

Legislative Assembly of Alberta

Title: Tuesday, April 16, 1996 1:30 p.m.
Date: 96/04/16

[The Speaker in the Chair]

head: **Prayers**

THE SPEAKER: Let us pray.

Dear God, author of all wisdom, knowledge, and understanding, we ask Thy guidance in order that truth and justice may prevail in all our judgments.

Amen.

Please be seated.

head: **Presenting Petitions**

THE SPEAKER: The hon. Member for Olds-Didsbury.

MR. BRASSARD: Thank you, Mr. Speaker. I'm pleased to present a petition of 3,112 names in support of Bill 209.

head: **Notices of Motions**

MRS. BLACK: Mr. Speaker, pursuant to Standing Order 34(2)(a) I'm giving notice that tomorrow I will move that written questions appearing on the Order Paper stand and retain their places.

I will also give notice that I will move that motions for returns stand and retain their places with the exception of motions for returns 182, 184, 185, and 186.

head: **Tabling Returns and Reports**

THE SPEAKER: The hon. Member for Dunvegan.

MR. CLEGG: Thank you, Mr. Speaker. I would like to table six copies of a memo congratulating Gary Ewing, who is principal of Ste. Marie school in Spirit River, who ran in the Boston marathon. His time wasn't good, three hours and 48 minutes, but he stopped and entertained people along the road.

head: **Introduction of Guests**

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

MR. HERARD: Well, thank you very much, Mr. Speaker. It's indeed a pleasure to introduce through you to members of this Assembly a distinguished Albertan seated in your gallery. Dr. David Carter was first elected to this Legislature as a member for Calgary Millican in 1979. He was re-elected in 1982, '86, and '89 in my constituency of Calgary-Egmont. Dr. Carter was elected Speaker of the House in 1986 and again in 1989.

Dr. Carter and his wife, Jean, enjoy the challenges of country living in the constituency represented by the hon. Member for Cypress-Medicine Hat, where Dr. Carter has realized his dream of restoring the historic 86-year-old St. Margaret's Church of Eagle Butte. He is now doing research on western Canadian history and also now represents a higher authority as a traveling clergyman in southeast Alberta.

I would ask that Dr. Carter stand and receive the warmest welcome of the Assembly.

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

MR. ZWOZDESKY: Thank you, Mr. Speaker. I rise to intro-

duce to you and through you a number of guests who are seated in the public gallery who have come here today to observe the political process, all of whom are tremendous supporters of the heritage language programs throughout our province. They are Julian and Rosemarie Nahnybida, Fiona Pelech, Wataru Ito, Diane Sorochan, Parminder Phul, Stan Kobylko, Alexandra Hohol, little Alexandra Maluzynsky, Zita Enero, James Sit, George Lam, Lillian Zubritsky-Miller, and Sab Roncucci. Mr. Roncucci, Mrs. Pelech, Mrs. Enero, and Mrs. Phul are all board members with the Northern Alberta Heritage Language Association. This group represents Filipino, Punjabi, Ukrainian, Italian, Chinese, and Japanese heritage language programs in our province. I welcome them to our process, and I welcome them to this House. I'd ask them all to rise so we can give you a warm welcome.

THE SPEAKER: The hon. Member for Vegreville-Viking.

MR. STELMACH: Well, thank you, Mr. Speaker. I wish to introduce to you and to Members of the Legislative Assembly 56 visitors seated in the public gallery from the Lamont elementary school located in the town of Lamont, which is the gateway to Elk Island park. Accompanying the students today are teachers Mrs. Evelyn Gaudet, Mr. Clarence Kitura, who's also the vice-principal at the elementary school, and parents Mr. John Vogrinetz, Mr. and Mrs. Randy Steblyk, Mrs. Brenda Melnyk, Mrs. Chris Luchka, Mrs. Maryann Borys, and of course our ever faithful bus driver Mrs. Gloria Danyluk. I'd request the Assembly to provide the traditional warm welcome for the students.

THE SPEAKER: The hon. Minister of Justice and Attorney General.

MR. EVANS: Thank you very much, Mr. Speaker. It's a pleasure to introduce to you and through you to members of the Assembly 23 very active, vibrant, and interested students from the Minerva Senior Studies Institute at Grant MacEwan College here in Edmonton. They are accompanied by their instructor Doug Heckbert. They are taking a series of courses on criminal justice, and I had an opportunity to spend about half an hour with them this afternoon. They're quite interested in our process here in the Legislative Assembly. They're seated, I believe, all in the members' gallery. I would ask that they now please rise and receive the warm welcome of the Assembly.

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

MR. WICKMAN: Thank you, Mr. Speaker. It's my pleasure to introduce to you and through you to Members of the Legislative Assembly 48 fine young visitors from the great school of St. Teresa in the riding of Edmonton-Rutherford. These 48 young students are accompanied today by two teachers, Sister Susan Scott and Mr. Charles Stuart, and also one parent, Mrs. Terry Schaefer. They're located in the members' gallery. If they would stand, please, and receive the warm welcome of this House.

head: **Oral Question Period**

THE SPEAKER: The hon. Leader of the Opposition.

Health Care Funding

MR. MITCHELL: Thanks, Mr. Speaker. Yesterday in response to my question regarding the shortfall in funding from the Capital regional health authority, the Premier stated, and I'd like to quote: if there is a legitimate need and it can be demonstrated that the

money is going to be spent properly, I guess we can make allowances. To the Premier: now that he's opened the door to review the funding for regional health authorities, will the Premier address funding problems across this province such as those in WestView, which has been asking for \$41 million, or is he just making up policy on the fly with no intention of really following through?

MR. KLEIN: No, Mr. Speaker, we're not making policy on the fly with no intention of following through. The budgets and the business plans of the 17 regional health authorities are reviewed and evaluated on an individual basis. Not all health authorities are experiencing problems. As a matter of fact, some are in very good shape.

The Capital regional health authority is a situation that is very unique in that we have the acute treatment centre being here in the city of Edmonton for virtually all of northern Alberta. Basically, we'll be reviewing the situation relative to the Capital regional health authority this afternoon at Treasury Board to see if we can get a handle on the problem and to work with the RHA to make sure that health care is not undermined or jeopardized but that we deliver health care services in this region at an affordable cost and in an efficient and effective manner.

1:40

MR. MITCHELL: How is it, Mr. Speaker, that we are two weeks into the fiscal year and the regional health authorities across this province still don't know what their funding allocations from the provincial government are going to be?

MR. KLEIN: Mr. Speaker, that is all part of the overall assessment of the business plans and the allocation of funds in an equitable and proper manner. Relative to the regional health authority I'm advised that overall the base budget for the RHA is up, patient satisfaction is up, according to the RHA's most recent quarterly report, and waiting lists for key surgical programs are coming down.

