

## Legislative Assembly of Alberta

**Title: Thursday, March 28, 1996**

**1:30 p.m.**

Date: 96/03/28

[The Speaker in the Chair]

head: **Prayers**

THE SPEAKER: Let us pray.

We give thanks to God for the rich heritage of this province as found in our people.

We pray that native-born Albertans and those who have come from other places may continue to work together to preserve and enlarge the precious heritage called Alberta.

Amen.

Please be seated.

head: **Introduction of Visitors**

THE SPEAKER: The hon. minister responsible for science and research.

MRS. MIROSH: Thank you, Mr. Speaker. It gives me great pleasure to introduce to you and through you to members of the Assembly a delegation of science and technology members from the province of Sichuan in China who are visiting here in Alberta. They are seated in your gallery. I'd like to introduce firstly Mr. Yan, who is the assistant to the vice-governor and Secretary-General of the Sichuan provincial government, and Mr. Yan is the leader of the delegation; Mr. Tang from the Policy Research Office; Ms Gao, the deputy director of the Provincial Commission of Science and Technology; Ms Li, the deputy director of the Policy Research Office of the Provincial Commission of Science and Technology; Ms Lian, deputy director of the foreign affairs department of the Provincial Commission of Science and Technology. Also accompanying the delegation is Mr. Luo of Calgary, Mr. Liu, and Mr. Hung of the Alberta government. Would you all please rise and receive the warm welcome of this Assembly.

head: **Introduction of Bills**

### Bill 23

#### Condominium Property Amendment Act, 1996

MR. COUTTS: Mr. Speaker, on behalf of the Member for Calgary-Bow I request leave to introduce Bill 23, the Condominium Property Amendment Act, 1996.

The purpose of this Bill is to amend the Condominium Property Act, *Revised Statutes of Alberta 1980*, chapter C-22. The amendments will respond to current needs in the industry and will make the legislation relevant to the future condominium market. These amendments will balance the rights and responsibilities of condominium unit owners, condominium corporations, and developers.

[Leave granted; Bill 23 read a first time]

MR. DAY: Mr. Speaker, I'd move that Bill 23, as just introduced, be moved onto the Order Paper under Government Bills and Orders.

[Motion carried]

head: **Tabling Returns and Reports**

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

MRS. ABDURAHMAN: Thank you, Mr. Speaker. I'm pleased to table today five copies of an advertisement that's run in the major dailies in the province of Alberta, Only Three Days Left to Save Medicare, sponsored by the Alberta Health Care Union Caucus united in defence of medicare. They're asking our leaders to take decisive action and protect medicare for all of Canada.

Thank you, Mr. Speaker.

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

MR. SAPERS: Thank you, Mr. Speaker. With your permission two tablings today. The first is a copy of correspondence directed to the Minister of Health signed by 25 Edmontonians requesting that the Minister of Health do everything in her power to protect the five principles of the Canada Health Act and to ensure that NAFTA does not in any way jeopardize our system.

Mr. Speaker, the second tabling is copies of a series of newspaper articles reprinted in the *Community Press* from the county of Flagstaff all pertaining to the Hotel de Health proposal.

THE SPEAKER: Hon. members, I table with the Assembly a letter received at 12:28 this afternoon from Robert C. Burgener. The letter is pursuant to the motion passed by the Assembly last Monday, March 25, 1996. A copy of the letter is being distributed to all members.

head: **Introduction of Guests**

MR. TANNAS: Mr. Speaker, I'm delighted this afternoon to introduce to you and through you to members of the Assembly two educational leaders from High River in my constituency: Mrs. Diane Currie, who is a school trustee for Christ the Redeemer separate school division, and Margaret Brown, a former trustee for Christ the Redeemer. I'd ask them to rise – they are in the members' gallery – and receive the warm welcome of the Assembly.

THE SPEAKER: The hon. Minister of Energy.

MRS. BLACK: Mr. Speaker, thank you very much. It is with great pleasure that I introduce to you and through you to members of the Assembly the participants in the Alberta Girls' Parliament who are visiting the Legislature today for question period. I met with the girls prior to coming in, and I'm very pleased to say that I think they're going to have an enjoyable question period today. Twenty-nine members are from the senior branches of the Girl Guides, and four members are from 4-H clubs from as far north as Fairview and as far south as Milk River. We also have three girls and a staff member participating in the parliament this year from British Columbia. This is a very special year, because this is the 25th anniversary of the Alberta Girls' Parliament. They are accompanied by leaders Mrs. Sue Schroeder, Mrs. Kathi DesChene, Ms Karen Lam, Mrs. Mary Waugh, and Miss Heather Martin. I would ask that they rise and receive the warm welcome of the Assembly.

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

MR. HENRY: Thank you very much, Mr. Speaker. I would like to introduce to you and through you to members of the Assembly 18 visitors who are here from the learning exchange program, which is an English as a second language program. Your prayer today was especially appropriate given that this group is visiting.

They are sitting in the public gallery. They are with their instructors and leaders Joanne McCune, Isabel Cave, Penny Hui, and Sister Joan Diederichs. If they could rise and receive the warm welcome of the Assembly.

THE SPEAKER: The hon. Member for Little Bow.

MR. McFARLAND: Thanks, Mr. Speaker. It's my privilege today to introduce to you and through you to members of this Assembly two different groups. The first is from the potato capital of Alberta, that being the community of Vauxhall. Back in the public gallery behind me are 39 visitors from the community of Vauxhall, the Vauxhall elementary school. They are accompanied today by their teachers Lori-Jo Barnes-Law, Mary-Ann Robinson, and Terry Olfert, along with parent helpers Mrs. Jane Jensen, Mrs. Tina Tolsma, Mrs. Cindy Doerksen, Mr. Bill Klassen, Mr. Les Johnson, and Mr. Glen Brown. Would these folks please rise, and would you indicate to them your warm welcome and appreciation for their coming here.

**1:40**

It's also my pleasure today to introduce to you and members of the Assembly three grade 6 students accompanied by their principal and two parent helpers from the Carmangay elementary school, their first trip up to the Legislature. With Mr. Walter McNiven, the principal, are Mrs. Lisa Gray and Mrs. Mary McFarland, along with the three students: Kelsey Clark, Lexi Gray, and Shara McFarland. The school motto is: small in attendance, big on learning. Would you please welcome them.

THE SPEAKER: The hon. Member for Calgary-Mountain View.

MR. HLADY: Well, thank you, Mr. Speaker. I would like to introduce to you and through you to the hon. members of the Assembly eight business managers from the Young Industry Association of Austria, which is a club of dynamic entrepreneurial individuals. Some of these young managers represent large, family-owned business corporations and other public companies in the fields of power generation, food processing, publishing, manufacturing of consumer products, building supplies, and software development. They have come to Alberta to find opportunities for investments, for business partners with their companies, for North America and Europe, and to take the message of the Alberta advantage back to Austria for the other members of their Young Industry Association. They are accompanied by Karin Teubert, director for western Europe in the Department of Economic Development and Tourism, and Thomas Marr, a commercial counselor, Canadian embassy in Vienna. I would like to ask the delegation to rise and receive the welcome and good wishes of the Legislative Assembly.

THE SPEAKER: The hon. Member for Edmonton-Mill Woods.

DR. MASSEY: Thank you, Mr. Speaker. It's my pleasure to introduce to you and through you to members of the Assembly a constituent of mine, Mr. Michael Burke, and his children Amy and Adam. Mr. Burke and his family are in the public gallery, and with your permission I'd ask them to stand and receive the traditional welcome of the Assembly.

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

MRS. FRITZ: Thank you, Mr. Speaker. I'm pleased to introduce

to you and through you to the members of the Assembly Mr. Dave Picken. Mr. Picken is a dear friend who's a resident of the Parkridge Estates community. Mr. Picken is here today to meet with the hon. Minister of Municipal Affairs on behalf of Parkridge Estates residents to discuss the issue of the mobile-home park licence fee. I'd ask that my friend please rise and receive the warm welcome of the Assembly.

Thank you.

THE SPEAKER: The hon. Member for Lacombe-Stettler.

MRS. GORDON: Thank you, Mr. Speaker. It's my pleasure this afternoon to introduce to you and through you two individuals who are actively involved in municipal governance: Gerald Rhodes, the town manager for the town of Devon, and Chris Jardine, a recreation manager with the town of Devon. I'd ask that they rise and receive the warm welcome of the Assembly.

THE SPEAKER: The hon. Member for Edmonton-Beverly-Belmont.

MR. YANKOWSKY: Thank you, Mr. Speaker. It is indeed an honour for me to introduce to you and through you to the members of the House two visitors that are here with us today. The first one is Dave Ward, also known as Kiviaq. He is Canada's first Inuit lawyer, a former city of Edmonton alderman and also a former radio talk show host with CJCA radio. Accompanying David is Charles Hunter, who is enrolled in the Faculty of Law at the University of Alberta in his second year and soon to be Canada's fourth Inuit lawyer. I'd like to ask them to please stand at this time and receive the traditional warm welcome of this House.

MR. KIRKLAND: Mr. Speaker, it's my pleasure to introduce to you and through you to the rest of the Assembly this afternoon two constituents and friends of mine from Leduc, both students that go to Christ the King Catholic school in Leduc. I've been very impressed with these two young gentlemen and their eagerness to broaden their political knowledge and understanding. I would ask Brendan Ganton and Wes Maciejewski to stand and receive the warm welcome of the House this afternoon.

head:

### Oral Question Period

THE SPEAKER: The hon. leader for Edmonton-Gold Bar. The hon. Member for Edmonton-Gold Bar.

### Food Banks

MRS. HEWES: Well, thank you, Mr. Speaker, I think.

Edmonton's Food Bank evidence and the Quality of Life Commission report both point out the desperate conditions for families on social assistance resulting from government cuts, but the continued denial from both the Premier and the minister over this compelling information is really very frightening. The government's constant rejection of facts about hungry Albertans, especially hungry children, doesn't reflect what I believe are the dearly held values of Albertans and what I think they expect from this government. My questions are to the Minister of Family and Social Services. Will the minister now commit to a review of the social assistance rates and the way they are administered after being put on notice by Edmonton's Food Bank and the Quality of Life Commission?

MR. CARDINAL: Mr. Speaker, it is very unfortunate that there is poverty in Alberta and in Canada, but it's something that we need to deal with. It's not an easy issue to deal with.

In relation to the food banks and the usage of food banks, of course I mentioned in the House the other day, just yesterday in fact, that we find that approximately only 5 percent of social assistance recipients may use the food bank, but there no doubt are others. We managed to reform the welfare system and provided opportunities for the people to get back into the workforce either through training programs or direct placement into jobs. For those individuals that will not accept training or will not accept jobs, they will not be receiving social assistance. There is no doubt that some of these individuals that will not work and will not take training are using the food bank.

Specifically to the issue of the Quality of Life Commission, Mr. Speaker, I do commend the, I believe, nine individuals that developed some of the recommendations. Their report is at least a 50-page report with some good recommendations that we are carefully looking at now, not like the report, the social policy of the Liberals, which they spent two and a half years developing at taxpayers' cost. Their report is only six pages and one of the pages is blank.

I challenge the Liberals, Mr. Speaker, to come up with some specific recommendations as to how we may improve and reform the welfare system in Alberta. There are not too many Albertans who want to be on welfare. They want jobs and training. That's exactly what this government is doing.

MRS. HEWES: I thought I just did come up with a recommendation.

Mr. Speaker, the minister continues to deny the food bank's numbers and the good people who work there. I wonder if the minister would then please give us his proof. Give us the proof, Mr. Minister, that says that only 5 percent of food bank users are on social assistance. Give us your evidence.

MR. CARDINAL: Mr. Speaker, again it's very unfortunate that anyone has to use a food bank, but it is something we hope our government can eliminate in the future by reforming the system, by having a strong economy, not like the Liberals that want more welfare. Not like the Liberals that want more welfare. If you gave the Liberals the government to run, they'd provide more welfare. That's not what people want. That is not what people want out there.

Mr. Speaker, I've instructed my staff already that late next week I will provide the figures that will show what percentage of social assistance clients may use the food banks. But I challenge the member to also provide me figures that show that more of our welfare clients are using the food banks. I challenge them to come up with that figure next week.

MRS. HEWES: Just ask the food bank.

Mr. Speaker, even the Premier has promised an investigation. Will the minister now guarantee that that investigation will be made public, and will he undertake to raise the assistance rates if that's the recommendation?

1:50

MR. CARDINAL: Mr. Speaker, the Liberals of course like to mislead. There is no investigation. There is always a ongoing review of programs provided, and I will continue reviewing the whole process of how we provide assistance. In fact, some of the high-cost areas in northern Alberta now receive different rates

than the rates that would be received in places like Edmonton.

You know, it's so easy for the Liberals to stand and criticize our government, to spend more dollars. The same Liberals just recently, when the federal budget was announced, supported the federal budget that took hundreds of millions of dollars for social support programs. That's the same Liberals. That shows you how sincere they are when it comes to social support programs.

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

### Discipline of Social Workers

MS HANSON: Thank you, Mr. Speaker. The government's wrath against child welfare workers continues. Despite our pleas for immunity the government seems determined to punish the workers for trying to protect children. As we speak, the Edmonton child welfare worker who bravely spoke to CBC television is being investigated by the department, and this is the first stage of a disciplinary action. My questions are to the Minister of Family and Social Services. Mr. Minister, we ask you once again: will you intervene and ensure that no disciplinary action occurs with this worker?

MR. CARDINAL: Only the Liberals, if they ever had an opportunity to run the government, Mr. Speaker, would not do staff evaluations. This ministry does; this government does. I have over 5,000 staff. We fund over 150 organizations. We have one of the best performance appraisal systems for our staff. We have top-notch workers.

In relation to the issue this member is talking about, the policy that's in place today in relation to the employer/employee relations as far as publicity is the same as was in 1981. I'll read part of a letter, July 2, 1980, in fact, Mr. Speaker. A letter was sent to the staff, and it says there that "no employee may publicly criticize department or government programs, procedures or policies." It is exactly the same policy we have.

MS HANSON: To the minister. Mr. Minister, in this particular case why has any action taken place? You have said before and you said again just now that they are not allowed to criticize policy. This worker and others have only spoken out against existing conditions, so what's going on?

MR. CARDINAL: Mr. Speaker, a responsible critic of Family and Social Services would provide me the information. My doors are always open, and she knows that she could sit down with me and deal with the issue. We have a good appraisal system in the department. There is no gag order. The doors are open for any staff member to come and discuss issues in relation to program policies. In fact, the welfare reforms were designed and developed by staff members of the department. The majority of the policies developed are done by staff members. We didn't hold any roundtables.

MS HANSON: Well, Mr. Speaker, if the minister is to be believed and the workers are selfishly only worried about their jobs, which is what was said in the Legislature the other day, then why would you even bother disciplining them and not respecting them? They were only protecting children, and they knew that they were taking a risk of losing their jobs. So that's your argument, and it doesn't make sense.

MR. CARDINAL: I don't know what the question is. All I can say, Mr. Speaker, is that there is no gag order in the department. My doors are open for any employee to provide constructive recommendations in relation to policy changes. I've always said in this House that we don't have all the answers, but we try our best to develop a good program that taxpayers can afford, both federally and provincially, that is good for the client, and that is exactly how we reformed the welfare system. The staff will continue to participate in designing the process if they choose to.

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

#### **Christ the Redeemer Separate School Division**

MR. BRUSEKER: Thank you, Mr. Speaker. Last night I attended a meeting with almost 600 angry and frustrated parents in Okotoks that want to have a school for their children. Two and a half years ago Christ the Redeemer school division was created to meet the needs of Catholic parents and their children in what is one of the fastest growing rural parts of the province. Space was offered in towns where there are no students, and portables were offered with no support services like libraries, science labs, or gymnasiums. My question is to the Acting Minister of Education. These people need a school in High River for their children. When are they going to get one?

MR. ADY: Mr. Speaker, I'll take that question on notice in the absence of the minister.

MR. BRUSEKER: To the same minister: will the minister reimburse the school board that has had to spend the \$30,000 rent out of their instructional budget in order to pay for classroom space? Will they get reimbursed for that?

MR. ADY: Mr. Speaker, I'm sure that that information will be brought to the attention of the minister and he'll deal with it when he's available.

MR. BRUSEKER: My final supplementary question then, Mr. Speaker. We'll try one more time. When is the government going to commit funding to provide a school for these students who are currently being sent to five different towns across southern Alberta?

MR. ADY: Mr. Speaker, I do know that the Department of Education has an allocation of capital funding this year, but I'm not in a position to know exactly where that allocation will end up across the province. So again I'll expect the minister to respond to that.

THE SPEAKER: The hon. Member for Bow Valley.

