? It kind of has some implications when it comes to electing the majority. I hope the minister can follow me, because it could be that if one had 13 governors, two of which were Devonian appointees, and there were 11 left, and out of the 11 you then elect the majority, which is six, then you end up with six out of 13 being elected and seven being appointed. This is a lesson in mathematics for the minister.

So that is the only question I have, Mr. Speaker. Other than that, it sounds like a good deal to me. Thank you very much.

[Motion carried; Bill 4 read a second time]

Bill 6 Gaming and Liquor Act

MR. DAY: Mr. Speaker, on behalf of the Minister of Transportation and Utilities, under whose jurisdiction this falls, I would move second reading of Bill 6, the Gaming and Liquor Act.

Basically, this Act amalgamates the former functions of the Alberta gaming control branch and the Alberta Liquor Control Board under the Alberta Gaming and Liquor Commission, and it sets out its status, its powers, and its duties and looks to the new mode surrounding both liquor distribution and privatization and also new events that surround gaming in the province.

The layout is fairly straightforward, I believe, Mr. Speaker, in terms of talking about the status and the power and the duties of the board itself and then breaking it out into the various gaming areas, provincial lotteries, and liquor. There are also clear sections delineating board hearings and sanctions, appeal processes. The area of inspections and search and seizure is always a major concern to Albertans, so those are spelled out, as are the offences and the penalties, and certainly a regulation section, which I know will be of interest.

Also, whenever there's an amalgamation like this, there are certain transitional items that have to be dealt with, and those are found in part 7 of the Bill, and other legislation and consequential effects are dealt with in part 8.

Thank you, Mr. Speaker.

THE ACTING SPEAKER: The hon. Member for St. Albert.

MR. BRACKO: Thank you, Mr. Speaker. In speaking to the Gaming and Liquor Act, Bill 6, that amalgamates the two previous Acts, just some general comments on the Bill. We see that there's been an improvement in the inspection, that now we

have inspectors that look after liquor, gambling, the VLT machines instead of having separate inspectors for the three. This has improved efficiency and is also very important to make sure that there's not waste in this area.

The other improvements, also, over the existing Interprovincial Lottery Act. This Act does define the video lottery terminals, something that wasn't included before, and this needed to be done. The new Act would also include a fine against illegal VLTs up to half a million dollars and/or 12 months in jail. This is to make sure that the government gets every dollar from the VLT machines and not through illegal activity. The commission again would be responsible for maintaining the lottery funds, the money paid out, and would show where the money goes. Also an expansion of licensing practice in the legislation, which previously was contained in regulations and policies, and that could be changed without consultation or without coming to the Leg. This one is in the legislation. It can't be changed as easily, and that, we feel, is an improvement.

9:40

Also the creation of gaming workers – and they are to be registered by the commission – is very positive. They would be able to move throughout the province and work, and they'd also be registered and could be monitored more closely if the need arose. Also the similar process for regulations occurs for the use, sale, making, and distribution of gaming supplies. These people would have to be registered, and that again would keep the industry more honest if there were illegal sales of this type of equipment.

The commission will conduct and manage provincial lotteries on behalf of the province, and the commission will be expected to promote the very activities, such as lotteries and VLTs, that the commission is also supposed to regulate. It is a concern to us when you have the regulating of the activities and the promotion. When they come into conflict, how do we know which is going to win over? Is it the almighty dollar, or is it the best interests of all Albertans?

The Liquor Licensing Appeal Council has been eliminated, replaced by the commission or the board or a panel created by the board, and other than court appeals they will have final say. I guess a concern here: should this appeal board be independent of the commission?

The issuing of identification cards by the ALCB is not included in the functions of the commission. I would like to know if that is going to go through the registries, where they would have to get their cards for identification, or can they still get them through the ALCB? That's a question I have for the minister. Also there don't appear to be any significant liquor violations that have been removed, including inspection activities.

Another concern we have is that due to the Civil Enforcement Act a private bailiff company may be permitted to sell liquor as opposed to it being conducted by a provincial sheriff. This may be a concern if it's not done properly.

The new Act would permit the sale of liquor at retail stores on election day; however, the sale would not be allowed in bars or lounges. It seems to be contradictory when you can sell in one and you can't in the other. I'd like the minister to address the rationale for this.

Again there's to be a public report, but there's no time limit set on it. We'd like to see a time limit set, or keep it in accordance with other reports from other departments or commissions.

It's good to see the reduced number of board members, down to five. I would request that the minister give us information on

the severances of the former board members so we'd have access to that.

Other concerns in the Bill. The consumption of liquor in a public park or picnic area: the rationale for that change. A public place or a certain area in a public place, a private area: has the public been consulted on that? Do they want that change?

The one on search warrants. We've seen in the past that the inspectors had the power to seize cigarettes without a search warrant. I don't see this included. The seizure of illegal cigarettes has happened in the past. I just want to clarify that the inspectors will have the authority to seize liquor only, not tobacco. If there's tobacco, we'd like to see it included, if that was the case.