MR. MITCHELL: Now that the Premier has opened up the question of regional health authorities' funding wide open, will he move quickly to allocate proper funding now to regional health authorities, or is he going to wait to top up the funds just before the next election?

MR. KLEIN: No, Mr. Speaker. We consider this to be far more important than partisan political issues. The Liberals may look at it that way, and the Liberals have been using health care as a political football. There's absolutely no doubt about it. They have been out and about throughout the province creating the perception that there's a crisis. Well, everywhere they go there is a crisis, because they in fact are the crisis.

MR. MITCHELL: Mr. Speaker, last year this government spent \$3.4 million on a state-of-the-art public eye clinic at the Royal Alexandra hospital. The results were shorter waiting periods, efficient surgical services, and the lowest costs in the province for cataract procedures. Now this same cost-effective clinic is being forced to reduce the number of operations by 1,000 per year, thereby increasing waiting lists five times. Meanwhile, the private clinics, which cost taxpayers twice as much, are waiting in the wings. To the Premier: why would the government put \$3.4 million into a public eye facility only to cripple it one month after it opens?

MR. KLEIN: Mr. Speaker, we're not crippling anything. Again this is a decision that has been reported, apparently, by the regional health authority, and it's one of the situations we'll be looking at. Relative to the Capital regional health authority and generally, access to cataract surgery in the public system is getting better. I'm advised that from 1990 to 1995 total cataract surgeries in Alberta rose from 11,000 to 15,000, and the proportion now done in hospitals rose from 70 percent to 80 percent. The current wait in Edmonton for cataract surgery is five weeks, and the time has been getting less and less ever since 1990.

MR. MITCHELL: This is all going to change, Mr. Speaker, with the latest round of cuts. Why should Albertans have to pay \$1,000, \$1,200 out of pocket in the private system for needed eye surgery when the most cost-effective facility could be waiting with its doors wide open?

MR. KLEIN: Mr. Speaker, the facility is, to my knowledge, still operating. Again, it's one of the things that we'll be looking at as we look over the Capital regional health authority's budget this afternoon.

MR. MITCHELL: What is the next medical procedure that this government is going to gut so as to intentionally create greater demand, increased demand for more privatized health care in this province?

MR. KLEIN: Mr. Speaker, we're not about to gut anything.

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

Petro-Trade

MR. BRUSEKER: Thank you, Mr. Speaker. Petro-Trade is an association of member companies involved in the oil patch in Alberta. It has two primary functions. One is to provide market information to those members and also to market internationally those companies. Earlier this year the Minister of Economic Development and Tourism announced that his department was going to provide a grant of \$100,000 per year for three years to help Petro-Trade fund their activities. My question is to the Minister of Economic Development and Tourism. Given the recent buoyancy in this economy in international petroleum markets, could the minister explain why he chose to give the oil industry \$300,000 in taxpayer money?

MR. SMITH: Mr. Speaker, it's always a wonderful opportunity to rise and talk about the Alberta advantage and export marketing opportunities. In fact, as usual the information is wrong. It is a \$100,000 contract that builds partnerships, that explores increased ability for us to trade in world markets. It's clearly outlined in the three-year business plan, which is a document that most people interested in economic development read. It clearly puts out the fact that we are in the middle of trimming our plant capacity at the department and increasing the ability for us to market in world markets with the expertise of the world's best petroleum technology through a co-operative marketing agency, through a group of associated oil field members that can market this to the world. It's a good deal.

MR. BRUSEKER: Well, Mr. Speaker, if the information is wrong, it came from his news release.

My supplementary question to the same minister: why does the

government need to buy the services of Petro-Trade when the marketing arm of government has provided the service successfully by themselves over the last few years? Why spend more money?

MR. SMITH: Mr. Speaker, the department's business plan has moved from a rightsizing of some 600 full-time equivalents to just in the neighbourhood of 300. We have said clearly in the business plan that we will advocate partnerships and we will put the power of marketing and the ability for us to grow in international markets in the hands of those who can be the most effective doing that. In fact, that was the model of the Alberta Tourism Partnership. That has worked very effectively.

This model of \$100,000 per year, Mr. Speaker, demands leverage from the private sector and encourages and in fact will facilitate the department and the private sector working together to represent something that is greater than the sum of the parts, and that's effective marketing of world best petroleum technology in international marketplaces.

MR. BRUSEKER: My final supplemental to the same minister. I'd like to ask why the minister did not listen to the advice of his deputy minister when he wrote in a memo dated October 23, 1995:

Murray: I still don't see why these associations require Government Funding. All we do is build in a dependency on Public Funds.

Why didn't you listen to your deputy minister?

THE SPEAKER: The hon. minister.

MR. SMITH: Thank you, Mr. Speaker. Each day I ask myself: how low can they go? And each day it becomes lower and lower.

In fact, there is a press release announcing the retirement of the deputy minister. That press release talks about the tremendous contribution that this individual has made to the development of Alberta and economic development policy in Alberta and the ability for him to work in a free management association and to share those opinions. The fact that those scribbles, which I have not seen, are in fact put through is just another example of how antibusiness this opposition really is.

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

1:50 **Gambling Age Restrictions**

DR. TAYLOR: Thank you, Mr. Speaker. My questions are all to the Minister of Transportation and Utilities, responsible for lotteries. It appears on the basis of research that one core motivation for adult gambling is early gambling experience. As the number of problem gamblers grows, I believe we must make every effort to limit gambling in underage youth. In my community children as young as five years of age are allowed to play bingo. In fact, a seven year old recently won a jackpot at a local bingo hall. My first question to the minister is: what is the Alberta Gaming and Liquor Commission age limit on VLTs, lotteries, and other forms of gambling?

DR. WEST: Mr. Speaker, there's one thing about this member's questions: they always come straight at you. But I appreciate the sensitivity of this.

To answer the question directly, there are minimum ages set for certain types of gambling in the province of Alberta but not bingo.

Bingo is left to the discretion of the bingo associations to set that limit. I suppose if you follow the history of bingo – and many of us are old enough to know and go back to when it was started in our own homes. We used to play bingo among ourselves, and then it got to our churches, and some of the churches used to carry on bingos to fund certain programs. The history of bingo would indicate that there was a different attitude taken to it by society as far as its social order in gambling.

We have set limits on ages in gambling. For casinos it's 18. For the Western Canada Lottery tickets it's 18 by policy, although it's not under the Criminal Code. Therefore, it's something we tell the operators, that they're not to sell tickets to anybody under 18, but of course there are certain parental responsibilities there too. For VLTs it's 18 because of course you can't go into a bar – and that's where these are – unless you're 18. They're restricted to 18 year olds or older. Horse racing is 16, and that's based on the Criminal Code. In British Columbia, if you want a comparison, the lottery tickets are based at 16 years of age.