#### **Brooks Pheasant Hatchery**

DR. OBERG: Thank you very much, Mr. Speaker. In my community March 31 looms as a very important date. This is the date that funding for the Brooks Pheasant Hatchery, the second largest facility of its type in North America, ceases. The five pheasant barns, quail barns, raptor cages, lion and tiger house, waterfowl building and goose pen, wet lab, three residences, and numerous administrative and maintenance buildings will no longer be funded. To the minister of agriculture: what is going to happen to this facility on Monday?

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

MR. PASZKOWSKI: Thank you, Mr. Speaker. We're expecting several genuine offers for the continuing operation of this facility. It is a facility that was built many years ago to make sure that the pheasant industry was able to continue in the southern part of the province and has been producing pheasants on an ongoing basis. Starting on Monday we'll be reviewing the proposals that'll be coming forward, and we'll pick a successful bidder hopefully by mid-April. It is our hope that we'll be able to conclude a deal by the end of June. Indeed, that's the strategy that we are working towards, and that's the agenda that we're working on.

THE SPEAKER: Supplemental question.

DR. OBERG: Thank you, Mr. Speaker. What were the total annual operating costs of this facility to the government?

MR. PASZKOWSKI: The cost of the facility from agriculture is in the area of \$350,000 for '95-96, the budgeted cost. Public works would be \$120,000, and Municipal Affairs has a \$42,000 grant in lieu of taxes to the county of Newell.

THE SPEAKER: Final supplemental.

DR. OBERG: Thank you, Mr. Speaker. If the deals that you talk about happen to fall through – and hopefully that won't occur – what is the future of pheasants and the pheasant hatchery in Alberta?

MR. PASZKOWSKI: Well, the pheasant hatchery was originally designed to produce somewhere in the area of 150,000 to 200,000 pheasants per year. Last year it produced 30,000 pheasants. It would be very unfortunate if indeed the private sector did not make a commitment to meet the conditions that have been laid out to sell the facility and place it into private hands. The facility, if it isn't able to move into private hands, unfortunately would have to be closed or sold off by public works. I don't anticipate that's going to happen. However, that will be determined by private industry.

2:00

#### **Hotel de Health Inc.**

MR. SAPERS: Mr. Speaker, questions emerge after decision made; community forced to vote in haste; taxpayers' money used for private health care; pact with the devil made: these are the comments made by individuals who live in the East Central region after the Hotel de Health public meeting. Now, my questions are to the Acting Premier: given that the people of the East Central health authority now feel that they did not have all of the information or time necessary to make such an important decision, will the Premier or the Acting Premier now instruct his Health minister to stop hiding behind the regional health board and to provide concerned taxpayers with Alberta Health's own assessment of what's wrong and what's right with this proposal?

MRS. BLACK: Mr. Speaker, I believe this question's come to the floor of the House several times, and I would ask the hon. member to refer to *Hansard*. But failing that, I will take the question on advisement.

MR. SAPERS: Will the Acting Premier please explain at just

exactly what point he will take the decision away from the regional health authority and make it the subject of a cabinet discussion given the comments of the Minister of Public Works, Supply and Services who said, and I quote, that the hospitals in Galahad and Islay will be kept open one way or another.

MRS. BLACK: First of all, Mr. Speaker, I will clarify that the Acting Premier is a girl, not a boy. I will take the question on advisement.

MR. SAPERS: A serious answer would be in order, Mr. Speaker. Maybe the Acting Minister of Health could provide us with a comment as to what she will tell Alberta taxpayers who characterize doing business with Hotel de Health as a pact with the devil.

MR. DAY: Obviously, it's a struggle with gender identity. The Acting Minister of Health is a boy, not a girl. I will pass this question on to the Minister of Health.

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

### Social Housing

MR. DUNFORD: Thank you, Mr. Speaker. Will the Minister of Municipal Affairs clarify for me the salient points of our rent geared to income for social housing in Alberta?

MR. THURBER: Well, certainly, Mr. Speaker. The rent geared to income program that we have in this province, whereby in social housing they're allowed to charge 30 percent of the inhabitant's income for rent on that property, was put in place some time ago. We've just recently moved it to the 30 percent over the last couple of years to equalize it with the other policies within the other provinces. The rent geared to income program was put in place so that people with low incomes can have access to this social housing, and people with higher incomes can seek their housing needs on the outside market.

THE SPEAKER: Supplemental question.

MR. DUNFORD: Thank you, Mr. Speaker. Will the minister advise me of the threshold level over which, if your income exceeds, one is not allowed to live in social housing?

MR. THURBER: Mr. Speaker, basically there is no upper level of income that is excluded from this, but the marketplace dictates the values and dictates the balance, because if you have a very high income and you are required to pay 30 percent of that, usually you can find cheaper accommodation in the outside real market.

MR. DUNFORD: Again to the minister: what happens if a single man and a single woman living in the same building who are paying rent geared to income decide to marry? What is the rent?

MR. THURBER: Well, Mr. Speaker, certainly if they at that point in time decided to take up the same accommodation rather than keep separate accommodations, then their rent would be adjusted to reflect the income of the couple.

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

### NAFTA Impact on Health Care

MRS. ABDURAHMAN: Thank you, Mr. Speaker. Canadians concerned about the future of medicare are demanding that their politicians take immediate and decisive action to protect public health care from the provisions of NAFTA. Just a few days remain for the provincial governments to list those services that are funded for public benefit and should be exempted from foreign competition. Mr. Speaker, my question was for the Premier, but I will put it to the minister of intergovernmental affairs. Mr. Minister, will you table the list of those specific programs and services which you believe are protected from competition in the existing federal exemptions?

MR. ROSTAD: Mr. Speaker, our position has been that annex 2 in fact covers all services exempted. So instead of tabling what I think should be exempted, everything is exempted. I will add, as I said yesterday in question period, that the federal government and all provinces are currently, right at this time, dialoguing on putting a general exemption in annex 1, and once that's finalized, if it's while we're still in session today, I'll address that. The answer to that: I think because they're covered in the general exemption, we don't need to in fact supply what we think is exempted.

MRS. ABDURAHMAN: Mr. Speaker, to the same minister. There are many Canadians that don't accept the analysis that you've put forth. Will you tell Albertans which programs you won't protect and will allow the Americans to take over those programs?

MR. ROSTAD: Mr. Speaker, we are in fact protecting all programs.

MRS. ABDURAHMAN: Mr. Speaker, I believe that's naivety at its worst.

Mr. Speaker, I would ask this minister: will you immediately send a letter of intent to the federal government stating Alberta's desire to protect public services from foreign competition? That's the least you can do for Albertans.

MR. ROSTAD: Mr. Speaker, the opposition are brethren of the same party in Ottawa, and I thought that the letter which would have much, much more influence, I'm certain, from the Leader of the Opposition yesterday to the Prime Minister to in fact protect Albertans would absolutely ensure that that's what's going to happen. We concur with the federal government that we are in fact protecting all Albertans and their health care.

THE SPEAKER: The hon. member for Calgary-McCall.

### Social Policy Reform

MR. SHARIFF: Thank you, Mr. Speaker. I understand that Mr. Tobin on behalf of all Premiers today released the much awaited report of the Ministerial Council on Social Policy Reform and Renewal. My question is to the Minister of Federal and Intergovernmental Affairs. What was Alberta's role in developing this report, and what is Alberta's position on this document?

MR. ROSTAD: Mr. Speaker, the hon. member is in fact right. Premier Tobin is the chair of the Premiers' Conference for this particular year and in his duty as the chair has in fact released the

report to the Prime Minister and to the public. Frankly the report is no surprise to most people who have an interest because it has been ready for some months. I believe it was tabled in this House by the opposition. We're delighted that it is out.

I might say that the report is unanimous from the 10 provinces and two territories. It sets out a number of principles which we think should guide social reform and then actually sets out an agenda, not a specific time agenda but an operational agenda, that sets out how the 10 provinces, two territories, and the federal government could together sit down and rationalize our social policy with the guiding principles as the basis.

MR. SHARIFF: There have been a number of news reports suggesting that the ministerial council report is calling for a renewed transfer of powers to the provinces. What is the report's position on transferring of power to the provinces?

**2:10**

MR. ROSTAD: Actually, Mr. Speaker, the buzzword that's quite often used, I guess, is devolution, and we'd like to stay away from that because that connotes that we're stripping the federal government of powers. Frankly that isn't what it is. What we are doing in that report is suggesting that the three levels of government sit down together and determine how to most efficiently and effectively deliver social policy in Canada. It may in fact mean that the provinces give up some jurisdiction that they currently have or in fact get some more jurisdiction from the federal government. This does not necessarily mean that there would be a formal change to the Constitution. This is in an operational context so that we can get to have less overlap and duplication and more effective and efficient delivery of services.

MR. SHARIFF: Canadians have advocated for national principles and standards that will ensure that no matter where they go in Canada they will have a common set of high-quality services in the area of social policy. My final supplemental question is: how does the ministerial council report address the question of national principles and standards?

MR. ROSTAD: Mr. Speaker, the report emphatically says that there must be standards and they must apply across the board to all jurisdictions. Probably the best way to describe it is that the report unanimously says that there must be national standards, but these are not necessarily federal standards. Again the provinces, territories, and the federal government have to come together and establish these standards and in fact have them national and set up a mechanism so that they can police the standards and, if somebody deviates, a kind of mechanism to improve them or a sanction against them. They must be national and not federal.

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

### Computers for Schools

MR. HENRY: Thank you very much, Mr. Speaker. My questions are for the Minister of Education, but I'm hoping you'll allow me some latitude if I direct it to the Member for Calgary-Egmont, who chaired the government's committee on technology integration in education. The report was released yesterday, and I think there are some good things in the report. My compliments to the member and the members of the committee. The question I have is: why did the committee not in its report recommend that the government not delay the infusion of money for technology in

education until '97-98 but in fact start doing it next week so that we can get our kids up to speed with regard to technology.

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

MR. HERARD: Well, thank you, Mr. Speaker, and I appreciate the question from the Member for Edmonton-Centre. The report that was released is a report that sets a direction for the future of technology involvement in education in this province. The hon. member says: why didn't we do it next week? Well, he must surely be aware that for quite a number of years now, school jurisdictions have been investing fairly significant sums of money with respect to technology. So it's not something that needs to be done next week; it's something that needs to be planned very effectively.

MR. HENRY: Thank you for that answer. Mr. Speaker, I daresay I'm going to disagree with the member because school boards are telling me that they need the money now.

My next question, Mr. Speaker, I would like to address to the minister of transportation. Given his comments last week that school budgets could be used to match CFEP funds, I'd like to ask the minister: when the technology money finally does come to schools in '97-98, will that money be allowed to be used to match CFEP funds for computerization? If not, why the double standard for Calgary-McCall and other constituencies?

DR. WEST: I'm very pleased that the hon. member brought this question forward, because I did want to correct one of the statements I made last week. You're correct. I did say inadvertently that the school must have a lot in their budget. Let me clarify: no school budget can be used to match the grants for the computers.\*

Secondly, we did go through a period of time - CFEP grants come forward, and we have a policy. Ninety-six percent of the applications for CFEP-2 and CFEP-1 fit those policies. Three percent of them had to have discretion applied to them. There were certain programs that came forward, whether it be the computer ones or whether it be an involvement where we gave it to an ambulance program or something like that, where there had to be discretion, because it's impossible to cover off all the situations. Computers in schools was one of those.

In the early running a decision was made that that was a funded grant organization from the provincial government, and we said no. We did say no to one of the schools of one of the members from Calgary, and I said the other day: bring that back forward.

Then along came school groups that said that they would have a separate society, parent councils or that, registered under the Societies Act, separate from the school. They would raise the funds to match the element of CFEP that was needed, and they asked then on a request: could we in certain circumstances put technology into schools, in our classrooms where we deem it necessary for our children? Of course, that's where the question came up: how come it wasn't approved at this time and you did approve this one? We looked at it in a discretionary value and said finally: yes, that would fit within the criteria.

The other thing too: the first request was to do - the hon. member from Calgary brought it up. It was to do with a gray area, with construction and reconstruction within a public building called a school. That was a little bit different than the purchase of technology called computers and matching it with pure cash raised by families or parents on the outside.

\*see p. 767, right col., para. 3, line 10

So, yes, I apologize to the Assembly for a bit of misrepresentation in saying that school budgets could be used. I say once more for the record: they cannot be used. You can't use grants delivered from this provincial government to match a program to get those computers.

We're going to revisit the computer issue, because I do not believe this program is broad enough in its scope to cover off the needed technology, and I'm sure that the Minister of Education will address that as the years come ahead. It's estimated that in this province alone you would need \$500 million to \$750 million to upgrade all of our schools to present-day technology, and I don't think the community facility enhancement program is the proper direction for this.

MR. HENRY: I thank the hon. minister for providing that correction or clarification, and I just let him know that I have six schools in my jurisdiction who could use some discretion with regard to computers. I'd like to get back to him on that.

I'd like to get back to the member who chaired the task force, the Member for Calgary-Egmont, if I might. I'm wondering if the committee considered the distribution of the \$40 million announced and whether that should be distributed on a per capita basis or, given that some schools are much further ahead in computerization, on an as-needed basis to come up to the benchmark of a 5 to 1 ratio. Was that considered?

THE SPEAKER: The hon. member.

MR. HERARD: Thank you, Mr. Speaker. The committee made no recommendations with respect to how the initial funding for school boards should be allocated, but it did state that it was very important that the boards themselves have the decision-making capability because they know what exists in the school system that they take care of. Therefore, the decision should be made as close as possible to where the need is.

THE SPEAKER: The hon. Member for Little Bow.

### Mad Cow Disease

MR. McFARLAND: Thank you, Mr. Speaker. My questions are to the minister of agriculture today. British authorities have questioned the health of the British herds due to their problems with BSE, or mad cow disease. Even though Alberta beef is of the highest quality, can the minister in fact assure Albertans that Alberta cattle herds are free of BSE?

2:20

MR. PASZKOWSKI: Mr. Speaker, it's very, very important that the consumers of Alberta and Canada fully understand that Alberta beef is totally, totally safe and totally free of BSE, not only Alberta but Canada as well. We have no mad cow disease in Canada, and I think it's critical and important that everyone understand that.

There are some British scientists that indicate that there may indeed be some linkage between Creutzfeldt-Jakob disease and BSE. At this time there is no proof that there is a direct link. However, the scientists are still working on that. Canada banned all importation of product from the British Isles both in the form of meat as well as live cattle back in 1990, and Canada still does not import beef from the British Isles. Indeed, I think it's critical that all consumers understand that Canadian beef is free of BSE.

THE SPEAKER: Supplemental question.

MR. McFARLAND: Thank you, Mr. Speaker. Since the British public appears to be in quite a frenzy, would the minister inform this House if BSE is restricted entirely and only to the beef industry?

MR. PASZKOWSKI: As I've said, at this present time BSE seems to afflict the dairy as well as the beef industry. It seems to be more so in the dairy industry than in the beef industry in Great Britain. The Canadian government back in '93 took on the responsibility of seeing that this country would be totally free of the disease. Consequently they went out and removed 360 head of beef that had been imported from Great Britain at that time. It's turned out to be a very wise and a very positive move.

The industry in Canada is committed to ensuring the safest health standards that can possibly be achieved, and I'm proud to say that we're right up there at the top of the world as far as consumer health standards are concerned in the meat industry. It's important, again, that everyone understand that every precaution has been taken and is in place to see that Canada is BSE-free.

THE SPEAKER: Final supplemental.

MR. McFARLAND: Thank you, Mr. Speaker. The Little Bow riding is the livestock feeding capital of Canada, and because the European Union currently restricts the importation of North American cattle, would the minister update the House on the current state of negotiations at the World Trade Organization in respect of the tariffs that are imposed?

THE SPEAKER: Hon. minister.

MR. PASZKOWSKI: Thank you, Mr. Speaker, and thank you to the hon. Member for Little Bow for raising this issue. As we speak, negotiations are ongoing. Canada is the lead role player as far as challenging the European Union as to the ability to access our beef into the European Union, from which it presently is banned. We consider that to be nothing more than a tariff restriction and something that's totally unfair. Canada together with support from the United States, New Zealand, and Australia is challenging the European Union on this particular issue.

We do have huge opportunities to market our product into Europe. We have some of the best beef genetics in the world right here in Alberta, and it's unfortunate that the European Union has chosen to ignore that, because ultimately we could assist them in developing not only their beef herds but their dairy material as well. We have something like 11 genetic firms operating out of the province of Alberta. We have between 7,000 and 8,000 seed stock producers or purebred cattle operators, and even last year we still sold something like \$12.6 million of genetic material to Great Britain.\*

So we already are there, but as far as the meat export is concerned, the border is closed. We're in the process of appealing it to the WTO. The WTO will ultimately have a month to review the process and then make a decision whether indeed there is a legitimacy for a formal appeal process.