Another part: "interview and request identification from people in the . . . facility who appear to be minors." Are they allowed to hold the minors and to call the police to make charges, or can the minor walk away and say good-bye? If so, has this been addressed or looked at more closely?

Another section: if a person is convicted, the liquor or liquor container still may be kept and forfeited to the Crown. I'd like the rationale for that, Mr. Speaker.

This should combine the two, make it more efficient, and the Gaming and Liquor Act together help to make it more efficient.

With those I will conclude, Mr. Speaker.

THE ACTING SPEAKER: The hon. Member for Edmonton-Rutherford.

MR. WICKMAN: Thank you, Mr. Speaker. Following on the heels of the enlightened critic that handles the liquor aspect of this particular Bill – and he's addressed those concerns very, very well – I'm going to restrict my comments to the area that I'm responsible for, and that's the lotteries and gambling and those dreaded slot machines and such.

Let me say right off the bat that there are certain definitions, there are certain references in the Bill that, if there were a Liberal government, wouldn't have to be there; for example, the definition of a video lottery terminal. To us a video lottery terminal is a money-grabbing slot machine, and if the Liberals were the government, there'd be no need for that definition because of course there'd be no place in Alberta for those machines. It's kind of ironic when we read further down in the Act where the Act would prohibit illegal VLTs. We heard some indication today that there could be upwards of 10,000 illegal slot machines in B.C., and who knows how many would be here if it weren't for the government's approach to this, from their point of view. Rather than a prohibition against illegal VLTs, it would be much nicer if we could amend that and take out the word "illegal" and just have a prohibition against VLTs period. That would make the Bill much, much more workable and much more in line with the philosophy of the Liberal Party.

Mr. Speaker, when I look through the Bill, I can understand some of the rationale behind it. It is an attempt on the government's part to do what the minister responsible for it is sort of famous for: a cut here, a cut there, a hatchet job here, a hatchet job there. But this was one that appears to result in the amalgamation and streamlining of regulations from two particular areas that should result in cost savings. And when we talk in terms of legislation or changes that result in efficiencies and cost savings, certainly it's barking up a tree that we can identify with.

There are other aspects from the lottery point of view that the minister is going to have to respond to when it comes to second

reading. I would hope the minister will take the opportunity to read the comments made in *Hansard* so he does have the opportunity to deal with the concerns that have been expressed and will be expressed.

The provision or what's called the creation of gaming workers who must be registered through the commission and such: yeah, this is a process that should add to, let's say, the control of those that are involved directly in the gaming aspect of casinos and such. If we look at the history of particularly the nonprofit casinos, we saw a time in the early '70s when things were really, really done in a very loosey-goosey fashion and involved a lot of volunteers that possibly shouldn't have been involved, with very little control, extreme amounts of lack of control at that particular time.

9:50

When we debated Bill 202 earlier, not just Bill 202 but also Bill 5, we pointed out very, very clearly the need there is for regulation when we talk in terms of anything that involves gambling, because when you talk in terms of gambling, there is an element of greed on some people's part. For most people that do gamble, there is an element of greed, and when people become involved in greed, when they become involved with a habit, there can be a tendency to try and get away with things. So tightening up regulation, from that point of view, is extremely good.

One other area that I want to see the minister respond to that I guess is relatively directly related to the Bill is the discussion some time ago about the possibility of Alberta pulling out of the commission. The Member for Barrhead-Westlock will identify with what I'm referring to: pulling out of the Western Canada Lottery Corporation and going on their own. I'm not sure if one of the aspects of the commission is a foregone conclusion that that's what the minister is intending to do. I was under the impression that what the minister wanted was a larger chunk in terms of the net sales of lotteries in Alberta compared to other provinces, a larger chunk of it coming back to Alberta, rather than creating a situation where you would have three separate administrations, possibly four looking at the Territories, and having some lack of efficiency there, that this was simply a negotiating process. I would hope that is the case, because there is lots to be said for jobs being retained in Alberta, of course, or jobs going to Alberta or larger shares of the profits going to Alberta.

At the same time we do have to recognize that we are one province out of 10 provinces and two – or is it three? – territories now. We can't just simply all go off on our own way with no cooperation with the other provinces, so I think this Bill will give the minister an opportunity to update the Assembly as to what his intentions are and as to how that particular set of negotiations is going.

There are other members in our caucus that are going to want to speak, and I'm going to hold off on my indication of any strong desire to support this Bill at this time. It's only in recent days that we've gotten some of these Bills, and to do the careful analysis that we require before we commit ourselves one way or the other is going to take just a wee bit more time. So I just want to kind of hold off on my support until we get into committee stage and we look at the possibilities of amendments, if necessary.

On that note I'll conclude.

[At 9:55 p.m. the Assembly adjourned to Thursday at 1:30 p.m.]