So I hope that answers the first part of your questions, but I know that you're going to ask a few more about bingo, so I'll wait.

DR. TAYLOR: Well, not being as old as the minister, I can't remember the history, but in light of what is happening in bingo halls with the young children playing, will the minister look at establishing some form of age limit, 16 or 18, for the bingo halls in Alberta?

DR. WEST: I believe 18 is the upper limit for this. I don't think I would consider that, but let's look at the history. We sent out a questionnaire to all the bingo associations and stakeholders not long ago, and we got some varied responses. The questionnaire was headed up: minimum age of bingo workers and volunteers. We've got quite a varied response from everybody. I'll read a couple so that you get an understanding of the ramifications of what you're asking.

Concerns in our area re certain players: if player's age is set too high, children are left alone or on streets, as day care will not take them. We have a lot of people that play bingo, and a lot of them are single mothers making less than \$15,000 a year. Of course, they go and play in these halls. The last survey on gambling addiction identified this. They have young children, and the concern by the bingo associations is: what do they do with their young children while they're playing bingo?

The general gist of all these was that the associations said that they should be allowed to set it. We talked to about 33 of them, and 20 out of the 33 said that they would set the age.

There is another avenue to this also. The municipalities, through the new Municipal Government Act, could pass a bylaw specifying for their municipality what age limits they wanted.

Now, it's ironic to note that in Medicine Hat, in the member's constituency, the community bingo association has five and up in the afternoons and 10 and up in the evenings. At the Cypress bingo association it's eight and up in the afternoons and 14 and up in the evenings.

When I look at Edmonton, it's 16. Their association has set it at 16. Calgary has set it at 14. My own family . . . [interjections]

THE SPEAKER: Order. [interjections] Order, please. The Chair understands that the hon. member doesn't have another supplemental, but perhaps this could be carried on in another time slot in the Assembly.

The hon. Member for Edmonton-Avonmore.

Language Education

MR. ZWOZDESKY: Thank you, Mr. Speaker. Competitive advantage is directly linked to linguistic advantage. In Alberta heritage language programs provide opportunities for learning second and third languages, which help Albertans to compete in an ever increasing global economy. Alberta's multicultural reality has also helped attract foreign investment and has helped attract major international events to our province. It's a very positive reality that will help this province and specifically the city of Calgary to become the host for the 2005 world's fair, because we are an international community. Yet in spite of this the Alberta government has just announced cancellation of its support for the international heritage languages programs. My questions are to the hon. Premier. Mr. Premier, why has your government just cut its total funding to the international heritage languages programs in Alberta?

MR. KLEIN: Mr. Speaker, this is a matter of identifying priorities. I mean, one of the reasons we got into the situation – and I'm being brutally honest – is that we were all things to all people. Every time someone asked for funding, they got funding, and that's what the Liberals want it to be. That's what the Liberals want it to be. You know, they're talking about maintaining an eliminated deficit, they're talking about creating surpluses, yet they're talking about spending about \$1.5 billion a year more than this government is spending today.

Mr. Speaker, it's all about identifying priorities. This is not an abandonment of this program. It's finding a new and better and more effective and more efficient way of delivering the services involving the association itself. It was recommended by the Minister of Community Development to work with his colleagues in Education and advanced education to find another home for language education. I would challenge this member and the members of the association to work with the ministers to find better and more effective and more efficient ways of doing things rather than just saying: we want a government handout.

MR. ZWOZDESKY: Mr. Speaker, it's a 100 percent cancellation of something that has proven itself over time to be effective.

THE SPEAKER: Question.

MR. ZWOZDESKY: I wonder, Mr. Premier: how does this cancellation assist young Albertans in gaining the competitive linguistic and cultural advantages that are so necessary and so required in today's ever increasingly competitive global economy? How is it going to help them?

MR. KLEIN: Mr. Speaker, there is no doubt that having a second language is of great benefit. I would venture to say that probably two-thirds of your caucus enjoy the benefits of a second language. When I look at the tremendous cultural mosaic of this caucus here, I'm sure that two-thirds of this caucus also enjoy the benefits of a second language. There is no doubt it is a very, very valuable addition. [interjections]

THE SPEAKER: Please, hon. members, give the Premier a chance to answer the question.

MR. KLEIN: Mr. Speaker, I reiterate: I challenge the Alberta languages alliance to work with the Minister of Community Development, to work with the Minister of Education, and to

work with the minister of advanced education to find more effective and more efficient ways of delivering the service.

2:00

MR. ZWOZDESKY: Mr. Speaker, I would have thought it would have been better for the . . .

THE SPEAKER: Final supplemental.

MR. ZWOZDESKY: In spite of that, Mr. Speaker, I want to table four copies of a letter from the Minister of Community Development signed by him and the chairman of the Alberta Multiculturalism Commission . . .

THE SPEAKER: It should be done at tabling time, hon. member.

MR. ZWOZDESKY: . . . which abolishes the Multiculturalism Commission and cancels funding by 50 percent and totally annihilates this program.

THE SPEAKER: Question, hon. member.

MR. ZWOZDESKY: My question, then, is to the Premier again. When will you instruct your government to stop this ideological and undeserved assault on culture and multiculturalism in this province? That's all it is.

MR. KLEIN: Mr. Speaker, how shameful. All this member needs to do is look across at this wonderful caucus and the cultural mosaic that is right here.

Mr. Speaker, the role of the Multiculturalism Commission is really to identify the priorities and to address the bigger issues. The bigger issues are the issues of discrimination and ensuring that all Albertans have an equal chance to contribute and participate in the life of the province and to contribute in a positive way to the beauty and the vibrancy of this province without having to face intolerance and racism. That's the role of the Multiculturalism Commission.

MR. JONSON: Mr. Speaker, if I could just supplement briefly, I think the hon. member across the way has put this matter completely out of context. Yes, there was a heritage language program, but across this province, through ECS to grade 12 education, languages are expanding. They are being offered even in a time of financial restraint, and the school boards across this province and the administration of their schools are looking very carefully at the needs of students in the future. We have expansion in programs for Chinese, for Spanish, for Japanese, and there's great respect across the education system for the languages that the students of this province need in the future. I think that should be emphasized.

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

Utility Tax Rebate

MR. DUNFORD: Thank you, Mr. Speaker. My questions today are to the Minister of Energy, and they deal with the recent repealing of the Public Utilities Income Tax Transfer Act. Many, especially seniors, are coming into my office. They're showing me their electrical utility bills. I get stopped on the street; again they show me the utility bills. Then as recently as last Saturday at a meeting I was attending there was an allegation made that it

was actually our provincial government that had opened the door for this repealing to happen. So my question to the Minister of Energy is: will you please respond to the allegation that it was our provincial government who in fact opened the door leading to the repealing of the Public Utilities Income Tax Transfer Act?