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

\*see p. 919, right col., para. 8, line 5

### Occupational Health and Safety

MS LEBOVICI: Thank you, Mr. Speaker. This government chooses not to penalize employers who violate the province's Occupational Health and Safety Act, and in fact it appears to reward them. For example, the government knows that Northgate Trailer has seriously violated the Occupational Health and Safety Act on a number of occasions, yet no charges were laid or fines imposed. However, Northgate Trailer did receive almost a quarter of a million dollars in contracts from the government during the '94-95 fiscal year. My questions are to the minister of public works. Can the minister tell this Assembly whether Northgate Trailer has been awarded any more provincial government contracts since the serious accidents in 1995?

THE SPEAKER: The hon. Minister of Public Works, Supply and Services.

MR. FISCHER: Yes, Mr. Speaker. I would have to take that under review. I don't have that information here with me.

THE SPEAKER: Supplemental question.

MS LEBOVICI: Thank you, Mr. Speaker. Can the minister tell us whether a company's work site safety record is considered in the awarding of government contracts?

MR. FISCHER: Certainly they are, Mr. Speaker. We do have a tendering policy that's out there. Quite often for safety reasons the companies are prequalified before the tenders go out. So certainly they are.

THE SPEAKER: Final supplemental.

MS LEBOVICI: Thank you, Mr. Speaker. Will the minister review his tendering process to ensure that companies with repeat safety violations are not awarded government contracts, and also will the minister consider terminating contracts with employers who have violated occupational health and safety regulations?

THE SPEAKER: The hon. minister.

MR. FISCHER: Yes. I think the member can feel quite comfortable that if they violate the regulations, they're not rehired on another contract.

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

### Human Rights Commission

MR. DICKSON: Thanks very much, Mr. Speaker. Last month I asked the minister responsible for human rights protection in this province why he was considering a new law that would discourage complainants from going to the Human Rights Commission. At that time he dodged the question. He said: it's hypothetical. Well, it's not hypothetical any longer. Yesterday the minister tabled his new Bill for human rights. The result is that a woman who's sexually harassed at the workplace now must worry that when she makes a complaint to the Alberta Human Rights Commission, she may be later facing a penalty of up to \$10,000 if someone finds after the fact that the complaint was frivolous or vexatious. My question is to the hon. Minister of Community Development. Why does the minister proceed to create this kind

of a penalty when the existing chairman of the Alberta Human Rights Commission, the past chairman of the Alberta Human Rights Commission, and the past past chairman of the Alberta Human Rights Commission say that we don't have a problem in this province with frivolous complaints?

MR. MAR: Well, Mr. Speaker, ordinarily I would have expected this type of question to arise in debate on the legislation. However, I'm prepared to entertain the question now.

Most people feel that it's appropriate that a fine be levied against those employers, for example, who would retaliate against an employee who brought forward a legitimate complaint to the Human Rights Commission. Well, there must be also a corresponding balance. The people who bring those complaints forward must also do so in a very responsible way. So just as there is a penalty provided for employers who retaliate, so too must there be a balance so that people bring forward only those complaints which are legitimate.

Mr. Speaker, if the chairman of the Human Rights Commission suggests that there are no frivolous or vexatious complaints, then I see no reason why the hon. Member for Calgary-*Buffalo* should be so upset.

THE SPEAKER: Supplemental question.

MR. DICKSON: Thanks, Mr. Speaker. The hon. minister said a moment ago, "most people." I want to ask him: of the 2,000-odd submissions that were made to Mr. O'Neill's task force when they wrote the Equal In Dignity report, how many contained a recommendation to create this \$10,000 penalty?

MR. MAR: Well, Mr. Speaker, it strikes me as being odd that the hon. member would make such a suggestion. Even if one person made a suggestion, if it was a meritorious suggestion, it strikes me that it's meritorious. It doesn't matter whether thousands of people make such a suggestion or whether one does. If the suggestion is meritorious, then it should be put in the legislation.

Again, I would expect, Mr. Speaker, that this is something that is properly debated within the debate on the legislation itself.

MR. DICKSON: Mr. Speaker, the one recommendation that's universally been seen to be meritorious is an independent Human Rights Commission. Why won't the minister do what virtually everybody who made recommendations to Mr. O'Neill's task force said? Why won't he make the commission independent of government, like the Ombudsman, the Chief Electoral Officer, the Ethics Commissioner?

### 2:30

MR. MAR: Well, Mr. Speaker, I think it's instructive for this House and members that 89 percent of Albertans feel that the Human Rights Commission works well. Upon canvassing all provinces of Canada, there is only one province, the province of Quebec, where the Human Rights Commission is independent. In all other provinces their human rights commissions report to a minister.

Mr. Speaker, I want to make it very, very clear: the Human Rights Commission in this province is independent. There is no government interference with the investigation process and the work that is done by the commission. So this ongoing line of questioning by the hon. member and by many of the hon. members from the side opposite to suggest that the Human Rights Commission is not independent is simply not correct.



The amendments to the legislation contained within Bill 24 contained 54 of the 75 recommendations that were made by Mr. O'Neill's panel. Now, Mr. Speaker, that clearly is a demonstration of this government's commitment to the protection of human rights and the improvement of the Human Rights Commission in the province of Alberta.

### Gambling Addiction

MR. WICKMAN: Mr. Speaker, addiction to the government slot machines continues to escalate at an alarming rate. Granted, dollars earmarked for addiction have increased but not in pace with growing addiction numbers. To the minister responsible for gambling: what advice does the minister have for a constituent from West Yellowhead who has lost his home, faces a broken marriage, and has seen his life savings wiped out because of his spouse's addiction to the government's slot machines?

DR. WEST: My sympathy goes out. He asked me what advice I would give. I would say: seek help as fast as you can and stop gambling.

MR. WICKMAN: Mr. Speaker, unfortunately, the minister's response is not realistic in terms of the addictions that have been created.

Mr. Speaker, let me ask the minister a second question. What advice does the minister have for a number of addicted gamblers currently in prison because of criminal activities committed to feed an addiction?

DR. WEST: Again, as I have said in this House several times about questions asked by the opposition, I find that one an irresponsible question. Yes, there are people that break the law for certain things. It's not just gambling. When you break the law for any reason, no matter what it is, whether it's supply of resources for gambling or whether it's for drinking or whether you defraud somebody because you've lost money in real estate or you've run into other problems in your life where you can't sustain, if you break the law and it's a criminal offence, you go to jail. You'll do it for a number of reasons, but to tie the two together in an absolute term like that is irresponsible.

MR. WICKMAN: My last question, Mr. Speaker: will the minister do the right thing for these Albertans and all Albertans and yank these slot machines out now?

DR. WEST: Mr. Speaker, this hon. member keeps bringing the same supplementary at the end of his different way of getting into it. There was a Bill brought forward in the Assembly by the hon. Leader of the Opposition, and that Bill was defeated on the floor after ample debate here on the reasons why you can't remove these machines totally. We are limiting these machines. We are helping more money flow through to charitable organizations. But to just stand there day after day and say, "Remove these machines," is not realistic in the context of where we are today as a society.

### Workers' Compensation Appeals

MR. KIRKLAND: Mr. Speaker, the Appeals Commission absolutely requires definitive separation from the Workers' Compensation Board to ensure autonomy. Yet the Appeals Commission accepts legal advice and direction from the WCB department. My question is to the Minister of Labour, who is

responsible for the Workers' Compensation Board. Would the minister support the services of an independent legal firm to provide legal advice for the Appeals Commission?

MR. DAY: Mr. Speaker, actually the Appeals Commission right now has the capacity to seek outside and independent legal advice, and my understanding is that they even do so.

MR. KIRKLAND: My supplemental is to the minister this afternoon. Mr. Minister, I concede what you're telling us. What we need is clear, definitive separation. Would you support that clear and definitive separation to avoid erosion of the autonomy?

MR. DAY: I'll send the Member for Leduc the existing legislation, which he obviously hasn't read, which shows that there is a very clear delineation there.

MR. KIRKLAND: Mr. Speaker, I would ask the minister, in light of the fact that the WCB has a tendency to render decisions in regards to injured workers and provides advice to the Appeals Commission when that injured worker is attempting to receive fair and due entitlement, whether the minister does not consider that to be a conflict of interest between those two bodies.

MR. DAY: Mr. Speaker, as I said, the legislation is very clear. I'll send it to him. If he does take the time to read it for a first time, I think he will see that.

THE SPEAKER: Before proceeding to members' statements, the hon. minister of agriculture wishes to further augment an answer to a question he gave earlier.

### Mad Cow Disease (continued)

MR. PASZKOWSKI: Earlier in response to the hon. Member for Little Bow I indicated that we export \$12.9 million worth of genetics to Great Britain. It's true that we export \$12.9 million, but our genetic companies export that to the world. We actually only export \$24,000 worth of genetics to Great Britain. I would like to have that corrected.\*

THE SPEAKER: Also before members' statements could there be consent in the House to revert to Introduction of Guests?

HON. MEMBERS: Agreed.

THE SPEAKER: Opposed? Carried.  
The hon. Member for Lethbridge-West.

### head: Introduction of Guests (reversion)

MR. DUNFORD: Thank you, Mr. Speaker. In the members' gallery up until a minute ago was a friend and a constituent, Robert Hirano. My new glasses are good, but I don't see him now. Had he been here, we would have given him a warm welcome.

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

MRS. ABDURAHMAN: Thank you, Mr. Speaker. Well, I don't

\*see p. 917, right col., para. 9, line 7

face that same dilemma, but there could have been the potential.

Mr. Speaker, I'm very pleased to introduce to you and to the Assembly a delightful couple from the constituency of Clover Bar-Fort Saskatchewan, a very community-minded couple, strongly interested in education and their church. It is Robert and Sharon Loughheed. I'd ask them please to stand in the public gallery and receive the traditional warm welcome of this House.

head: **Members' Statements**

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

#### **Gold and Gold Productions Ltd.**

MR. DUNFORD: Thank you, Mr. Speaker. I would want to use my time today to recognize another person from Lethbridge who has been quite successful in his business, and really this has led to a Canadian award. The man's name is Ron Sakamoto. Ron actually was born and raised in Medicine Hat but moved during his teens, I understand, to the city of Lethbridge, and really since that time he has been involved in the music promotion business. His company is called Gold and Gold Productions. Many of you watching the advertisements on television I'm sure have seen many, particularly country and western, stars that come through our area. You may have noticed then: production by Gold and Gold Productions.

Well, Ron in previous years has won the Canadian music association award for his promotion, but recently at the Juno awards, which of course now is perhaps the Canadian equivalent, I suppose, of the Grammys, in which case we now recognize people from all sorts of genres in the music business, he was successful in being named the Canadian promoter of the year.

I want to use this time to congratulate Ron and all of his staff and his family for doing another great job. This truly, again, is another great Albertan.

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

#### **2:40 Elmer Gish Wind Ensemble**

MR. BRACKO: Thank you, Mr. Speaker. The Elmer Gish wind ensemble has been performing before audiences for over 15 years. This group of enthusiastic and competent young musicians have made a deep and lasting impression upon audiences wherever they have performed. The mandate of this ensemble goes beyond the school program. Besides a high calibre of performance skills, as indicated in many festivals and invitational performance achievements, this ensemble participates in tours that are organized to develop their perspective as young adults in a very transitional time in history. They have become worthy ambassadors of their community, their province, and their country. They look to the future as world citizens and reflect on concerns that affect all people on our planet.

Their many achievements include Grande Prairie music festival, 1995, gold; Alberta stage and concert band festival, 1995-96, gold; St. Albert Kiwanis music festival, last nine years, gold; national events music festival, 1994, gold, best junior high band; international music festival, Seattle, 1994, gold, best junior high band; Alberta provincial music festival, gold, last three years; Musicfest Alberta, 1989, gold; and Musicfest Canada, 1989, silver.

The Elmer Gish group includes 57 junior high students who are currently on a tour called Eastern Excursions, a Canadian Celebration. They will be performing in the grand halls of the

Canadian Museum of Civilization in Hull and the National Gallery of Canada in Ottawa. These students are committed to the future of Canada. The students, staff, administration, and parent association put into action their values and beliefs and give leadership to all of us. Special thanks to the parents who formed the Gish Music Parents Association 16 years ago, Cynthia Bujold and all parent volunteers, principal Larry Mumby and administration, dynamic band director Carolyn Hernandez and staff, and the hardworking students. You make us proud.

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

#### **Teen Suicide**

MRS. FORSYTH: Thank you, Mr. Speaker. Kyle Stefanson was 15, an outgoing, athletic, happy adolescent who attended high school. He was captain of the football team, and he won a bronze medal at the Alberta Winter Games in free-style skiing. On March 11 Kyle tragically took his own life. On Thursday more than 750 people turned up at Deer Run community hall to say goodbye to Kyle and to try to make sense of something that is essentially nonsensical. Kyle left a note, and I would like to share part of that with you:

If you are reading this, I guess I did the job. It's not anyone's fault. It was my decision and no one else's. I have been thinking about suicide since grade 7. I never had the courage to just go ahead and do it. I'm just too tired of living, just too damn lazy, and I do not feel like going on. I know I will never make it to go to Notre Dame. Sure, I might be good on the team, but to make it, I would have to be the best in Canada, and I just don't have the talent. World Cup skiing is just something that is totally out of reach. I never have been the best at anything to make it big. In this day and age it just isn't in the right place at the right time. I want all my friends and family to just keep going on with their normal life without me. Dad and Mum, thanks for bringing me up right and not letting me stay down when I get down.

Gerry and Lyn, Kyle's mum and dad, want people to understand that suicides do not only affect underachievers, but they affect overachievers too. They want kids to understand that if they are feeling down, talk to someone and access the teen hot line. They also want to thank all of their friends and the residents of Deer Run and even people they did not know for their overwhelming love and support.

I want to thank Gerry and Lyn for going public with a subject that is personal and taboo and for sharing their thoughts with me. Kyle in his short life was truly blessed in having them as wonderful parents. Kyle has left a little piece of himself with everyone. This member's statement is dedicated to Kyle, his parents, and all those who loved him. If this member's statement can help one other child, then Gerry and Lyn feel that they have accomplished something.

Thank you.

head: **Projected Government Business**

THE SPEAKER: The hon. Opposition House Leader.

MR. BRUSEKER: Thank you, Mr. Speaker. I would like under Standing Order 7(5) to ask the Government House Leader what the plan is for business of the House next week and, in particular, whether we're going to be dealing with the Multi-Corp report.

MR. DAY: Mr. Speaker, on Monday in the afternoon we'll have

Royal Assent of Bill 22, and then we'll proceed in Committee of the Whole to the hopeful and happy conclusion in committee of Bills 5, 6, 7, 8, and 9. Then in the evening we will also be in Committee of the Whole, and at that point we will go according to the Order Paper.

The rest of the week, now that estimates and lottery fund estimates are completed, will be committed to legislation. So on a daily basis I will work with the Opposition House Leader, as I have been doing, to make sure all members are informed of what the goals are and the progress intended.

Not only will we at some point next week, depending on progress, be looking at the Ethics Commissioner's reports – there are more than one of them – we will also be dealing with the government motions that are under Orders of the Day on today's Order Paper, as they have been for a number of days. Again we'll proceed with those in communication with the Opposition House Leader so that all members will know at what point they will be coming up.

THE SPEAKER: The hon. Government House Leader gave an indication that he wished to raise a point of order following question period? No.

The hon. Member for Edmonton-Centre.

#### Point of Order Member's Correction

MR. HENRY: Thank you very much, Mr. Speaker. I just wanted to raise a brief point of order and bring it to your attention. It's in response to the hon. minister of transportation's response to my question. The minister's words were that in a previous question he may have misrepresented the policy, and I give him credit for standing up and having corrected. I want to point out that that happened 10 days ago, that that answer was given, and that we've had six question periods since. There is an opportunity at the end of each question period for a minister to stand up and correct a previous answer, and I would hope that the Chair would direct all ministers, if they have inadvertently given an incorrect answer to a member, to take the first opportunity to rise at the end of question period and provide that supplemental information.

On this point I am willing to accept that perhaps the minister just found out the facts today with regard to that and would have indeed stood at the end of question period today if I had not raised the question. But I did want to bring that to the Chair's attention and ask the Chair to direct ministers, when they realize an incorrect answer has been given, to take the first opportunity and not have to wait for an opposition member or a government member to ask another question to provide corrections to their answers.

Thank you.

THE SPEAKER: Well, the Chair would say that the hon. Minister of Agriculture, Food and Rural Development demonstrated the point that the hon. Member for Edmonton-Centre has mentioned today, but the Chair will leave it to the hon. minister to read *Hansard* with regard to the hon. member's point, which certainly states the practices of the House.

MR. DAY: Further to the request from the Member for Edmonton-Centre on clarifying information, I think when I referred to items on the Order Paper for projected business, that may well not include Motion 9, which is the budget motion. I just wanted to clarify that.

head:

### Orders of the Day

head:

### Government Bills and Orders

head:

### Second Reading

#### Bill 17

#### Financial Administration Amendment Act, 1996

THE SPEAKER: In moving second reading, there should be a minister.

MR. DAY: Mr. Speaker, as happens sometimes when the Treasurer is not here, it requires a member of Executive Council to actually move for second reading, which I now do, though in fact I will pass the time on to the Member for Grande Prairie-Wapiti at this time, having moved this Bill for second reading.

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

2:50

MR. JACQUES: Thank you, Mr. Speaker. Just a very few brief comments with regard to Bill 17. There are essentially four major areas that the Bill is addressing. Firstly, it deals with the test for the Crown-controlled organizations to be more consistent with the private-sector standards. Secondly, the Deficit Elimination Act provides that it operate notwithstanding the Financial Administration Act, but the Balanced Budget and Debt Retirement Act does not, so there's an amendment there to make that consistent. Thirdly, it recognizes that there is a separate funding plan for pensions and the calculation of the surplus for the Balanced Budget and Debt Retirement Act. Lastly is with regard to section 81.1, which was the subject of an earlier Bill, but that clause was never proclaimed. As a result, there are some amendments that are being made to that previous section, basically addressing some concerns that had arisen regarding the sunset clauses and also removing the issue with regard to Crown-controlled organizations.

Thank you, Mr. Speaker.

[The Deputy Speaker in the Chair]

THE DEPUTY SPEAKER: Okay. The hon. Member for Edmonton-Manning.

MR. SEKULIC: Thank you, Mr. Speaker. I rise to speak to Bill 17, the Financial Administration Amendment Act. The Bills we're about to discuss this afternoon are about as technical in nature, I think, as anything that's come through this Assembly in the past three years. Although I will be supporting the Bills at second reading because what we are talking about in second reading is the principle of the legislation, from what I've seen in review of the Bills and of Bill 17, as we're speaking to now, they do aim to correct redundancies or weaknesses that we have in current legislation.

The one that the hon. member who introduced the Bill has covered is, I guess, the breakdown as to the theme of Bill 17. It's difficult to disagree with the intent that has been put forward. I just am going to speak briefly to what I've interpreted as some of the thrust of this Bill. The Bill changes the definition of Crown-controlled corporation, and it's now 20 percent or more of the entity that has to be appointed or designated by the government for it to qualify as a Crown-controlled entity. This would allow the government to appoint members to boards during the transitional periods of privatization, while not having these entities qualified as Crown controlled. Mr. Speaker, when we do get into

Committee of the Whole, I know that we will be asking more specific questions as to the motivation behind some of the change, and I know that the hon. Treasurer will be providing us with that.

The next component was with reference to the sunset clause. Now, the motivation behind this change is apparently that although sunset clauses were dealt with in previous legislation, that legislation was never proclaimed. I guess my question would be: what is it that withheld the proclamation from coming through? If a Bill passes third reading, I assume that within a short time frame all Bills are proclaimed and become law in this province, yet there apparently is a discrepancy here. I'd just like some clarification when we get to that point, or maybe even the mover today, the hon. Member for Grande Prairie-Wapiti, might provide some insight into that.

There are also some questions that I'll have pertaining to the latter part, or the fourth component, of the Bill regarding pension plans, where it appears now that section (9) would remove certain foundations or corporations or pensions from having the Regulations Act applied to them. What I'll look for there is greater detail as to how these were chosen. The number of exemptions there are now is a total of seven, and I'm curious as to how these were selected, in particular these special areas: the Public Utilities Board, the Energy Resources Conservation Board, and the Alberta Energy and Utilities Board. I will, like I say, need some clarification as to how these were chosen.

Mr. Speaker, as I said when I stood to speak to this Bill, Bill 17 aims to remove some of the redundancies in the Financial Administration Act and provide some clarity in certain areas. Based on that principle, I think there's no reason to have objection at second reading. However, the opposition is currently consulting with stakeholder groups. Before we can go and pass the Bill through committee, we will have to have some of the feedback there. Although the intent seems to be that of housekeeping, we just want to ensure there aren't any negative ramifications or problems that may arise from the clauses in this Bill that we may have to address in the near future.

So with those few comments, Mr. Speaker, I will be supporting the Bill at this reading and looking forward – I know there are a number of areas where we may be suggesting amendments. But with those few comments, I will be supporting the Bill at second reading.

[Motion carried; Bill 17 read a second time]

### **Bill 20 Fuel Tax Amendment Act, 1996**

MR. ROSTAD: Mr. Speaker, as it requires a member of Executive Council to move this Bill for second reading, I so move, and pass my time on to the Member for Medicine Hat to address the Bill.

THE DEPUTY SPEAKER: The hon. Member for Medicine Hat.

MR. RENNER: Thank you, Mr. Speaker. I am pleased to provide some comments at second reading on Bill 20. Bill 20, as the name implies, is proposing amendments to the Fuel Tax Act.

Basically, there are three sections to this Bill, and I'll be pleased to go through the Bill in some detail when we get to committee stage. But for the purpose of the principles of the Bill in discussion at second reading, there are really three main areas addressed by this Bill.

First of all, there is a clarification on the policy in the Fuel Tax

Act with respect to the eligibility of fuel used in reefers for fuel tax rebate. The intent of the existing legislation is that this fuel not be exempt, and the amendments will further clarify that intent.

Secondly, the Bill recognizes the international fuel tax agreement. This fuel tax agreement applies to interprovincial carriers. Up until this agreement was signed, it was a very complex procedure for truckers in particular that were buying fuel in Alberta and then traveling with the same fuel load on through Saskatchewan, Manitoba, and in fact even into the United States. It's a very complex process for them to deal with all of the various jurisdictions which they travel through. This international agreement expedites the matter for the truckers and makes it much easier for them to deal with the various jurisdictions in which they travel. The amendments contained within this Bill will clarify and recognize that that agreement is in fact in place.

The third section of the Bill deals with updating the various avenues that are available to the Provincial Treasurer and the courts with respect to administration and enforcement of the provisions of the Bill.

With that, Mr. Speaker, I would encourage comments from all members.

3:00

THE DEPUTY SPEAKER: The hon. Member for Edmonton-Manning.

MR. SEKULIC: Thank you, Mr. Speaker. I rise once again to speak to Bill 20, the Fuel Tax Amendment Act. Once again this is, in initial review, apparently a housekeeping Bill, and really it does have just those three sections. I think there's a primary function, and that is one which is twofold. It makes the necessary changes to recognize Alberta's membership in the international fuel tax agreement, IFTA, and secondly, it makes taxable the liquid petroleum gas used in refrigeration units to regulate the temperature in a trailer used for commercial transportation of goods.

When I was first going through this Bill with the staff members of the Provincial Treasurer and they referred, the same way the hon. Member for Medicine Hat did, to those units as reefers, I was wondering whether that was a '60s term and I was wondering why we would now bring it up under . . .

MS LEIBOVICI: You read about it.

MR. SEKULIC: I read about this, and everybody around the table said that they did not inhale, Mr. Speaker, so we continued on, because it was a legitimate conversation. The reefer refers to the refrigeration unit.

The changes in this Bill reflecting our membership in IFTA are essentially acknowledging current practice, so it's a matter of where legislation is catching up to what we're already doing. All too often in this Assembly we end up doing that, and the perfect and most recent example, I think, was Bill 2, Alberta Economic Development Authority, where the hon. member who introduced the Bill had not even been of that political affiliation as long as the practice had been in place. Nonetheless, this is a requirement, so once again can be supported, and for the most part the stakeholders – the interprovincial carriers, the trucking industry – are supportive of those components.

The third area the Bill addresses is that changes are being made to taxation of liquid petroleum gas used in refrigeration units. I think it requires some attention. What it does, although the government's now under the impression or feels this is taxable, is

that in effect there's a new tax being introduced through this Bill. The industry I think has feelings to the contrary. They are supportive of maintaining the status quo, and I guess maintaining the status quo and what the industry wants is their taxes not to go up. They want to maintain the current rebate structure. So that's one concern that I have, and we're going to have to consult a little more with the interprovincial carriers, those that this new tax will affect.

The other area I had some concern with, when I was initially being briefed on the Bill, was the fact that the Bill strengthens the powers of the Treasurer with regards to assessment for misrepresentation and levying of stiffer penalties against sellers. Although I'm supportive of this initiative, I'm curious as to what was the motivator behind this. Most specifically, I guess, I'm looking at the past record of both violations and penalties. To me that would be evidence or an indicator as to why we're pursuing stiffer penalties, because if we have penalties currently, although they may not be stiff, I'm questioning whether they're being imposed. So I'd like from the hon. Member for Medicine Hat some indication as to what are the number of violations in the past year or two years and what are the penalties. In which cases or in how many cases have penalties, although maybe light, been imposed? That would be beneficial to me just to give me an idea as to what fueled – no pun intended – that change.

Mr. Speaker, with those few comments, I have to say in closing that I'm supportive of the principle of this Bill. I do have a concern that this is the introduction of a new tax, and like I said, I would like an indication as to how many violations there have been in the past. But I will be supporting in principle Bill 20, the Fuel Tax Amendment Act, at its second reading because I think for the most part it's pretty good. I do have a concern with the new tax that this Bill introduces, and we will be speaking to that in a little more detail in Committee of the Whole.

Thank you very much.

[Motion carried; Bill 20 read a second time]

**Bill 21**  
**Financial Institutions Statutes**  
**Amendment Act, 1996**

MR. DAY: Again, Mr. Speaker, as a member of Executive Council I'll move this on behalf of the Provincial Treasurer and pass the time to the Member for Medicine Hat.

THE DEPUTY SPEAKER: The hon. Member for Medicine Hat.

MR. RENNERT: Thank you, Mr. Speaker. Although the Bill is considerably longer than Bill 20, the one I just spoke to, this Bill again is rather technical in nature, and I look forward to discussion at the committee stage on the Bill. But if I could deal with the principles of the Bill and explain to members what the intent of the Bill is, then we can look forward to some detailed discussion at committee stage.

Basically what this Bill does is deal with amendments to the Insurance Act and to the Loan and Trust Corporations Act, recognizing that at the current time the regulatory authorities both at the federal level and the provincial level are in many cases duplicating their efforts in regulating both of these areas. It also deals with extraprovincial companies. There are really three different sets of insurance companies doing business in this province, and the same with the loan and trust companies: companies that are incorporated in Alberta, companies that are

incorporated outside of Alberta by another provincial jurisdiction, and companies that are incorporated by the federal government.

In all cases, whether they be extraprovincial or federal, the province or federal government has jurisdiction for regulation and the powers that go along with regulation for companies which are incorporated within their own jurisdiction, as does the province of Alberta for companies that are incorporated within the province of Alberta.

What this Bill does is recognize that there really isn't an awful lot of value added by having the Alberta regulatory authorities duplicate the efforts already done by other provinces or by the federal government. What this Bill does is eliminate the need for the duplication of effort at the regulatory level within the province of Alberta for corporations that are incorporated in other provinces within Canada or in fact at the federal level. It does not affect in any way companies that are incorporated outside of the country, in which case Alberta regulatory officials would be actively involved.

The Bill also sets out minimum capital requirements. The province is saying that if a company is incorporated in another jurisdiction, that jurisdiction will be involved in the day-to-day regulation of that company; at the same time, we are going to set minimum capital requirements in the province of Alberta. That is done with this Bill.

**3:10**

The Bill also emphasizes the fact and reinforces the fact that while Alberta will not be involved in the regulation of the financial affairs of the corporation, we will in fact have access to the financial records of that corporation and we will have access to the reports. The Bill puts in the provision that if any action is taken by the home authority, those same actions can be applied, based upon the investigations that took place out of the province, in Alberta.

The Bill also provides that the government of Alberta will maintain its authority to regulate and have control over the market conduct of any of these corporations which are operating in the province of Alberta.

It's a long and at times complex Bill. I look forward to getting into clause-by-clause debate at committee stage if members feel that it's necessary. In a nutshell, Mr. Speaker, that is the intention and the principles of the Bill.

THE DEPUTY SPEAKER: The hon. Member for Sherwood Park.

MR. COLLINGWOOD: Thank you, Mr. Speaker. Speaking to second reading of Bill 21, the Financial Institutions Statutes Amendment Act, 1996, I want to thank the Member for Medicine Hat for opening remarks. This is, as you know, a Bill that is sponsored by the Provincial Treasurer under Government Bills and Orders on our Order Paper. We will of course look forward to significant input and involvement by the Provincial Treasurer in helping the Assembly and all members of the Assembly work through the very detailed nature of Bill 21.

I'd like to acknowledge the comments from the Member for Medicine Hat in that as I perused the Bill, which is very lengthy and very technical, I recognized that there is the acknowledgment of the different incorporating jurisdictions for companies that are carrying on business in the province of Alberta involved in the insurance industry and that the Bill, in its sort of housekeeping capacity, is attempting to streamline the process of regulation for companies that may be incorporated in different jurisdictions,

whether provincial or federal or extraprovincial; that is, being incorporated in another province.

The Bill I think goes significantly further than just housekeeping for those various institutions, those various companies, and potentially has some far-reaching ramifications. There will be, I think, some appreciation by the insurance industry in that they will have had no doubt significant input into the process of doing this. There are of course, Mr. Speaker, two sides to our debates, and that is the balance between regulating the insurance industry, through these amendments being brought forward this afternoon, and protecting consumers, who are of course the engines that drive the insurance industry. If nobody's buying premiums, then there's no industry, so there is a component in here as well of consumer protection. I'll admit to the Member for Medicine Hat and all members that I will have to spend some more time perusing in more detail some of the specific sections of the Bill to determine whether or not that balance has been appropriately met in amendments that we're introducing this afternoon.

I do want to say that I am somewhat dismayed at the presentation of this Bill. We have before us a Bill that is entitled the Financial Institutions Statutes Amendment Act, 1996, which sounds rather innocuous, but the Bill, which deals firstly with the Insurance Act, is, for the edification of *Hansard*, a full 51 pages in length, which are all amendments to Alberta's Insurance Act. Now, Alberta's Insurance Act is in and of itself a very long and very complicated piece of legislation. When I first looked at the Bill, my first question was: why is the government putting amendments to the Insurance Act in an innocuous Bill called the Financial Institutions Statutes Amendment Act, 1996, rather than tabling in this Legislature an Insurance Act amendment Act? Because the bulk of this piece of legislation, 51 pages of this Bill, is amendments to the Insurance Act. Why are you hiding it behind the Financial Institutions Statutes Amendment Act? Why didn't we get an Insurance Act amendment Act so that we could then deal with it in a much more appropriate form than it's in right now?

The changes to the Loan and Trust Corporations Act really are far less than to the Insurance Act. Yes, there are probably 10, 15 pages of amendments there as well. Again, I acknowledge the comments of the Member for Medicine Hat. We are dealing with a rather lengthy and potentially a very complicated piece of legislation that amends current legislation, and we are going to have to go through this in much more detail.

Having said that, Mr. Speaker, it's difficult to determine if the balance has been struck, if the powers that are being given under this legislation to the superintendent in its monitoring of these companies and their market activities are fair and balanced. It is, of course, to be seen whether or not the significant new regulations that are being included are reasonable. No doubt there will be nothing in the Bill that says that the proposed regulations will first be submitted to the Standing Committee on Law and Regulations of this Legislative Assembly. And who knows? We may get into that discussion yet again in Committee of the Whole. So it's difficult to determine at this point in time.

While I do appreciate the comments from the Member for Medicine Hat, it's difficult for us to do that without having had some comprehensive statements coming forward from members of Executive Council, in particular the Provincial Treasurer, who sponsors this Bill, to give us some of the history of this, to give us some of the background of this, to give us some of the ongoing processes that have led to some statements and some policy and some decisions that are included in this legislation that extend

potentially significant powers to the superintendent in terms of its governance over companies involved in the insurance industry.

I can't help but think, Mr. Speaker, that for 51 pages of amendments to come to the floor of this Legislature in one of the most comprehensive pieces of legislation that we have in the province of Alberta, there hasn't been a tremendous amount of background that the Provincial Treasurer could have shared with this Assembly to help us through the stage of second reading, where we are to better understand the concept. I'm a little concerned for myself that I look at 51 pages of amendments and say: oh, it's just housekeeping. I think it is more than that, and I think the Provincial Treasurer has that information that could be shared with this Assembly, should he choose to do so.