MRS. BLACK: Mr. Speaker, I've answered this question a number of times, but let me make it very clear that the federal government has often tried to justify their actions for providing discriminatory actions within the Income Tax Act between privately owned utility companies and Crown corporations by saying that Alberta did something wrong. Well, under the formula in Alberta through the EEMA process, the costs in fact were pooled so that there would be balance from north to south, east to west within the province. Furthermore, Alberta was the one province that when the federal tax rebate came through to the province, it was actually passed on to the consumers, unlike other provinces that just pocketed the money. So I think it's a very bad allegation to indicate that that is the case. The problem you have is clearly that the federal government is using the federal tax system to provide discrimination within the system between Crown corporations and privately owned investor utility companies.

MR. DUNFORD: Mr. Speaker, then coming out of that, to deal with the particular rebate, it was my understanding that this rebate wouldn't end until the end of June of this particular year. Seniors want me to ask: why are we seeing the increase on the utility bills now?

MRS. BLACK: Mr. Speaker, we were just as surprised as everyone else that the increase was going to occur immediately. We had anticipated that there may be some increase in July of this year. However, we have to go back. I believe in 1990 the federal government put a cap on the PUITTA dollars to be transferred back to those jurisdictions with privately owned utility companies operating within their provincial jurisdictions. In 1993 and '94 the province of Ontario through their gas utilities did not estimate their rebate accurately, underestimated their rebate. As a result, the transfer was made across the other provinces, and now it is being clawed back. We have asked the federal government not to retroactively go and claw back that 1993 and '94 rebate but in fact to accept that Ontario did not estimate their rebate accurately. The rest of the country should not be penalized as a result of that. We are in discussions with the federal government right now, but this is an added burden by the federal government to an already large burden on Albertans that we feel is highly unfair.

MR. DUNFORD: Mr. Speaker, to the same minister: just how much money have those Liberals in Ottawa, by repealing this Act, cost us Albertans? How much? [interjections]

THE SPEAKER: Order. [interjections] Order. Hon. members, you're using up valuable question period time.

MRS. BLACK: Well, Mr. Speaker, the Liberals in Alberta have cost Alberta millions and millions of dollars, billions of dollars over the years. This is just another hit.

Clearly the issue is twofold, Mr. Speaker. If the hon. members across the way would talk to their colleagues in Ottawa and say, "You should not provide discrimination within the tax system,"

maybe we could resolve this issue quickly. Either you go back and do a constitutional change and tax Crown corporations or you put this back in so you have a level playing field, because today the cost to Albertans is over \$150 million a year, which is a direct hit to every household in this province. Those guys better send the message down to Ottawa right now.

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

Maintenance Enforcement

MRS. SOETAERT: Thank you, Mr. Speaker. The maintenance enforcement department is in chaos. The minister has on his desk a report that he refuses to share with the public and act upon. This report shows that the department's style is management by intimidation. Files are registered and closed so that stats looks good, and there are reports of sexual harassment. Yet the minister does nothing. Bottom line: staff are treated poorly and custodial parents and their children are getting poor service because the minister refuses to clean up the mess. My first question to the Minister of Justice: when will the minister quit hiding from reality and take action on the recommendations of the report done by KPMG?

MR. EVANS: Mr. Speaker, I should point out for everyone here in the House that we in the Department of Justice asked for KPMG to do a review of the maintenance enforcement program not because it is in chaos, as the member opposite has stated, but because we want to improve an already very good program. We have the most successful maintenance enforcement program in Canada. We are the example for every other jurisdiction in this country.

We deal with very highly charged emotions in the maintenance enforcement program. I have great respect for those who work within that part of our department. I have met with their union representatives and talked about some of the concerns that they have about the stresses in the workplace. Those are some of the things that are addressed in the KPMG report. We're looking through the recommendations of that report at present, and we're going to improve that already very good program.

THE SPEAKER: Supplemental question.

MRS. SOETAERT: Thank you, Mr. Speaker. My supplemental: why does the minister allow management to fudge files so collection stats look good rather than doing your job?

2:10

MR. EVANS: Mr. Speaker, once again, without going into great detail as to specifics, I'll state uncategorically: we have the most productive and successful program for obtaining maintenance enforcement awards anywhere in Canada.

When the hon. member opposite talks about fudging, I presume what she's talking about is that we give statistics out on a regular basis as to the productivity of the phone calls that are made and the follow-up that is made to try to collect funds under that program. Now, we use as part of that statistical information any success that we obtain. If there are arrears and those aren't all paid up but there are payments being made, we consider that a success, Mr. Speaker. We consider it a success because that is getting money that is pursuant to a court order of the province of Alberta. We see that that is money coming into the hands of

those who are disadvantaged, primarily the children of marriages that have fallen apart.

That is a positive statistic, and that is not fudging. That is correctly interpreting the success rate for those files that we deal with on a regular basis.

THE SPEAKER: Supplemental.

MRS. SOETAERT: Thank you, Mr. Speaker. Is it the minister's plan to privatize this department? Is that what this is all about? Is that your ultimate plan?

MR. EVANS: Mr. Speaker, virtually every part of the Department of Justice has to be reviewed in terms of whether it can be more effective and more efficient and deliver service better to the people of the province of Alberta. Part of that kind of a review, which is an ongoing review which I promote as minister of this department, is to consider whether a privatization model would be a better way of delivering service so that we could have less administration and get more money into the hands of those who are the recipients of the awards of our courts.

Now, that does not mean that we are moving into a privatization model. We did this review to determine how we could improve the system so that the kids of this province who should be taken care of while they are dependent are going to be taken care of well and so that the quality of life for all Albertans will be improved.

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

Career and Technology Studies Program

MR. HERARD: Thank you, Mr. Speaker. On March 21 this year teachers, school board administrators, and instructors from the High Prairie area met to discuss the implementation of the new career and technology studies program being phased into junior high school and high school. I understand that this program is geared towards students who go directly into the workforce and provides career alternatives. Can the Minister of Education inform the Assembly about the details of the implementation of this particular program in this area and what its objectives are?

MR. JONSON: Mr. Speaker, the career and technology studies program is the major curriculum change that we have being implemented right now through Alberta Education. Certainly I can understand that in the High Prairie area of this province, where there is a great deal of economic development going on and there is a need for employees – there's a job market there – that area would be particularly interested in career and technology studies.

Mr. Speaker, its objective is to develop job-entry skills. Its objective is to develop a better understanding on the part of students with respect to what is required, what is expected, what's involved in particularly the trades and technologies of this province. Overall it's part of a broad initiative that we have in Alberta Education where we are trying to raise the status and emphasize the importance of the opportunities that are out there in the technologies and in the trades given the economic climate in the province and the need to link our students up with good careers.