Just to very briefly digress, Mr. Speaker, we have had tabled this afternoon Bill 23, the Condominium Property Amendment Act. I know that the process in getting this Bill to the floor of the Legislative Assembly has taken years of work to finalize with stakeholder involvement and stakeholder participation, to the point where stakeholders and servants of the Crown in various departments, including Municipal Affairs, were about ready to give up but persevered, and finally we have before us that piece of legislation. I can't help but think that same process has gone on with the amendments to the Insurance Act, and it would be helpful to all members of the Assembly in second reading stage if we had some idea of what that background is.

In just perusing through the Bill, Mr. Speaker, the superintendent is going to be given a fair number of powers in a new section 20.1, where he will have some discretion as the superintendent to decide whether or not a provincial company involved in this business "is carrying on business in an unsound manner." This delegation of power is fairly significant. The previous legislation - I think it was section 20; well, it's being amended - required the superintendent to do more specific things in terms of whether or not there was an appropriate appraised value on the books of the company, those kinds of things.

We've now gone to a much more general statement that the superintendent can decide if in his opinion the company is carrying on business in an unsound manner. Yes, that is of benefit to the superintendent because he is not then bound by the specific and strict wording. But whenever you create that kind of benefit for the superintendent, what you do of course is create a great deal of uncertainty for that entity, that corporate body that is being regulated and supervised by the superintendent. Who knows how a company will know what in the mind of the superintendent is "an unsound manner"? Of course, that triggers many things that the superintendent can do, and it does create, I suppose, some sense of uncertainty, unless there's some clarity that is given either in legislation or in some other form.

### 3:20

The powers that are given to the superintendent here - and I'm just again referring to this aspect of Bill 21 dealing with the Insurance Act - are fairly broad. He of course always has the power, as members said in the debate last evening with the Cemeteries Act and with the Direct Sales Cancellation Act, to ask the entity that's being regulated to stop doing what it is they're doing. He can be more specific than that and direct that certain things be done.

There's another one that's in here that's quite interesting. The superintendent can order a provincial company to dispose of shares in a body corporate if that provincial company owns shares in a body corporate under a particular section of the Act. Disposing of shares, as the Member for Medicine Hat and other

members will know, is easier said than done at some points in time. Now, to share with hon. members, I have not looked in detail at section 94.04(4), but the disposal of shares, depending on whether it's a public company or a private company or under sheriff's direction and so on, sometimes can be difficult to do. So while it may be in the power of the superintendent, again the entity that's being regulated may find themselves in some different and difficult situations.

The Member for Medicine Hat did speak about the inclusion of minimum capital requirements that this legislation is going to introduce. Well, okay; that's fair. We can look at that in more detail as we go. I'm wondering if the member might take under advisement and back to the Assembly at this stage or at committee stage some discussion as to whether or not the minimum capital requirements that we are imposing by virtue of this legislation will have an impact on those who are carrying on business in the province of Alberta at this point in time.

In other words, are there entities out there that on proclamation of this legislation are not going to be able to meet the minimum capital requirements? How are we changing the landscape that's out there right now when we move in this legislation to say: here are what will be the new minimum capital requirements for the province of Alberta? How will that affect the status quo, companies that are operating in the province right now? How will the minimum capital requirements then be communicated out to the industry so that there will be a clear understanding of that new regulatory regime? More importantly, I'm concerned with whether or not Albertans who are in business today, who earn their living in this industry, will be impacted by changes as they are made with that.

There's reference throughout the legislation – I made specific reference to section 20.1, that talks about the superintendent's decision-making power about whether or not a company is carrying on business in an unsound manner. There are other aspects that the Member for Medicine Hat referred to in terms of supervising market involvement or market activities. I see that the legislation now will call upon boards of directors of provincial companies to

establish policies and procedures to ensure that the company applies prudent investment standards in making investment decisions and in managing its total investments.

Yes, that's an appropriate process for a board of directors to go through. They clearly must establish policies and procedures to ensure that they are applying prudent investment standards. Again, though, we come to some terminology where to some extent – the parameters are perhaps not that wide – there can be some subjective interpretation of what is a prudent investment standard in making investment decisions.

We've all in the past number of years watched the news and read the newspapers about insurance companies that are caught in bad investments, that are caught too heavily into real estate investments. They can become quickly eroded if their investment portfolios are weakened by some local, national, or international event, whether or not they have complied with prudent investment standards of the day. Sometimes that gets to be a bit of an ongoing decision. As most investment managers will tell you, they're always in a state of dynamics, they're always in a state of flux as to what constitutes prudent investment standards.

Now, I don't suggest to the hon. member that that's an impossible task to impose upon those who are being regulated under this, but I do suggest that the wording sometimes does get a bit subjective. It does give the superintendents powers over those companies if they have made an error in judgment on investment practices.

It's interesting that the government's policy on this whole area seems to be somewhat mixed up. We've had legislation that we've dealt with in this Assembly where the government is basically saying: "Look; we're getting out of all of this regulatory regime stuff. It's caveat emptor; it's buyer beware. If you get burned, well, that's your problem; that's not our problem." But now we have a piece of legislation that says: "No, no. We're going to be very careful. We're going to oversee not only how they sell their product to you, but now we're going to oversee how they manage their investments."

Now we're adding another layer of a supervisory, monitoring capacity, but at the same time, we have in this session legislation coming forward from the government saying: "Well, no, we're not in that game. We don't get into supervision. We don't really have a concern if someone comes to sell you a plot in a proposed cemetery and it turns out to be fraudulent. That's really not our problem; that's your problem." So I'm getting very mixed messages from the government, Mr. Speaker, about whether or not they're advocating for consumer protection, whether or not they're intruding into areas like monitoring whether or not companies involved in the insurance industry are making sound investments. Where are they coming from? What is the policy of the government in terms of their exit from or intrusion into the monitoring role? It's just that we've got mixed messages. It's curious that the government would have back-to-back for debate one piece of legislation that says, "No, no, our policy is to get out," and another one that says, "No, no, our policy is to get in."

Mr. Speaker, I've raised some things that I'm looking for another opportunity to spend some time on as we go through clause by clause. I notice that in terms of the government's inclusion we have a lengthy definition section that relates to investments of provincial companies. They're defining for us what constitutes a loan, what constitutes securities, what constitutes debt obligations, various forms, what constitutes a financial institution, what constitutes an investment, what constitutes a participating share, what constitutes a substantial interest. All of these terms are defined to presumably assist a board of directors in setting its policy on developing its prudent investment standards and its investment-making decisions.

3:30

So there's a tremendous amount that is included in this. No doubt, Mr. Speaker, there will be, other than just in this Assembly, other Albertans interested in the governance of the insurance industry who will be looking carefully at the Bill. I know that government members will be in collaboration with those Albertans. I know that colleagues on this side and myself will be collaborating with those folks as well to get their reaction and their response and their comments about what this Bill holds in store.

So with those comments, Mr. Speaker, I'll take my chair and allow other members to participate in debate.

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

MRS. ABDURAHMAN: Thank you, Mr. Speaker. I rise to speak to Bill 21, the Financial Institutions Statutes Amendment Act, 1996. Like my colleague from Sherwood Park, I have to ask the question and indeed feel an element of suspicion as to why it truly doesn't reflect the major content of this Bill, which is in essence, as the Member for Sherwood Park clearly stated, the Insurance Act.

Mr. Speaker, we have heard for the past number of months, in fact over two years now, that there has been consultation with the insurance industry and that people have actually been looking forward to amendments to the Insurance Act. I would commend the government for indeed consulting with the insurance industry, but having given that accolade, I have to be very critical inasmuch as we do not appear between first reading and second reading to have given Albertans at large the opportunity to scrutinize this document. Any average Albertan hearing Bill 21's name would never realize that this indeed deals with the Insurance Act. That in itself I believe is misleading.

I believe, Mr. Speaker, that governments have an obligation to consult with average Albertans, because indeed it's the average Albertan that keeps the insurance industry alive and well. Without people buying premiums and being insured, there would be no need for an insurance industry. So we tend to get things backside foremost in this Assembly. I find it very frustrating and, quite frankly, very disappointing in a so-called democratic process. Here we have Bill 23 before us – and how long are we going to have the ability to debate these Bills before they actually go into committee? How much time are we going to be allowed to consult with Albertans out there on these very important amending Bills? I would say very little time. That tells you something about a government when they come in and put these in-depth amending Bills before this House for the Official Opposition and, I would hope, government members to bring forward meaningful amendments on behalf of Albertans to ensure that Albertans' interests are taken care of.

Mr. Speaker, I don't think any Albertan would disagree with me when it comes to investments either through insurance companies or financial institutions: you just about have to be a magician to make heads or tails of some of the stuff that's put before you. In fact, when my husband and I are looking at trying to ensure that we're taken care of in our senior years, when you're actually looking at insurance policies or looking at your investments, I've often said that I don't know if a genius can sort them out. Here we are once again with legislation, and I defy anyone to take this piece of legislation and make heads or tails of it for the average Albertan. What you need are civil servants and a block of lawyers, who will disagree – the lawyers will disagree – about what this legislation is actually doing to the Insurance Act and what it's doing to the consumers of Alberta. We had lawyers last night in this House disagreeing on Bill 7 when it came to the Cemeteries Act. That tells you it's not good legislation. When the legal beagles are disagreeing, it means that you and I end up having to hire them to protect our rights. That's what happens.

Now, let's look at ceding authority to another jurisdiction. You have to be suspicious about why the government of Alberta wants to be ceding authority to another jurisdiction. They're usually looking for greater authority. But through Bill 21, no, no, it's the other way. What they're asking for in the industry concerned is a harmonization of requirements. This is a different issue from multiple jurisdictions, and I would suggest to you, Mr. Speaker, that harmonization means that the jurisdiction agrees to a standard set of recommendations. Then the company only has to make an extra set of reports for each jurisdiction. It's up to the province to ensure the regulations meet Alberta's needs.

Where the regulations aren't suited to Alberta, the province should be able to enforce regulations that are. This option is why harmonization leads to stronger regulation. Ceding jurisdiction removes this ability, and I hope every member has heard that. Through ceding authority, we lose the right as a province – and

I'd want the Member for Medicine Hat to dispute this or show me how I'm wrong. If I'm wrong, I'll be the first to acknowledge that. My understanding is that when you are ceding jurisdiction, it removes the ability to strongly regulate. If the jurisdiction, I will suggest, gives the authority to supervise or set standards for companies operating in their jurisdiction, the industry moves to the jurisdiction with the lowest standards, with the lowest common denominator. That's what these Insurance Act amendments in Bill 21 are doing. The industry asked for this because it naturally gives them greater freedom. It gives them greater freedom. So what you end up doing is going to the lowest common denominator.

Now, if this is not a correct interpretation of what's taking place in Bill 21, the portion dealing with the Insurance Act, I want this government to stand up here and tell me categorically that no other province that has a lower standard will be the standard this province is governed by. I would ask every private member, if they're truly interested in Albertans' rights under the Insurance Act being protected and if it's not the buyer beware attitude that has evolved over the past two and a half years in this province, to indeed stand up and ask this government the same question that I'm asking right now, Mr. Speaker.

We just need to go to the section dealing with investments; I believe it's 94. The government is moving from a standard, a list of improved investments, that requires little supervision to a standard of prudence that requires intimate knowledge of the company to enforce. Now, I want to repeat that, Mr. Speaker, because this is very important. The government is moving from a standard, a list of improved investments, that requires little supervision to a standard of prudence that requires intimate knowledge of the company to enforce. This at the same time is reducing its ability to supervise. As well, defining prudence is next to impossible. If the company bellies up, it will be very, very difficult for the consumer to test what prudence was. Are we being fair to people who are out there buying insurance?

3:40

Now, Mr. Speaker, I don't have a legal background, but I do have some understanding of legislation, particularly in the municipal and health care areas. So often we end up proclaiming legislation that really doesn't do the job, and we're back in this House years later, after people have been burned, with the government scrambling with amendments. Once again with Bill 7 and Bill 21 – and I haven't got into the Condominium Property Amendment Act yet – here we are limiting the time, I would suggest, of the debate. I believe that Bill 21 should have been tabled for first reading and circulated out there around the province to make sure that Albertans' well-being is protected.

[Mr. Clegg in the Chair]

MRS. BURGNER: How do you think it got here in the first place?

MRS. ABDURAHMAN: Well, you know, I hear the Member for Calgary-Currie saying that that was what was done.

I want to hear where all the consumer groups, where the individual Albertans have come to the Members of the Legislative Assembly – I'm just starting to get the phone calls now from Albertans, and now we're into second reading. I'm not given to gross exaggeration. The bottom line is that it's only people who are well informed that know what to find in 21, that know to phone about the Insurance Act. The average Albertan does not



know. [interjections] Some members wish to enter into debate across the floor. Mr. Speaker, I will speak through you to this House, and if these members want to stand up . . .

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

THE ACTING SPEAKER: The hon. Government House Leader on a point of order.

**Point of Order  
Questioning a Member**

MR. DAY: Would the member opposite under a *Beauchesne* citation entertain a brief question asking exactly how many phone calls she's received on Bill 21?

MRS. ABDURAHMAN: Mr. Speaker, I'm indeed delighted that the House leader would want to ask me a question about how many phone calls I have gotten on the Insurance Act.

**Debate Continued**

MRS. ABDURAHMAN: I would suggest – and it's only off the top of my head because I'd need to go back and check my records; we document every phone call that comes in – that over the past year I've probably had 10 people who are knowledgeable on the Insurance Act speak to me. I've also had people who are very involved with the Canadian consumer association and the Alberta chapter say over the past two years that they are very interested in what is happening with amendments to the Insurance Act and would I please as consumer and corporate affairs critic let them know when this Bill is being tabled.

So I would ask the House leader: would he not acknowledge that when you have consumer associations in Canada, chapters in Alberta, they do have a voice for Albertans? No, Mr. Speaker, I am not using *Beauchesne* to ask him a question. He gets enough time to air his views in this House, quite frankly.

Mr. Speaker, yes, the Insurance Act needed to be overhauled; I won't dispute that. I commended this government when they used the Franchises Act to be a leader in Canada and North America. I commended this government when it came to the Real Estate Act.

MR. DOERKSEN: Because you got to deal with me.

MRS. ABDURAHMAN: Yeah. You were a pleasure to deal with, member from Red Deer, a fine gentleman. From which part?

MR. DOERKSEN: The south part.

MRS. ABDURAHMAN: South. Yes, a fine gentleman.

The difference, Mr. Speaker, is that we've got this Bill 21 before us. It doesn't say the Insurance Act, like the Franchises Act or the Real Estate Act. It doesn't give me, the critic, the time to go out around the province of Alberta and say: what do you think about this Bill? I was able to do that with the Real Estate Act. I was able to do it with the Franchises Act. We got tiny, little amendments through, but it was better than nothing. It did strengthen both those Bills. Both those Bills will serve the province of Alberta and Albertans in a very, very meaningful way.

I notice in Bill 23 that "fair dealing" is in here. Well, that's great. We'll start to acknowledge the role of fair dealing in the

province of Alberta. But quite frankly, Mr. Speaker, I'm very disappointed in Bill 21 because they're not allowing us the same vehicle to go out there and talk to average Albertans to make sure that consumer rights are protected. That's all I'm asking. Who are we elected to represent? The big insurance companies? No. We're elected to represent Albertans in all walks of life. That's who we're elected to represent, not special-interest groups. The insurance industry can look after themselves; they're very healthy. I pay them significant premiums every day of my life, quite frankly, and far too much.

So I want to make sure that Bill 21 not only protects my rights as a consumer but every Albertan's rights. Quite frankly, I don't think it's doing it. I'd ask this government to give us the opportunity to go out there and invite comments from average Albertans. That's not too much to ask for. I would say that what we should do, Mr. Speaker, is let Bill 21 die on the Order Paper and go out there and invite comments from Albertans. If that doesn't happen, you'll certainly hear a lot more from me, particularly when we get into Committee of the Whole. I think that anything further on this Bill at this point in time from the Member for Clover Bar-Fort Saskatchewan would indeed be redundant.

Thank you.

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

MR. SEKULIC: Thank you, Mr. Speaker. I have many of the same concerns that my colleagues before me cited. You know, I'm always eager, in fact eager not only to stand up and question the government about new legislation but eager to sit down and listen to answers. The unfortunate part is that (a) tends to happen and (b) tends not to happen.

I noticed that the hon. Member for Stony Plain was signaling me that he has some answers because he's read this Bill and he understands it. In fact, if some of his consumer constituents come to his office, I'm sure he can walk them through all 61 pages and perhaps provide them with a technical brief that they may be interested in hearing. Of course, I know that my most hon. colleague from Calgary-Currie has read this Bill and that she's very, very comfortable with the direction this Bill is going.

Mr. Speaker, I understand that there's been two years of consultation with the insurance industry in order to achieve this result. That is my understanding, that there was a two-year consultation process, or 18 months. In fact, I think when we contacted some of the stakeholders in the insurance industry earlier this week, that's the response they gave us, that they have been in a consultation process with government. However, when it comes to consumers, Albertans – so often we hear the Treasurer speak of the severely normal Albertan; we hear the Premier speak of the severely normal Albertan – they were left out of this equation, and it's not the first time.

The hon. Minister of Labour earlier asked my colleague from Clover Bar-Fort Saskatchewan: how many calls did you receive in your constituency asking you about the Financial Institutions Statutes Amendment Act? You know, the issue isn't how many calls did you get. In fact, if you were to go door-knocking today in the hon. Minister of Labour's constituency, one of the questions that his constituents or, for that matter, mine may ask is: are you in session? That's what they'll ask. You know, Mr. Speaker, just because people aren't aware doesn't mean they aren't interested and doesn't mean they won't be affected. Now,

having been elected to this Assembly, it is our responsibility to make sure that Albertans have an opportunity to put forward their concerns, because in the end they'll be affected by it. Mr. Speaker, in speaking to the previous Bill, Bill 20, for example, I was quick to say that in principle that Bill was solid and I could support components of it. I cited a specific concern, that concern being that it also includes a new element. A new tax is going to be introduced. Only minutes ago when I stepped out into the back room did I find out that some of the stakeholders that we called have concerns with that. They're saying: do you know that this tax, the new tax introduced in Bill 20, is retroactive? Mr. Speaker, that's absurd. So we do need the time to consult with groups that are going to be affected by the legislation this government is introducing.

3:50

Now, I understand that there are two critical components in Bill 21, and those are market conduct and solvency. Those may well be the themes that are pursued and agreed upon by the government, and it may be that with regards to companies that are registered provincially, interprovincially, and federally, that's all fine. When it comes down to it, I would have liked to have seen a consultation with Albertans. If two years is good enough for industry, certainly three days is not enough for the severely normal Albertans, as the Treasurer calls them. We need more time than that.

When we look at the Bill, there are some interesting sections there: exemption of certain contracts, that we find at section 1.1(1).

The Lieutenant Governor . . . may make regulations exempting from the application of this Act

- (a) a specific contract of insurance,
- (b) any type of contract of insurance that indemnifies a person who has an interest in a product against the product's malfunction, failure or breakdown.

Now, my understanding of that clause is that now we will be exempting the smaller items like toasters, microwaves, whatever else, and including larger items like vehicles, motor homes. I assume that's what we're getting at there. What I'll need is some clarification as to the impact. I know what the impact is on the insurance company, and I'm not surprised that they're comfortable with that. My concern is: what is the impact on the consumer, on Albertans, on my constituents that put me here to represent their interests?

Mr. Speaker, I'm appreciative of the fact that with regards to that clause, there's a narrowed focus, but I do want to know what the motivation was and not just from the industry's perspective. This is a very powerful industry, which tends to take care of itself quite well and has the ability to have legal representation when they're in negotiations and discussions with government, while my average constituent does not have the ability to have legal representation protecting their interests on each and every transaction. They assume that I'm here to do some of that for them as we pass legislation.

In fact, one of my constituents is here today, but there is no need to introduce my constituent because he is in fact the representative for Edmonton-Beverly-Belmont, and he'll tell you that he has a mighty fine MLA. In fact, he moved out of his own constituency into mine to get better representation. I would encourage that type of migration, Mr. Speaker, because if you hear the way I'm discussing this Bill, it is in the interests of all my constituents, be they elected political officials or be they . . . [interjection] The hon. Minister of Labour asks me to repeat my

comments because he was busy talking to the minister of transportation while we were engaged in this debate.

Mr. Speaker, I see you're ruling right now as you nod your head, so I won't repeat that. I'll permit the hon. Minister of Labour to read it in *Hansard*. I'm sure he'll enjoy that comment, and perhaps he, too, will consider that move, because there's some wonderful new housing in the northern part of my constituency. In fact it borders . . .

AN HON. MEMBER: Social housing.

MR. SEKULIC: No, Mr. Speaker, it's not social housing. It borders rural Alberta there; 70 percent of my constituency is rural in the sense that it's agricultural. So I have some of the best potato seed in Alberta, that we sell to American markets, right in my constituency, a wonderful constituency, Mr. Speaker, agricultural, and that's why I speak in favour of many of the agricultural initiatives in this Assembly. Unlike the Member for Calgary-Shaw I don't have a grain elevator in my constituency, but perhaps in the future, if there's a flood of government money at some point . . .

MR. McFARLAND: That's how much you know. The government doesn't build elevators.

MR. SEKULIC: Well, you never know, an election could be around the corner, hon. member.

Getting back to the specifics, Mr. Speaker, I appreciate the consultation process. I appreciate that there may be a need to make some amendments to the Insurance Act, but one thing I do feel very strongly about is the consultation process and that that consultation then include representatives from all of the stakeholder groups. I'd be to some extent comforted if the hon. member who moved Bill 21 were to rise and say that we have in fact consulted consumer groups in Alberta and that this is the kind of feedback we've been getting from them, that they see it not really being an impact on either their policies or the protection afforded them under their policies but as something that is more administrative in nature and neutral in effect on them and their policies.

Mr. Speaker, I do think we need a little bit more time on this. I think it would be a good idea to revisit this in the fall after a three- or four-month period for consultation. I would urge, hon. member, if we can't address some of the concerns about consumer group representation, that we do put it aside until the fall.

So with those few comments, Mr. Speaker, I'll take my place and perhaps permit some time for responses to the concerns that have been put forward.

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

MS LEBOVICI: Thank you, Mr. Speaker. It gives me great pleasure this afternoon to speak to Bill 21, the Financial Institutions Statutes Amendment Act, which in reality seems to centre mostly around the Insurance Act and has numerous implications as to the insurance industry and the way that insurance will be provided in this province in the next little while.

There's a large number of amendments that have been put forward under this particular piece of legislation. In fact, what's interesting is that out of the 61-page Act that is proposed, the first 51 pages are devoted to amendments to the Insurance Act. It begs

the question as to why the government would not in fact have made Bill 21 the Insurance Act and then Bill 22 the Loan and Trust Corporations Act, other than perhaps there were certain issues that the government did not want made public and it seemed as if it would be perhaps a less threatening Bill if it were entitled the Financial Institutions Statutes Amendment Act. I think that when people hear insurance, their antennae naturally go up, and that's one thing that perhaps the government didn't want: to have seen the antennae of the public go up with regards to the Insurance Act.

Now, whether the government has been involved in consultations over the past two years or not, I'm not sure, and I would like some assurances from the government as to the consultation that has gone on over the past while, whether it's two years, one year, one month, and most particularly, with whom they have been consulting.

Now, we've had instances in the past where the government has indicated that they have consulted with the appropriate stakeholder groups. But when we dig beneath that assertion, it appears in fact that the stakeholder groups are limited and that the consultations have not occurred as the government has indicated that they have. So I think it's important for everyone's peace of mind, given the way that the government has put forward this Bill, that we know whom the government did consult with, what the nature of that consultation was, and most particular, of course, whether any of the consumer groups were involved in that particular consultation. I think it would be appropriate, given the enormity of the Bill, that the actual documents that are provided by the groups in the consultation process be tabled in this Legislative Assembly.

**4:00**

Now, we've asked over and over and over again that the Standing Committee on Law and Regulations be put into effect. We have one in name only but not in practice. When we look at this particular Bill, what we see is that there is again, as in most Bills within this Legislative Assembly, a large number of regulatory powers that have been vested in the Lieutenant Governor in Council, in the minister, I believe, and I would suggest once again, as we have in the past, that it would be appropriate that the regulations be examined by the Standing Committee on Law and Regulations. I would even venture to suggest that perhaps one of the things that could happen with this particular Bill is that all the documentation that the government has with regards to the consultation that they've put forward be submitted to that particular committee so that the committee perhaps could take a look at what is being suggested via the regulatory process in this Act.

Now, members may say that that's working things backwards, that we need to have the regulations first. But it seems that we do a lot of backwards working in this government: the government has an idea, they enact it, then they try and put legislation in place to cover that enactment, or they have an idea and they put forward some broad example of legislation and say, "Well, the regulations will take care of it." What I'm suggesting, given the impact that any amendments could have on the Insurance Act, is that perhaps what we want to do is look at those regulations first. If the government has an idea as to how to enact some of the broad processes that are put forward within this Act, then what I suggest is: let's see what those regulations are. Blind faith is nice, but given the past record of the government, I think we've moved beyond that. We need to move forward and see what is actually being suggested by the amendments.

There have been concerns expressed before with regards to the fact that the government is not going to be requesting the extra-

provincial and federal corporation disclosures. There's a concern whether a buyer of insurance will know that the company they are dealing with is an extraprovincial company who doesn't meet the financial solvency tests under the Act.

The other issue that comes with that is whether Alberta will be responsible for the financial solvency of a company. The question is: who's going to be the watchdog? Are we relying on extraprovincial regulators to be the watchdogs rather than doing that ourselves? I think we've seen through various problems that we've had with different groups throughout Alberta's history that the government does need to provide a watchdog role and that the government cannot divest itself of that watchdog role.

Now, we know that there are many consumer groups in the province that would be interested in the amendments to the Insurance Act. We know that there are many companies that would be interested in the amendments to the Insurance Act. The suggestion would be that there needs to be a lengthy consultation process in order to ensure that all the groups that are part of the business and that have an interest in the amendments are indeed consulted and their concerns are heard.

Now, it was interesting earlier today when the minister of culture, the minister of . . .

MR. CARDINAL: Community Development.

MS LEIBOVICI: Thank you.

. . . Community Development indicated that in consultations all that's needed is one individual, one person, to change government policy. [interjection] The House leader, I've just been informed, has substantiated that?

MRS. ABDURAHMAN: No, no. He's asking for the opposite to this Bill.

MS LEIBOVICI: Oh. Yet the House leader wants to know how many submissions have been made. So when the government indicates, "Oh, well, don't worry about it; we've had consultations for many years," the question is: what happens with the results of those consultations if, as the Minister of Community Development has indicated, one is enough? Well, the question of course is: if one persons says this, then let's change government policy. Then another person may say, "Well, let's change government policy," and then the conundrum is: what do you do if those two views are diametrically opposed? I would have hoped – the consultations are extremely important – that there would at least be some guidelines, some overview as to what the objectives of the changes are and that changes are not made just for change's sake.

Now, in the opening comments by the member who introduced the particular Bill, I didn't hear a lot of justification for the changes. I didn't hear a lot of explanation as to why these changes were required. I didn't hear much in terms of the consultation process and then the decision-making process that the government has engaged in in making these particular changes.

Now, I don't think we should forget that there is another component to the Act, and that's the Loan and Trust Corporations Act. That's an area that needs to be looked at as well, but as I indicated at the outset, I think the major component of this particular Bill is the Insurance Act, amendments to the Insurance Act. I think that perhaps one of our first amendments – and probably Parliamentary Counsel will say that we can't do this – is to break this Act into two pieces, is to have the first Act be the

Insurance Act and the second Act be the Loan and Trust Corporations Act. I think if we were to do that, it would seem as if . . .

MRS. ABDURAHMAN: Good suggestion.

MS LEBOVICI: Thank you very much. My colleague has indicated that's a good suggestion.

I think that if we were to do that, what the government would show is that they are being forthright with regards to the amendments that are being proposed. If there is any suggestion or any hint or any suspicion that there is anything – I'm not sure if it's parliamentary to say this or not, but I'll take my chances – underhanded in the way the Bill is being proposed, I think that would immediately indicate to people that no, that is not the case, and that in fact this should happen.

Now, the government I'm sure is going to say that this is a housekeeping Bill. As in the last Bill that we put forward and passed in this Assembly and the one before that and as in many Bills that have been brought forward to this Legislative Assembly that have been indicated as housekeeping, in fact as we dig a little bit deeper, we see that it is anything but housekeeping. One of the thoughts that I have is that over the last few days there's been a slew of Bills dealing with the financial institutions in Alberta and changes to different laws with regards to corporations. The question always lingers as to whether or not these are in fact housekeeping or part of a larger picture that does not serve the citizens of Alberta well. When we look at some of the last pieces of legislation that have just been brought forward, Bill 15, which is the Hospitals Amendment Act, it in fact deals with car insurance provisions. Again, if we were looking at amendments to the Insurance Act, should we not have looked at perhaps providing an umbrella Act that would deal with all amendments to insurance as opposed to the Financial Institutions Statutes Amendment Act?

#### 4:10

Now, Bill 15 is an interesting Act, because it does deal with the ability of the government to reclaim costs as a result of vehicle accidents, but in fact what it actually does is increase people's premiums. In the long run every one of us in this room and every Albertan throughout the province will have their insurance premiums increased. Now, the question then becomes: is there something in this Bill 21, in the 51 pages that deal with the Insurance Act amendments, are there clauses in here that in effect will mean that the insurance premiums of individuals in this province will increase? I challenge the member who brought this Bill forward and the minister under whose auspices this Bill is brought forward, the Provincial Treasurer, to indicate to us hopefully before second reading whether that is a possibility.

When you look at the number of clauses in the Act – and I don't have the actual Act in front of me – there are at least 509 clauses in the Insurance Act. Now, somewhere in those 509 clauses I would imagine there are areas that deal with the premiums that individuals are going to be assessed and that somewhere within the numerous changes that are made within the 51 pages of this Act that deal with the Insurance Act provisions there are, again, areas where in fact there will be problems in terms of liabilities.

Actually, as I'm flipping through the Act, I do see that on just about every page we talk about the insurer, we talk about assets, we talk about the validity of the insurance, we talk about contracts and deductible clauses, co-insurance, and adding or deleting certain areas. If one were to actually take the in-depth look that's required of this particular Bill and if those backbenchers were to

take the time to read the particular Bill, I think they, too, would be on their feet, jumping to their feet to say, "Well, you know, we need some more time."

We need to look at this a lot better, and we need to have input from a wide range of groups and individuals as to what the impact of these changes is in actual fact going to mean when we say that out-of-province companies will perhaps not be regulated, if that is what's being said within the Bill, when we endorse a buyer beware policy without the appropriate safeguards in place, when we say that the Lieutenant Governor in Council has been given additional regulatory powers and that those regulatory powers are not examined by any legislative body, in particular the Standing Committee on Law and Regulations.

As a bit of an aside, if the government has no intention of ever enacting that committee, then perhaps one of the things the government needs to look at is dissolving that committee. Perhaps it's heresy to say that in this Legislative Assembly, but what's the use of having a committee that will never be called? There's absolutely no use. If the government wishes to say that there is no use for that committee, if the government wishes to take away a chairmanship, which is always a plum, I understand, for the government backbenchers to have – I'm not sure there are any dollars attached with this particular chairmanship, but then why have it? Is it a sham? Is it just a pretence to show that the government has such a committee? In actual fact, that committee has not met for years, and I think that in essence is hypocrisy of the highest order. Perhaps if there is a reason the government is not enacting that particular committee, then that reason needs to be examined, and there needs to be another avenue provided if there is a purpose still for a Standing Committee on Law and Regulations. But to have a committee that's never called is, as I indicated earlier, hypocrisy. I think that needs to be looked at very seriously.

There are a number of other issues in this particular Bill. As I indicated, there are 51 pages, and there must be amendments to at least a hundred-odd clauses, if not more, within those 51 pages. As a result, I think it behooves the government to ensure that there is going to be that adequate consultation. You've heard that from myself, you've heard it from the hon. Member for Clover Bar-Fort Saskatchewan, and you've heard it from the hon. member who so aptly represents the Member for Edmonton-Beverly-Belmont. I'm sure the only reason he moved into your area, which is Edmonton-Manning, was to ensure that he had some Liberal representation. He wanted some very strong representation. As a government backbencher it's obvious that his lips are sealed and there's not much that he can say on any government Bills that are put forward, so he needed someone that would speak on his behalf.

Thank you very much.

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

MS CARLSON: Thank you, Mr. Speaker. It's my pleasure today to rise to speak about Bill 21, the Financial Institutions Statutes Amendment Act, 1996. While I agree that an overhaul of the Insurance Act has been long overdue and has been lobbied for extensively on behalf of the industry, I'm very concerned that we would take 60 pages of amendments in this Bill and be expected to pass it with any speed in this Legislature.

I think that no doubt this is a complicated and extensively designed Bill, and it needs some systematic review not only by

members on both sides of the House here but by the insurance businesses that will be affected by it and also, I think, more importantly, by other communities in the province. Consumers will be affected by it. Better Business Bureaus, chambers of commerce, Rotary clubs, in fact all kinds of consumer groups who will be affected by this should have the ability to read and review this and make recommendations that can be taken forward.

While I give all the power to the insurance companies for lobbying for changes, when it's been a two-year, hard-core lobby, there's always another side to the story, Mr. Speaker, and I'm hoping that there will be ample time for that side to be heard here before we move forward with some key legislation which will impact each and every one of us on an ongoing basis.