THE SPEAKER: Supplemental question.

MR. HERARD: Thank you, Mr. Speaker. My first supplemental will be to the minister of advanced education. What role does the Alberta Vocational College have in implementing this new program in this area?

MR. ADY: Mr. Speaker, inasmuch as the Alberta vocational colleges are accredited high schools, the AVC that he makes mention of did attend the meetings in that area to gain information about the delivery of the CTS modules. The results of the survey of local high school students showed a strong interest in forestry and management and marketing and wildlife studies. These are areas in which local high schools have limited expertise but the AVCs have considerable expertise, so there was an agreement made where they would work together to deliver those programs. Certain modules of them would be delivered by the AVCs, and the high schools would deliver those that they had the expertise in. This can done without any additional cost to the students; that is, the portion that the AVCs deliver. So it seems to be working quite well as the two institutions co-ordinate their efforts.

THE SPEAKER: Final supplemental.

MR. HERARD: Thank you, Mr. Speaker. To the Minister of Education: can the minister advise the Assembly what the costs of this program are and what future benefits may be realized through this program?

MR. JONSON: In terms of the development of the career and technology modules within the budget of Alberta Education we have invested about \$3 million over a period of years to develop that program, and we're nearing the completion of various parts of the career and technology studies program. I don't, Mr. Speaker, have an estimate of the end cost in terms of implementation across the school jurisdictions of this province. This is something that school boards will be looking at in terms of their ability to implement this curriculum.

There is one extremely important part of the overall program, and that is that it is certainly a program which is dependent upon and where we're getting a great deal of co-operation from business and industry across this province in terms of providing the extension of career and technology studies into the workplace. There we're getting a great deal of support, which you could translate into financial terms. I think it's a type of partnership arrangement which we have to look at more extensively in this province.

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

Charitable Fund-raising

MRS. ABDURAHMAN: Thank you, Mr. Speaker. The Charitable Fund-Raising Act, passed a year ago, is causing mass industry confusion. Over 1,700 charitable groups remain unregistered, and this government has chosen to refuse to implement stricter enforcement measures. My question is to the Minister of Municipal Affairs. What are you doing to protect consumers against abuse when we know that there are 1,700 charities remaining unregistered in the province of Alberta?

MR. THURBER: Mr. Speaker, first of all, the hon. member exaggerates considerably. There is not mass confusion out there or any other kind of emergency situation.

There is a group of stakeholders that we put together some time ago to monitor the activities of the contributions Act and to make sure that in fact it's working the way we want it to and the way it should work. As that monitoring continues, if there are changes needed, well, certainly we'll look at them, and if she has some changes that she wants to see implemented, I would think that she should bring those forward, and we'll have a look at those along with the rest.

MRS. ABDURAHMAN: Mr. Speaker, indeed during the debate on the Bill I had some suggestions that were ignored.

My supplementary question is: how will you ensure that registration will take place when your own director of industry standards has said that most charities don't even know that the Act exists? Your own staff person has identified a serious problem.

MR. THURBER: Well, Mr. Speaker, I guess probably I'm at fault. I didn't mail a copy of that Bill out to everybody in Alberta. It is available from registries offices and from other places like my office. If anybody wants a copy of the Bill and the regulations that surround it, all they have to do is get in touch with my office and they'll receive one, and then they can read it and become as informed as the hon. member across the way.

MRS. ABDURAHMAN: Mr. Speaker, I'm appalled. This government has a responsibility to the consumers of Alberta.

How are you going to address this confusion? How are charities going to know whether they fall under this Act or not? It's not something to be light about. People have to know that the money they donate goes . . .

THE SPEAKER: Hon. minister.

2:20

MR. THURBER: Mr. Speaker, that Act was put in place to basically protect the consumer. The consumer has the right to ask anybody that comes to their door for charitable donations where that money is going, what percentage of it is going to the charity, what percentage is used up in administration. The Act is performing its job. If there are charitable organizations out there that are having a problem with that, they should contact my office. Heretofore I have had no contacts with these people. They have not contacted me, so I say again that there is not mass confusion out there.

THE SPEAKER: The hon. Member for Sherwood Park.

Flood Control on Horseguard Creek

MR. COLLINGWOOD: Thank you, Mr. Speaker. In December of 1994 the Department of Environmental Protection asked Mr. Walter Landsmann to comply with the terms of his water licence, which controls spring runoff into Horseguard Creek. The minister is very familiar with this drainage project since it's close to his own property on Horseguard Creek. Without changes to the flood control structure on this project, the land immediately adjacent to Mr. Landsmann's project suffers unnecessary flooding every spring, including this year. My question is to the Minister of Environmental Protection. How come your neighbour doesn't have to comply with his water licence when his inaction and yours impacts on neighbouring agricultural land?

MR. LUND: Mr. Speaker, it's terribly unfortunate that I cannot

answer that question. There's a lawsuit that has been filed, and of course under the rules of this Assembly, when the situation is such as it is, I cannot enter into any kind of discussion. I find it very regrettable that I cannot proceed with the discussion, because there are things that I would like to say.

THE SPEAKER: Supplemental question.

MR. COLLINGWOOD: Thank you, Mr. Speaker. As you know, that's not the rule, so I'll continue on and allow the minister to avoid answering these questions.

My question, Mr. Speaker, to the Minister of Environmental Protection: if Mr. Landsmann does fix the flood control structure on this project, is your land on Horseguard Creek then prone to flooding from spring runoff?

MR. LUND: Well, Mr. Speaker, I will await your ruling on whether I can enter this discussion or not since there is a lawsuit pending on this whole situation. I'll look forward to your ruling on whether I can proceed.

MR. COLLINGWOOD: Mr. Speaker, to the same minister. According to an agreement signed some time ago, you agreed to work with Mr. Landsmann on behalf of the downstream landowners to control the floodgates on this drainage project. Do you still act on behalf of the downstream landowners?

MR. LUND: I have to wait for your ruling, Mr. Speaker. There is a lawsuit.

Speaker's Ruling Sub Judice Rule

THE SPEAKER: For the benefit of members of the House the ruling with regard to sub judice is that after the matter has been set down for trial, there will be no questions asked in the House until the trial is completed. Between the time the claim is filed in court and during the discovery period and before it's set down for trial, questions may be asked in the House.

Flood Control on Horseguard Creek (continued)

MR. LUND: Well, Mr. Speaker, I trust that there hasn't been any trial yet. If I'm getting into a trap here, if the hon. member knows that in fact there is something that's happened this week, then I want that on the record. I believe there isn't a trial currently in progress. So that's wonderful.