There's no doubt that I have a number of concerns that need to be addressed here. Firstly, I would like to agree with my colleague for Edmonton-Meadowlark when she said that she felt this Bill should be broken into two Acts. I, too, agree with that statement. The Insurance Act itself is extensive and requires a great deal of change and really doesn't have a great deal in common with the Loan and Trust Corporations Act. I'm hoping that the sponsor of this Bill will take that into due consideration and that that may be one of the amendments that will come forward. They really are two different groups with vested interests, and we need to make sure that everybody here has the proper time to fully review this.

4:20

I'm a little concerned, on the one hand, that we're having reporting requirements here relaxed for the extraprovincial loan and trust corporations only due to their required membership in the Canada Deposit Insurance Corporation and only due to the fact that they will be monitored in other jurisdictions. We've seen in this province over the past 10 or 20 years a number of insurance companies, a number of loan and trust companies that have become insolvent, both those who were originally incorporated here and those that were extraprovincial. It's very clear that those that became insolvent were not being monitored closely enough in spite of their association with any other insurance deposit corporations and in spite of the kinds of regulations that currently existed in this province, many of those regulations which are now proposed to be deleted from the Act and amended.

One of those that comes to mind that's a real concern to me is that the deposit requirement of insurers before a licence can be issued has been repealed. To repeal that requirement may have some significant consequences, and I'm wondering, if we're repealing that requirement for insurance companies, whether we are also in the process of repealing that requirement for co-ops and for banks, Mr. Speaker. So I'm wondering if somebody could speak to that issue, because it definitely is something that needs to be addressed here. Where exactly is it that we're heading down this road, and who's going to be impacted by it? If this is the case, if this is going to be included in here, I'm wondering what the insurance companies are doing in terms of marketing this information. Is that going to be up to the government, or is that going to be up to the industry? I believe that it's an important and significant matter and that the people in this province should have some notification in that instance.

The practices and procedures governing the fraternal societies has been changed. To me, it's not defined clearly enough in this Bill, so I'm hoping that that will be highlighted when someone from the government side stands up and speaks to this issue, exactly what that's going to be in keeping with.

There are a number of things that are being eliminated here for

the extraprovincial and federal corporations that I have really a great deal of concern about. Under these changes there will no longer be required a periodic examination of the insurer's head office. As we have recently seen here in this House when we've talked about Hotel de Health, the inspection of a head office is sometimes significant, and it may continue to be so for insurers' head offices. So to not require that is something that we should be reconsidering. Periodic does not mean you have to drop in every month. It could be every three years, which would not be a costly venture. There should be some process, I think, that allows for that to happen.

The valuation of investments and order of disposition of these investments have now been taken out. Once again, when I read that in addition to the appraisal of property having been withdrawn and a minimum assets test and reserves requirement for unearned premiums having been withdrawn, these all bring to my mind the variety of trust companies that we've seen go belly up in this province over the years. Why did that happen? Because these minimum requirements were not upheld, Mr. Speaker. If you can't get in there and appraise the property, if there are no minimum assets tests and reserves requirements, if there is no independent valuation of the investments, how in the world does anyone know that in fact the assets remain at a fair market value in control of the company? So that's something that's of grave concern to us. We've seen more examples of that recently here with some of the lending practices of the Alberta Treasury Branches, that have been under scrutiny and have still slipped through the cracks. Many, many loans we've seen loaned out to companies in this province who were overstated. Why were they overstated? Because someone did not do a proper evaluation on them.

Now, are we going to allow the industry to regulate themselves in this regard? I don't know that that's fair and reasonable. Are we only expecting that a head office will regulate them in this regard? Well, I think that given the variety and disparity in property values across the provinces in this country, that would be an unreasonable expectation. We can only just take a look at what happened to land values in Toronto. The same piece of land that would have had a net value of \$100,000 anyplace in Alberta would have had a net value in Toronto of \$400,000 or \$500,000. So whose criteria will they be using when they set up their own valuation? I don't see any kind of an amendment in here that addresses that. Is it the fair market value of the province that they're operating in, or is it the fair market value of the province that the head office is located in? So those are the kinds of issues that I think definitely need to be debated here.

A minimum asset test and reserve requirement is required for any publicly traded company, Mr. Speaker, and I don't know that we should excuse a company that's operating in Alberta who has its head office somewhere else from that kind of a test. Maybe they have some good and logical reason for doing it, but I don't want someone who's got a head office in the States or overseas to be the only person responsible for making these kinds of assessments.

Here it says: no longer need to have for review the keeping of contracts, registers, book of accounts, and stock registers. Well, that's of concern to me too. They're saying that now it's only going to be necessary in the head office. Mr. Speaker, I think it would only be right and proper to have access to those. It's not that they've got to have someone from the outside looking over while they do their bookkeeping, but when we're talking about insurance and about them having to have some sort of minimum

equity requirements, somebody's got to be keeping an eye on the state of affairs.

Now there's no longer going to be a need for the delivery of a statement of the condition of affairs and calculation of unearned premium. Well, depending on what the market does and what kind of usage you have for insurance claims, particularly those that are dependent upon the weather, calculation of an unearned premium or loss could be quite significant in this regard, Mr. Speaker. I'm wondering, once again, how they're going to be addressing this.

I am sure that if we ever get a member from the other side to speak up and defend this Bill, these questions are going to be answered. We've already had one, two, three, four more people on our side speak with questions and not a single person stand up and defend this. So I'm hoping that sometime soon we will get our questions answered, and then it will be very easy to draw debate to a conclusion until we have an opportunity to further pursue this.

Those are the initial concerns I have – I have many more, Mr. Speaker – and I'm hoping that someone on their side of the House will stand up and answer them for me.

Thank you very much.

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

MR. RENNEN: Thank you. I'd like to close debate on this, but before I do, I want to address a number of the questions that were asked. Certainly there were a lot of questions, and I won't attempt to answer every one of them, but I think there are some main points that were made by members opposite that need to be addressed. I'd like to go in more or less the order that they came.

THE ACTING SPEAKER: Hon. Member for Medicine Hat, that's my mistake. You are out of order. There's only one person that can close debate, and that's the Government House Leader. He moved on behalf of the Provincial Treasurer. Sorry.

MR. DAY: Mr. Speaker, certainly not to question the ruling. What we had asked – in fact it's somewhat of a precedent – was in a case where Executive Council has to actually move the Bill, being a money Bill, but immediately passed on that debate to the member actually steering it through, then consideration was given that they would be able to in fact wrap up debate. However, we can ask for the unanimous consent of the House to officially acknowledge that practice on Bills 21 and 25. I would so make that motion now.

4:30

THE ACTING SPEAKER: The hon. Government House Leader has asked – and we have to have unanimous consent – that the hon. Member for Medicine Hat close debate on Bill 21. All in favour, say aye.

HON. MEMBERS: Aye.

THE ACTING SPEAKER: Opposed, if any?

The hon. Member for Medicine Hat.

MR. RENNEN: Thank you, Mr. Speaker, and thank you, colleagues. I appreciate the opportunity to have a chance to close debate. As I was saying, there were some issues raised, and I'd like to discuss a couple of issues that were raised by the Member for Sherwood Park.

He addressed a couple issues, one of which was the issue of balance that needs to be struck between public protection and overregulation. I will be addressing that in a little bit more detail when we get to committee, but I want to assure members – it came up a number of times – that the purpose of the amendments with respect to interprovincial and federal companies are purely to remove the obvious duplication that's there and, I mentioned in my opening comments, the lack of value added for the extra regulation that takes place in the province of Alberta.

We're only talking about Canadian companies here. We're talking about companies that are either incorporated in another province or are in fact federally incorporated. I made it very specific in my comments that we were not talking about any companies that originated outside the country. We do have in place good communication on an interprovincial level with the regulators in the other provinces. I can assure members that the standards that are in other provinces will be very similar if not identical to the standards in this province.

I also want to talk about the question that the hon. Member for Sherwood Park had regarding section 20.1. Section 20.1 is actually consequential amendments that are necessary to deal with the prudent investment standards that are brought about in section 94.1. I want to talk a little bit about what these prudent investment standards mean. The member seemed to be indicating in his comments that these prudent investment standards were in fact something new, something that had not been there before. He had some concern that a Bill that was purporting to be deregulating was in fact adding additional burden onto the companies. Nothing could be further from the truth.

The prudent investment standards replace what is the norm now, which is authorized investments. The authorized investments are page upon page upon page of authorized investments. By going with a prudent investment standard, the details of which are all articulated in section 94, it gives the companies a certain amount of flexibility to keep up with the times from a financial point of view. It also gives the superintendent of insurance the ability to work with these companies to ensure that their capital requirements and the financial condition of the company is adequate, that they would be in a position to be able to deal with a catastrophic condition, a case of a number of claims that would come from their policyholders.

He also talked about the increase in the minimum capital requirements that are incorporated in this Bill and asked if there would be any insurance companies that would be impacted by those minimum capital requirements. I would advise the member that indeed there would be a couple of out-of-province insurance companies who could be impacted by the increase in the minimum capital requirements. If he'll refer to section 25 on page 13 of the Act, he will see that there are transitional provisions within the Act that would apply in that case which would allow those companies to know far enough in advance to be able to address those minimum capital requirements and make provisions should they wish to continue to do business in the province of Alberta. The policies that those companies currently have in place would remain intact until the next calendar year.

I want to talk a little bit about the implication that the Member for Clover Bar-Fort Saskatchewan made, that this was an ongoing consultation on amending the Insurance Act. The member is absolutely right. There has been for the past number of years – and I have participated in that consultation on amendments to the Insurance Act. I want to make it very clear that this Bill that we see before us today is not the final outcome of that public consultation.

What is in effect taking place right now is a consultation with

insurance companies, with all members within the insurance business, with consumers with the idea of developing a new Insurance Act, a total rewrite of the Insurance Act. The member can be assured that when those amendments come forward, they will be very obvious amendments to the Insurance Act. In fact, it will come forward in the form of a new Insurance Act repealing the existing Act. These are really interim amendments along the line in that process. They deal with some very specific issues, and I have outlined exactly the issues that they deal with.

Primarily on the regulatory end the Member for Edmonton-Manning talked about a specific issue with respect to warranties and extended warranties. There has been occasion where there gets to be confusion over whether an extended warranty is in fact an insurance policy or not. This legislation will make it very clear that they are insurance policies and are dealt with as insurance policies. However, I think all members would agree that we don't want to get involved in regulating the warranties on toasters and the warranties on microwaves. Those are not the types of warranties and extended warranties that we want to be involved with on a day-to-day basis in regulating, so there are provisions in here to exempt certain ones.

I think basically the comments that I made in my opening remarks I stand by. I recognize that this is not an easy Bill to deal with. It's taken me some time to get my head around this Bill. I feel that I do have a good understanding of the Bill. I and Treasury officials have met with members of the opposition to go through this Bill. I would at this time invite any members of the opposition who would like to take some time to discuss the details, the clause by clause of this Bill with me. I would be pleased to do so. I would encourage you to contact me, and I will walk you through it. I don't know that it's possible to . . .

MS LEIBOVICI: Point of order.

THE ACTING SPEAKER: On a point of order, Edmonton-Meadowlark.

**Point of Order  
Questioning a Member**

MS LEIBOVICI: Under *Beauchesne* 482, asking a question.

THE ACTING SPEAKER: Yes or no?

MR. RENNER: Sure, that'll be fine, Mr. Speaker.

**Debate Continued**

MS LEIBOVICI: If the hon. member could indicate how much time we have to ask those questions and then get back to the hon. member with his invitation?

MR. RENNER: Well, I'd be pleased to answer the question. However, I'm not in a position to be the one that gives you the answer. That of course, as you well know, is a discussion that needs to take place between the respective House leaders, as to when this Bill would come up at committee stage. So direct the question to your House leader, and I'm sure he'll have the answer for you.

Mr. Speaker, I want to make it very clear that this is not the fundamental rewrite of the Insurance Act. I think there have been insinuations made that this is the culmination of all this consultation. That's not the case. These are amendments that are required to address very certain areas.

With that, Mr. Speaker, I look forward to the debate at committee stage. I have a lot of background information that members have been looking for. Again, if they wish to contact me between now and that debate at committee stage, I'll be pleased to deal with them on a one-to-one basis. If not, we'll deal with them at committee.

With that, I call the question.

[Motion carried; Bill 21 read a second time]

4:40

**Bill 25  
Alberta Corporate Tax Amendment Act, 1996**

MR. DAY: Mr. Speaker, as with Bill 21 and with the already received unanimous agreement of the House, I would move for second reading on behalf of the Provincial Treasurer Bill 25 and hand the time on the Bill to the Member for Grande Prairie-Wapiti.

THE ACTING SPEAKER: The hon. Member for Grande Prairie-Wapiti.

MR. JACQUES: Thank you, Mr. Speaker. Regarding the Alberta Corporate Tax Amendment Act, it's unfortunate it couldn't read "the Alberta corporate tax repeal Act," but maybe another day. This is a rather lengthy Bill in terms of the number of amendments, some 38 of them in terms of single clauses. In some cases there's actually a two- or three-point impact.

The purpose of the Bill itself is really to reflect basically in three categories. Firstly, to make it in harmony with the federal tax Act. More specifically, I think all members of this House are aware that there were some federal supplemental amendments to the federal Income Tax Act over a period of time, and as a result of that, we have numerous consequential amendments to provide that harmony. I think out of the total there are somewhere in the order of 14 or 15 that would fall into that category. Secondly, Mr. Speaker, there have been some issues which have been, in fact, in practice within Alberta, and again the legislation is simply capturing that current practice and reflecting it in the legislation. The last major category is to provide for electronic filing. Again to some extent this is consistent with the changes that were provided in the federal Act.

With that, Mr. Speaker, I really have no further comments at this point. Thank you.

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

MR. SEKULIC: Thank you, Mr. Speaker. I rise to speak to Bill 25, the Alberta Corporate Tax Amendment Act. I think it's been fairly outlined by the hon. Member for Grande Prairie-Wapiti that essentially Bill 25 does have three components, the first one being the technical change that harmonizes the province's Corporate Tax Act with its federal counterpart. The Bill does tighten some of the loopholes with regards to a royalty tax credit that'll prevent companies from selling assets of a particular entity and keeping only the shell to retain the exemption. So I think that is house-keeping.

The final part of the Bill makes provisions for a move to electronic filing. My understanding is that currently the department of Treasury is close to ready. In fact, by 1997 they'll be able to fully operationalize that electronic filing system. Once again, it's just paralleling much of what's being done on the federal scene.

[The Deputy Speaker in the Chair]

I think it's a benefit to Alberta business what these three changes are bringing in. The initial read of the Bill and the principle I think we can support. It's really important, I guess, to demonstrate that with the technical nature of this Bill it's not just something you put down in front of 83 members of this Assembly and expect the members to be able to follow through, unless of course they have the background. The hon. Member for Grande Prairie-Wapiti is, I believe, a chartered accountant. It makes it a lot easier for him, because he does have the training, to be able to look through this Bill and read it quite easily.

For the benefit of some Albertans who may at some point in time in the future read *Hansard* and wonder exactly what the nature of this Bill was, I'm just going to put forward one clause. Sometime back, I think even within the term of this current Premier, he spoke of trying to bring about more government documentation in an Alberta friendly language, that being the plain language that they were to pursue. Well, I'll give you an idea as to where that project has taken us. On page 4 of this Bill section (2.01) reads:

No amount may be deducted under subsection (2) for a taxation year in excess of the product obtained when the amount determined under section 20(2) is multiplied by the applicable percentage for the taxation year.

Now, in my constituency this isn't plain language and it's not user-friendly. Although it conforms to the taxation principles and parallels the federal legislation to a large degree, I would like to see that there be a follow-through on that onetime commitment to try to put through in this Assembly legislation that severely normal Albertans can pick up, read, and determine how it'll affect them or their businesses.

Overall, though, Mr. Speaker, speaking to the principle in second reading, I am comfortable supporting the three main thrusts of this legislation. Like I say, we'll have an opportunity to explore it to a greater extent at committee.

With those comments, I'll take my place.

[Motion carried; Bill 25 read a second time]

head: **Government Bills and Orders**  
 head: **Third Reading**  
**Bill 22**  
**Appropriation Act, 1996**

MR. DAY: Mr. Speaker, on behalf of the Provincial Treasurer I'd move Bill 22 for third reading.

THE DEPUTY SPEAKER: Okay.

The hon. Member for Clover Bar-Fort Saskatchewan.