The fact is that the Landsmann drainage project is licensed. As a matter of fact, there's a very interesting situation that the hon. member talked about, the spring flooding. This spring, just a week ago as a matter of fact, the ditch that is coming from the area that is to be drained is completely frozen. Yet the area that the hon. member talks about that is being flooded, which is the neighbour's, is completely under water. Where did the water come from?

Also, I must outline to the hon. member that I grew up in that area. I have seen that same area flooded. Well, years ago I remember hunting ducks in that area, and you had to have hip waders on. So that situation existed many years ago. As a matter of fact, Mr. Speaker, the Landsmann ditch actually lowered the culverts in the road, and there is the ability for more water to run out of the area now, after the drainage project.

As well, Mr. Speaker, I have never represented the landowners

downstream. It's absolutely true that there is a large stretch of Horseguard Creek that runs through our land, and, yes, we're subject to spring flooding. We're subject to flooding when there is heavy rain. So in fact if the Landsmann ditch is causing a problem, I get more flooding because of the Landsmann ditch.

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

Holgerson Dairies Inc.

DR. NICOL: Thank you, Mr. Speaker. About \$250,000 was owed to 12 dairy farms in northeastern Alberta when Holgerson Dairies went into receivership. Section 58(2)(a) of the Dairy Industry Act clearly states that the government may set up a special fund which processors or producers or both may contribute to which can then be used to repay the government if it recompensates the producers who lost money because of this Holgerson dairy farm not honouring their payables. My questions today are to the minister of agriculture. Since this fund means that there would be no cost to the public treasury, why did the minister refuse to pay those producers who suffered the loss?

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

MR. PASZKOWSKI: Thank you, Mr. Speaker. What the hon. Member for Lethbridge-East is alluding to is enabling legislation. The industry was contacted. The enabling legislation that the hon. member is referring to and saying the taxpayers wouldn't be responsible for would indicate that the industry should be paying this. The enabling legislation allows the industry to pay for this if they so choose. The industry has not requested it. The industry has been approached: do they want to have that type of enabling legislation? They have said no, so why should we as government interfere with the process that the industry has chosen to take?

DR. NICOL: Mr. Speaker, it's a matter of interpretation of enabling legislation.

Would the minister please act on behalf of these 12 producers and take his responsibility and put in place this process to claim the dollars from the industry so that they can get their money back?

MR. PASZKOWSKI: The hon. Member for Lethbridge-East in his preamble to the first question indicated that the government "may," which indicates enabling legislation. It did not say that the government shall, and the legislation does not say that the government shall. Why should the taxpayers become fully responsible when the industry itself doesn't want to police itself? Virtually all other aspects and all other areas of industry bond themselves and protect their own industry. Why should this particular segment of industry be any different?

DR. NICOL: Mr. Speaker, would the minister of agriculture please review the Act and come back to the House and tell us how he plans to make sure that these farmers are recompensated for money that they lost through no fault of their own?

MR. PASZKOWSKI: Mr. Speaker, the minister will respond to the industry's wishes. That's the way this government has operated. The grass roots will indicate what it is this government should be doing. We're not going to operate with the top-down

mechanism that that hon. member is suggesting we should be operating from. Therefore, until the industry comes forward and requests that type of a process, we will continue to hear what the industry wants and to respond to the industry's wishes.

THE SPEAKER: Before proceeding to the next item, could there be unanimous consent in the Assembly to revert to Introduction of Guests?

HON. MEMBERS: Agreed.

THE SPEAKER: Opposed?

The hon. Member for Barrhead-Westlock.

head: Introduction of Guests
2:30 (reversion)

MR. KOWALSKI: Mr. Speaker, thank you very much. In the public gallery today there are some 26 visitors from Neerlandia school. Neerlandia school is located about 80 miles north of Edmonton. Still in southern Alberta, it's a unique school within the public school system. The 26 grade school students are accompanied by six adults: their teacher Mr. Jim Bosma and helpers Mrs. Erna Van Niejenhuis, Mrs. Bertha Strydhorst, Mrs. Jeannette Bosma, Mrs. Joanne De Vries, and Mrs. Margaret Pederson. I would ask our guests to rise and receive the appropriate welcome from the Assembly.

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

MRS. BURGNER: Thank you, Mr. Speaker. It gives me a great deal of pleasure to introduce to you and through you to the Assembly a number of seniors who are visiting in the Assembly today to listen to the debate on Bill 209, the Medical Profession Amendment Act, in their interest in complementary medicine. I'd like to welcome them here to the Assembly this afternoon as chairman of the Seniors Advisory Council. Please would you stand and receive the warm welcome of this Assembly.

head: Members' Statements

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

Handicapped Parking

MR. WICKMAN: Thank you, Mr. Speaker. Education and awareness can be created in the strangest of ways and at the most unexpected times. Some of you will recall a number of years ago when I went to park my vehicle at West Edmonton Mall and the handicapped parking stalls were occupied illegally, resulting in somebody having to move my car, hitting seven other cars in the process and causing \$35,000 worth of damage. But there was a positive, and that positive was the awareness that was created not only in Alberta but across Canada. In fact, the *Globe and Mail* awarded my car the crunch of the year award.

With time people forget, but now there's been another high profile incident that has created awareness in terms of parking in a handicapped parking stall. I had the opportunity to speak to the Premier on this matter, and the Premier is very apologetic. It was an accident on his part, and I accept that. His driver feels equally bad. Nevertheless, it does point out how important it is to leave those stalls unoccupied, because if the stalls appear to be unoccupied and you pull in there for a few minutes, one vehicle comes along, another vehicle comes along, a DATS vehicle or whatever, and they can't use that stall.

So, Mr. Speaker, here again is an opportunity that will create public awareness. It will create some education. It sends a message to Albertans, and that message to Albertans is: think twice before you take that stall, because even though it's empty at that particular minute, 30 seconds behind there may be somebody trying to get into that stall, which is wider and at the same time prevents having to wheel long, long distances, particularly in the winter. So this is an opportunity where some positive can come out of it, some opportunity to create again more awareness to the good that this type of awareness can do.

So to the Premier: I'm sure that he'll never do this again. I think that he'll be much, much more cautious, but we should all be cautious.

On that note, thank you.

THE SPEAKER: The hon. Member for Medicine Hat.

Seniors' Housing in Medicine Hat

MR. RENNER: Thank you, Mr. Speaker. This afternoon I would like to discuss an issue that has arisen in Medicine Hat of late. I think it's something that all members should be aware of, and I encourage all members to consider carefully what I'm about to discuss.

As you know, Mr. Speaker, Medicine Hat is becoming quite renowned as a retirement centre in the province of Alberta. As a matter of fact, on a per capita basis Medicine Hat probably has if not the highest certainly one of the highest per capita ratios of seniors living in the community. The seniors that are living in Medicine Hat have recently begun to move into a development of condominiums, and condominiums are on the rise around the entire community. Most of the seniors that are moving into these condos are at the age of 65 to 75 years old. If we project down the line a little way, those same 65- to 75-year-old seniors will be 75 to 85 ten years from now. We have to recognize as a society and as Albertans that we have an aging population.

Historically the government has provided for seniors' accommodation in the form of lodges and long-term care facilities that have been subsidized by the government. Recognizing that the government's pockets eventually will not sustain the amount of growth that may be required to house these seniors, a number of very innovative private-sector groups have begun to develop long-term care facilities for these seniors.

The problem that has arisen in Medicine Hat is that one of these groups has developed a facility in Medicine Hat that is providing essentially the same services as a lodge facility, but they've come to me with a real distinct problem. The residents that are living in their facility, because it's not a government-subsidized facility, because there are no government dollars in that facility, are not eligible for an exception to property tax.

Mr. Speaker, I think we need to keep this type of situation in mind. If we're going to encourage private developers to build these things, maybe we need to consider whether or not our property taxes are on an equitable, fair basis.

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

Calgary Family Support Program

MR. DICKSON: Thanks, Mr. Speaker. I'm pleased to have an opportunity to share with the Assembly two very special ceremonies I had a chance to attend recently in Calgary-Buffalo. These were truly unique ceremonies. What I'm referring to is the

celebration of an eight-week program called families and schools together. It goes by the acronym FAST. One ceremony was at Connaught elementary school and the other one was at St. Monica elementary/junior high school. These are two of three schools in the city of Calgary that are participating in this very innovative early intervention program funded by the Department of Family and Social Services. Both of the schools had formerly been community schools when that model still existed.

The program is actually provided through Catholic family services. Patricia Jones is the co-ordinator, with critical support from principals Mike Ross of St. Monica and Naomi Dahl at Connaught. The participants in this case are eight families. They are identified and nominated by school principals, school staff. Once a week for eight weeks the students and their families meet at the school for a meal hosted by one of the families, a program consisting of a family sing-along, structured family communications activity, and family feelings activity. A parent support meeting happens while the children play.

Now, the program in fact was pioneered in the U.S. Some 250 schools and 25 different states are involved. There are only these three programs in Calgary. Those are the only programs in Canada with the exception of a Sudbury project that may soon start. It's a wonderful experience to see these very proud children and even prouder parents wearing little simulated mortarboard hats that had been made for the graduation when they accepted their diplomas.

There's a big emphasis on measuring outcomes and evaluating the impact. I respect the need for the assessment, but on the basis of what I experienced, I think the program is already a huge success.

Thanks very much, Mr. Speaker.

THE SPEAKER: Points of order. The hon. Minister of Economic Development and Tourism.

Point of Order Tabling Cited Documents

MR. SMITH: Thank you, Mr. Speaker. Standing Order 37, tablings. The member in a question today in question period quoted from documents that I had not previously seen, nor had they been tabled. I have subsequently been informed that a CBC TV crew is over interfering with the productive work of the department. Quite frankly, I think this cheap type of sensationalism is not the purpose of question period and would ask that the member kindly table the documents that he so generously sent over to me after I stood up on the point of order.

MR. BRUSEKER: Indeed, Mr. Speaker, I have sent him a copy of the documents. If he would like them tabled for the public record, I'd be happy to do that as well for the edification of the members of the House.

THE SPEAKER: That appears to . . . [interjections] Order. [interjections] Order please. The hon. member has indicated that he will be tabling the document at the appropriate time.

The hon. Member for Fort McMurray.

Point of Order Inflammatory Language

MR. GERMAIN: Thank you very much, Mr. Speaker. My point of order arises out of the last portion of the question from the hon. Member for Lethbridge-West and the answer from the hon.

Minister of Energy. The citation for this point of order is 23(j) of our Standing Orders and *Beauchesne* paragraph 417 and 408(2). Basically, all three of those citations are addressing themselves to decorum in the House and the desirability of not inflaming the House with inflammatory language and inflammatory responses.

2:40

Now, in this particular case I'll wrap both issues up in one argument on the point of order. The hon. member went out of his way in his third supplemental to provoke unnecessary enthusiasm in this Legislative Assembly, Mr. Speaker, when he said words to the effect of "those [dastardly] Liberals in Ottawa" or some such to try and create an argumentative question that suggests an answer and suggests an outcome. In fact, if he wanted to be historically correct, he well knows it was those Conservatives in Ottawa that in fact began the chopping away, the sawing off of the utility rebate to private-enterprise utility companies in Alberta.

Now, the hon. Minister of Energy aggravated the tension in the Legislative Assembly, in my respectful estimation, when she said that the Liberals in Alberta have cost Albertans thousands if not billions. Of course, the fact of the matter is that we do have a \$32 billion debt in the province of Alberta, Mr. Speaker, but that was caused by eight consecutive deficit budgets from the Conservative government. The Liberals in Alberta have not contributed one cent to that deficit. In fact, filling out my point of order in accordance with the allowances in the rules, it is the Alberta Liberals that can be credited for the turning of the *Titanic* in this province. You will recall – and I heard this on the street – that past leader Laurence Decore did more to turn the ship of fundamental fiscal mismanagement in this province in the 1988 campaign when he went around the province banging his wallet on the side of podiums to indicate where the issues start in this particular province.

So what is the relief that I'm requesting, Mr. Speaker? I come to that. If you would be so kind as to ask the Minister of Energy to apologize. She probably wanted her vitriolic comment to be addressed toward the national government and not the provincial opposition. And if you could direct the hon. member to discontinue the use of inflammatory rhetoric, I think that everybody would be much happier.

Thank you.

THE SPEAKER: The hon. Member for Lethbridge-West on the point of order.

MR. DUNFORD: Well, once again we see just what a thin skin the eloquent Member for Fort McMurray has, because the Blues today and *Hansard* tomorrow will show that I said, "those Liberals." I didn't say: those dastardly Liberals. I mean, this is a selective perception that this person continues to hear. It simply shows that the people opposite know how to give it, but they just can't take it.

THE SPEAKER: The hon. Deputy Government House Leader.

MR. EVANS: Thank you, Mr. Speaker. Clearly there is no point of order here. At best, to be charitable to the Member for Fort McMurray, this is a difference of opinion. The beginning of his dissertation I thought was not going to inflame the House, but of course he wound up as he went along, as is often his method, to which some of us respond with an attempt at equal eloquence and often fail.

Really, Mr. Speaker, we have a number of seniors who are here in the gallery today to partake in a very important private member's Bill, Bill 209, in Committee of the Whole, and I would ask that we get on with it.