MRS. ABDURAHMAN: Thank you very much, Mr. Speaker. In speaking to Bill 22, there's no more important Bill than this Bill when dealing with your provincial estimates. In essence, the policy of the government in many instances evolves from the budget process. With regards to this budget, close to \$12 billion, yes, it's a balanced budget. I believe every Albertan would say that it's long overdue, having a balanced budget in the province of Alberta, but having made that statement, I believe that there are many Albertans like myself who question how that balanced budget has been achieved.

You know, when you're developing your budget, it is so important that it is scrutinized from the very lowest common

denominator. Something that has concerned me deeply and has been confirmed this past budget process in these estimates of supply is the lack of what I would say is the ability to get in-depth information from this government. When I look back to the budget process in municipal government and look at the dollar value in the municipality of Fort Saskatchewan and look at the length of time and the level of detail that we demanded from the staff of that municipality so as you knew you were getting value for your dollar, quite frankly, Mr. Speaker, with this process I do not know whether we're getting value for our dollar.

Some of the questions that I have asked have not been answered to this point in time. I heard the House leader stand up and commend himself and his government for this new process that was put in place. I would question that indeed it was an improved process. I found, quite frankly, dealing with estimates where we were having to have supper in the same room did not enhance the environment for what I call quality debate or questioning of the appropriate ministers.

4:50

You know, Mr. Speaker, the key to knowing whether you're getting value for your money is not from the political arm who is answering the questions. The key is when the politician steps aside and holds the civil servants accountable for the budget they have brought through the department. I don't see that happening yet in the province of Alberta. It certainly has not happened in the public accounts process. We're still having ministers, to the greater extent, answering the questions and in some instances civil servants answering when it was deemed appropriate by the minister. I would say that only when you get to the point in the province of Alberta where you fully hold the ministers and the civil servants accountable and you have the ability to question civil servants without the minister indeed being involved in that process will we truly know whether we're getting value for our dollar.

The estimate books don't give you the level of detail to know if the programs are indeed going to fulfill the policy of the government. In fact, Mr. Speaker, when I look at Health – and I've been asking this for a number of years now – surely common sense would tell us that you go out and you find the health status of your community. From the health status of your community you develop your programming. Then you identify the dollars that are required to do the job. Only then will you start to truly get value for your dollar.

We look at Education where there are moneys being expended on information systems, yet when we ask the question, "Is the infrastructure in place to accommodate the new technologies?" I still have not got a sense of how much money needs to be expended in our educational institutions to meet the new technologies so as we really do the job, as the Member for Edmonton-Centre asked through the questioning to the minister today, that is achievable. Through this budget process I still have no handle on where we are with regards to that.

I asked the question: are all information systems in the province of Alberta for the turn of the century computer-friendly? Indeed, are there areas where our systems will crash? Are they millennium-friendly? Now, if they're not millennium-friendly, whether it's Treasury Branches, whether it's educational systems or health or public works, we will lose information by the year 2000. [interjections] The government members may make light of it, but I want to know, Mr. Speaker, if we're not at that point in our information systems, what's the plan of this government and what's it going to cost taxpayers to ensure that we can meet



the year 2000? I haven't heard anyone over there answer that question. We need to know that. I don't want to see us going into an election without that being answered. I want this government to be up front and tell Albertans how much it's going to cost us to ensure that we're computer-friendly. [interjections]

Mr. Speaker, the shallow six on my right make light of a very serious issue. They can smile and laugh all they want, but the bottom line is that we need to know the answer to those very serious questions.

#### **Speaker's Ruling Decorum**

THE DEPUTY SPEAKER: Hon. members, I think speakers can sometimes rile others and others can rile the speakers. It becomes a vicious circle. I wonder if we could break that circle and just have the hon. Member for Clover Bar-Fort Saskatchewan lay out what she feels is important on Bill 22.

MRS. ABDURAHMAN: Well, Mr. Speaker, it can be very easily resolved. Why don't we just move them back to where they belong?

AN HON. MEMBER: Is that a joke?

MRS. ABDURAHMAN: No, it's not a joke.

Mr. Speaker, getting back to . . . [interjections]

THE DEPUTY SPEAKER: Okay.

Clover Bar-Fort Saskatchewan on the Bill.

#### **Debate Continued**

MRS. ABDURAHMAN: Mr. Speaker, there is nothing more important to Albertans than Bill 22, and the reason I say that is that this ensures whether the monetary dollars are there to implement this government's policies.

Now, the bottom line is: do you agree with the policies of this government? I have grave concerns on how this government's policies have evolved for health care, education, environment. I also look at the areas within the Municipal Affairs department where we've seen significant downloading, and I have to seriously . . .

MR. HAVELOCK: Point of order.

THE DEPUTY SPEAKER: Calgary-Shaw is rising on a point of order.

#### **Point of Order Gestures**

MR. HAVELOCK: Yes, point of order, Mr. Speaker. Did you happen to see the gesture that the Member for Edmonton-Centre just flashed my way?

THE DEPUTY SPEAKER: Hon. members, much as it may appear to the contrary, the Chair has some difficulty hearing all and seeing all. No, one didn't, and it's usually reported at the grade 7 level that these things occur.

We would ask the hon. Member for Clover Bar-Fort Saskatchewan – and hopefully she can do so in some quiet – to address Bill 22.

#### **Debate Continued**

MRS. ABDURAHMAN: Thank you, Mr. Speaker. My col-

leagues on this side of the House, the Official Opposition, take Bill 22 very seriously. The hon. members, if we can call them that, to my right choose to ignore the Speaker, and really there is no benefit to this government . . . [interjections]

#### **Speaker's Ruling Decorum**

THE DEPUTY SPEAKER: I wonder if the hon. members who are over here could either be quiet or leave.

I would also say to the hon. Member for Clover Bar-Fort Saskatchewan: please don't invite the retaliation that you get. If you'd address the Bill and not refer to them as questionably honourable gentlemen, you might not get some of the disapproval that you obviously receive. So if you'd stick to the principles of the Bill and its particulars, then maybe we can get some level of acceptance from this group, should there be such a word.

MRS. ABDURAHMAN: Well, Mr. Speaker, the Member for Clover Bar-Fort Saskatchewan certainly was very seriously addressing Bill 22 and at no time believed I was inviting the kinds of responses that I've been getting from these members.

#### **Debate Continued**

MRS. ABDURAHMAN: I will bring my comments with regards to Bill 22 to a close.

When you vote against a budget, this government suggests you're voting against education, health, the environment, and I could go on and on. Nothing could be further from the truth. It is the role of the Official Opposition to hold the government accountable. The manner in which these estimates have been developed, how they've been perused does not meet the level of scrutiny that is desirable. Also, Mr. Speaker, they are the dollars that are implementing policies that I believe are wrong, wrong, wrong when it comes to health care delivery and education and our seniors. Their priorities are wrong, Mr. Speaker.

#### **5:00**

I have grave reservations once again about the manner in which the House leader has implemented the changes to the estimate debates. I would question the \$90,000 that the House leader has put forward. I would ask: how much did the extra *Hansard* cost in the meeting rooms? I'd ask: how much did the extra security cost? How much did the extra staffing on *Hansard* cost? I would want the details to be tabled in this House. It's not sufficient to say that it was \$90,000. I want to see a detailed process of that. Also, Mr. Speaker, \$90,000 is really not a significant number when you look at a \$12 billion budget and you look at three-quarters of a million dollars being expended on furniture for the Auditor General's department. I think we've got to get our priorities right.

Thank you.

MR. DAY: Well, Mr. Speaker . . .

#### **Speaker's Ruling Concluding Debate**

THE DEPUTY SPEAKER: We do have a problem, hon. Government House Leader. Inasmuch as the fact that you moved it, you are now going to close debate?

MR. DAY: Correct.

THE DEPUTY SPEAKER: I have another member standing, and we do have a certainty at 5:15.

MR. DAY: Right.

THE DEPUTY SPEAKER: So I will have to take the other member, if you're going to close debate.

MR. DAY: Mr. Speaker, my understanding of the clear rules of the Assembly is that as we will be called at 5:15, which is less time than my 20-minute allotment, in fact I will be forced to be concluding the debate. That is the intention. However, obviously we don't want to create mayhem in the House with the Member for Edmonton-Centre not being able to speak, but I would suggest that in fact closing debate at this time is appropriate and within the rules and the guidelines. As a matter of fact, I see mixed signals. Did the Table want to consult with the Speaker for a second or two?

THE DEPUTY SPEAKER: If you could hold for a moment, Edmonton-Centre. The tradition of the House is that when there is an agreed closure, which is what we have – the Bill will be called at 5:15 – you don't, then, have the same right to close debate unless no member is standing. In this case there clearly is a member standing, so we would have to call on the hon. Member for Edmonton-Centre. Then if, recognizing that, he wishes to allow the hon. Government House Leader to close debate, he would hopefully do so before a quarter after 5, at which time the Chair is compelled to interrupt all hon. members to put the question.

Edmonton-Centre.

MR. HENRY: Thank you. To quote the hon. Government House Leader, I would have expected that by now he would know the rules of the Legislature, but I won't get into that.

#### Debate Continued

MR. HENRY: I do want to just point briefly, if I may, to the comments that have been made by other members regarding the truncated process of the budget, and I just want to leave it at that point. I do want to note that I agree with the comments made by the hon. Member for Clover Bar-Fort Saskatchewan.

Speaking to the Bill, one of the difficulties that's placed in front of us right now is that we're being asked to approve government expenditures for a year. As members of the opposition and as duly elected MLAs we have a responsibility to enter into debate at the Committee of Supply stage and the subcommittees and ask questions and get information, which allows us to make a determination whether these are good expenditures and appropriate expenditures for our constituents or not.

One of the limitations placed on us right now is that, specifically in the Department of Education, we had two two-hour sessions where we were permitted to ask questions of the minister. Several questions were asked that required more detailed responses than the minister was able to provide at that point. The minister undertook several times to provide more information. Now, it's been a couple of weeks since we've had those subcommittees, and I've yet to receive any of the detailed answers from the minister.

So what the government is asking by introducing this particular stage of the Bill, recognizing that the rules say that we have closure on the Bill today – the government is, then, asking members of the opposition, who have not had the opportunity of

sitting in on the government standing policy committees and asking questions, to make a judgment with regard to the budget on behalf of our constituents, who elected us here to do so, with the situation being that we've asked questions and not received answers to those questions even though we've had undertakings that those answers would be provided. I think any hon. member would agree that that's an unreasonable position to put members in, regardless of what side or what party they may be in.

Mr. Speaker, when we get down to . . .

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

THE DEPUTY SPEAKER: The hon. Government House Leader is rising on a point of order. Would you cite a reference?

#### Point of Order Allegations against Members

MR. DAY: Yes. Standing Order 23(h), talking about making allegations. The Member for Edmonton-Centre is suggesting that members have been put in an unreasonable situation by the government. If that is the case, it's on the same grounds and process that is used across this country and, in fact, around the world in terms of discussions of budgetary estimates in parliamentary democracies.

Further on the point of order, the numbers do clearly show that the savings are in the order of \$90,000, that it is factoring in the extra *Hansard* costs and security costs.

When the member says that members are put in an unreasonable position, he needs to carefully look at the attendance records of his own members in the subcommittees. The critic for Justice, the Member for Calgary-Buffalo, didn't even show up for the reporting of the Justice estimates. Many times only five or six Liberals were in attendance.

There's been no unreasonable positioning here.

THE DEPUTY SPEAKER: Thank you.

The hon. Member for Edmonton-Centre, on the point of order.

MR. HENRY: On the point of order, yes.

THE DEPUTY SPEAKER: Yes.

MR. HENRY: The hon. Government House Leader is blowing out his horn. He's trying to enter into debate here. There is clearly no point of order, and he's missed the point completely. I said specifically that I didn't want to enter into the debate regarding the number of hours and the number of dollars, et cetera. Very specifically, the point I made was that I did sit in committee, I did ask questions, and there were undertakings that I would receive more detailed answers. I have no doubt that those answers will come. I have not received them to this date, but I do have to vote on whether we should have those expenditures.

I don't think there's any point of order. I didn't make any allegations. I simply made statements of facts.

THE DEPUTY SPEAKER: The Chair does not find that there's a point of order.

In the brief moments that are available to you, we'd invite Edmonton-Centre to continue his deliberations on Bill 22.

#### Debate Continued

MR. HENRY: Thank you very much, Mr. Speaker. Hopefully

we don't waste more time and more money on frivolous points of order that aren't points of order.

What I do want to point out is the difference between what the government has proposed as a budget in expenditures and what the opposition would like to see, what the opposition will do when this party forms the government. Mr. Speaker, what we're talking about here is priorities. We have an advantage in this Legislature that every member of this Legislature, regardless of what party they ran for, agreed with a balanced budget.

**5:10**

THE DEPUTY SPEAKER: The hon. Member for Cypress-Medicine Hat is rising on a point of order. Give us the citation, please.

**Point of Order  
Questioning a Member**

DR. TAYLOR: I was wondering if the member would entertain a question. It would be very entertaining if he would.

THE DEPUTY SPEAKER: We don't need a description of the question, just yes or no.

MR. HENRY: If there's time left over at the end, I'd be more than happy to, or if the hon. Government House Leader would like to ask for unanimous consent to waive Standing Orders so we can continue debate, I'd be happy to do that as well.

**Debate Continued**

MR. HENRY: Mr. Speaker, what we're talking about here is a matter of priorities and a matter of where it is we should be spending money and where it is we should be saving money. Every member in this Legislature ran on a platform in the last election to balance the budget and said that we can't continue to spend money that we don't have. Yet we still see this government spending money on things that we shouldn't be spending money on and not spending money on things that we should be spending money on.

I invite every member to do tours of schools in this province and to talk to parents of special-needs children. Mr. Speaker, last week I was actually in the constituency of Edmonton-Beverly-Belmont, in the Fraser area, knocking on doors. One father said to me that because of the cutbacks in education – and this fellow is an electrician employed at a major company in this town. One of his children, his youngest, has some special needs, a learning disability, and he was able to provide \$2,000 out of his own pocket. He was worried about where those people who don't work full-time, who don't work all the time would get the money for special-needs consideration for their children.

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

THE DEPUTY SPEAKER: I'm not certain that repeated points of order which are not founded are a form of harassment or whether they're parliamentary. So let us hope that it's a firm point of order.

**Point of Order  
Relevance**

MR. HLADY: It is a firm point of order, Mr. Speaker. It's *Beauchesne* 459, relevance. This speaker is speaking in regards to going out and knocking on doors and speaking to a father of

some people that live in his constituency. That has nothing to do with this particular debate. We will probably be knocking on doors again within the next year and a half or so, but he shouldn't be speaking to that at this time, because it's not relevant to the debate on this particular thing that we're talking about at this time.

MR. HENRY: On the point of order, Mr. Speaker, I'm really glad the member raised the point of order, because that's exactly the point. If this government were on the streets listening to people, knowing exactly what was happening because of this government's moves in terms of the budget and the expenditures and the appropriations, then it would know what is happening to children in our province. They would know what's happening to special-needs children. They would know that this government is creating a two-tiered system in our province whereby the children of those who have the cash to be able to buy the extra services will get those services.

On the point of order, this government sits there, and I bet if you asked any hon. member across there if they know that if you had a child who had a speech impediment or needed speech therapy and you lived in St. Albert, in the public school system this year because of this government's poor planning you would have absolutely no services in terms of therapy for that child for the first half of this year . . .

MR. DAY: Not true.

MR. HENRY: The hon. Government House Leader says that that's not true. I tell him to go to St. Albert and ask the parents. It is true. Because of the poor planning of this government in restructuring our health care system, that's what's happening to children in our province.

Do the members across know that when I go door-knocking in my constituency, I find special-needs children who need to be assessed and they're having to wait six to 10 months to even get assessed?

THE DEPUTY SPEAKER: The Chair would find there's no point of order. You may continue.

**Debate Continued**

MR. HENRY: Thank you very much, Mr. Speaker. Again, the hon. Member for Calgary-Mountain View has pointed out the exact difference between the governing party and the opposition in this province. The opposition believes that if you're going to sit in this Assembly and make decisions about priorities in government expenditures that affect people, you need to find out what those effects are and not just hide behind your desks and pretend that it isn't really happening. It is happening out there, and there are people falling through the cracks more and more and more every single day.

Again, not just special-needs children in our school system, but if you go to our health care system, the government can throw a few million dollars at a problem and say, "Oh, we'll reduce the waiting list," but, Mr. Speaker, it isn't working. These folks know it, and when they look in the mirror, they're going to have to answer for it.

Thank you.

THE DEPUTY SPEAKER: I'm sorry to interrupt yet again the hon. Member for Edmonton-Centre, but in accordance with

Standing Order 61(5) the Chair's required to put the question to the House on the appropriation Bill on the Order Paper for third reading.

[Motion carried; Bill 22 read a third time]

[At 5:16 p.m. the Assembly adjourned to Monday at 1:30 p.m.]