THE SPEAKER: Order please. The Chair does not feel that the hon. Member for Lethbridge-West's language really falls within an injunction of 23(j), and that's what the hon. member has the right to raise the point of order on: the question that's asked. The answer really shouldn't form a basis for a point of order, in the Chair's view, in this context. This is an example of another method for hon. members to clarify their positions and to keep the record straight.

Therefore, the Chair will now recognize the hon. Member for Edmonton-Ellerslie on her point of order.

Point of Order Citing Documents

MS CARLSON: Thank you, Mr. Speaker. I rise on *Beauchesne* 495(1) and (5). Earlier during question period the Minister of Justice rose to answer a question on maintenance enforcement. He read from some documents when doing that, and part of his answer concerned how noncustodial parents and their children would receive more dollars if this program were privatized. It's our understanding that what is increased under privatization is the confrontation surrounding maintenance enforcement. If he has undeniable proof that the net dollars that will land in children's hands as a result of privatization will increase, then I ask him to table those documents in this House.

MR. EVANS: Well, Mr. Speaker, I'm compelled to clarify. Number one, at no point during my answers to Spruce Grove-St. Albert did I refer to any documentation whatsoever. As a matter of fact, I held off talking about the fact that we have some 35,000 files on an annualized basis per month that we deal with through maintenance enforcement and that we collect somewhere between \$7 million and \$8 million. I held off from stating that.

At no time either did I say that privatization was going to make our system more efficient and more effective and therefore get more money into the hands of children. I said that that was our goal. That is the goal of the program: to get more money into the hands of those needy children who are subject to an order of the court. The reason for the KPMG study was to see how we could do that: be more efficient, more effective, get more money into the hands of those children. That could perhaps happen through a privatized model, and I made the point that we look at privatization of every aspect of the Department of Justice to see whether we can do things better to get more money into the hands of those who should be getting it and to reduce the administrative costs. I did not say, Mr. Speaker, that this program was going to be privatized and that the reason for that was going to be that there would be more money in the program.

So for clarification, Mr. Speaker, I think the hon. member is incorrect, and I'd ask you to rule accordingly.

THE SPEAKER: The point of order, as the Chair understands it, is that the hon. Member for Edmonton-Ellerslie felt that the hon. minister was quoting from some documents. The hon. minister says that he was not quoting from any documents. Therefore, the Chair has no alternative but to say that there's certainly a disagreement amongst the members as to the facts and also a

particularly strong disagreement by the hon. minister that he was not referring to any particular document in his answer.

Point of Order

Accuracy of *Hansard*

MR. BRUSEKER: Yet another point of order, Mr. Speaker. I rise under our Standing Orders 107 and 108, particularly sections 108(a) and (b). This deals with the publication and editing of *Alberta Hansard*, which of course is our record here. Section 108(a) says that

revisions shall be limited to the correction of grammar, spelling and punctuation, ensuring that the correct parliamentary forms are observed, and minimizing superfluous repetition and redundancies, but no material alterations shall be made, nor any amendments which would in any way tend to change the sense of what has been spoken.

Section 108(b) says: "the transcript shall remain an accurate and, as far as possible, an exact report of what was said."

Mr. Speaker, yesterday the Member for St. Albert raised a concern that is not reflected in *Alberta Hansard*. I believe it is an error. We've received phone calls in our office today. I would ask you to review the recordings of question period yesterday in this Legislative Assembly. What is recorded from question period yesterday is different from what is published in *Alberta Hansard*, and I would ask you to review that and correct the error that has occurred in *Alberta Hansard*.

THE SPEAKER: The Chair will undertake to do that.

head
2:50

Orders of the Day

head: Public Bills and Orders Other than
head: Government Bills and Orders
head: Committee of the Whole

[Mr. Tannas in the Chair]

THE CHAIRMAN: I'd like to call the Committee of the Whole together, but before doing so, I would remind committee members that we're going to stay with the convention of only one member standing and speaking at a time.

For the benefit of those people in the galleries, this is very much an informal part of the legislative process called, in this case, Committee of the Whole, in which we can go through the Bills on a detailed basis. There's much more give-and-take back and forth. It's more relaxed in that members are allowed to bring in coffee or juice and take off their jackets if they so desire and to actually sit in places other than they're named on the sheets that you have. So if you are trying to locate someone, the person sitting there may not be the person that you think it is. The only stipulation is that you can only speak from your seat. Of course, we call people by the constituencies they represent and not by their surnames.

Bill 209

Medical Profession Amendment Act, 1996

THE CHAIRMAN: We'd like to begin this afternoon's discussions by inviting the hon. Member for Olds-Didsbury to make his comments. Olds-Didsbury.

MR. BRASSARD: Thank you, Mr. Chairman. I'm not going to reiterate the many points that were raised in second reading of Bill 209. There's no question that there were an awful lot of personal

experiences shared with this Assembly and the recognition of the benefits of complementary medicine, and I would like to thank all members who participated in the debate in second reading and shared those points.

I do want to say, however, that there's been a great deal of discussion since that time, just a short two weeks ago. Needless to say, Mr. Chairman, the College of Physicians and Surgeons has expressed concern over having been identified with the burden of proof for complementary medicine. Well, this Bill certainly does identify the college as being responsible, and I believe that it's not only appropriate but consistent with their role in traditional medicine. The college also stated that this Bill would open the door to charlatans and quacks, but this is certainly not the experience of other jurisdictions that have implemented such legislation, certainly not that of Dr. Robert Rown of Alaska, who spearheaded similar legislation in that state, nor that of Dr. Warren Levin of New York state. Both claimed that it was quite the reverse, as a matter of fact, and both recommended that the Bill is exactly what is needed to provide patient choice in the appropriate selection of medical care.

We all know, Mr. Chairman, that chelation therapy is probably the most visible single issue that will be impacted by this Bill, and there's been a great deal of discussion surrounding this particular therapy. Members of this Assembly will recall the petitions with 25,000-odd names presented in this Chamber last year and the additional 2,500-name petition presented this spring, not to mention the 3,115-name petition that was presented earlier today.

Mr. Chairman, the need for such petitions would not be necessary if indeed the college was in agreement with the intent of this Bill. In fact, they should have been able to allow complementary medicine to proceed through bylaw if that really was their desire. So one can only question why bylaws, even those as discriminatory as are being proposed, are only coming forward at this time and in response to this particular Bill.

One of the concerns that was expressed, as I said, was that the college feels that the burden of proof should not be with them. Well, Mr. Chairman, I feel that it should, although I acknowledge that they may be forced to expand their understanding of and tolerance to complementary medicine. The college also feels that this Bill 209 will open the door to charlatans and quacks. Not so. I'd like to remind everyone that we are amending the Medical Profession Act. We're not opening a whole new activity here. We're talking about doctors, licensed practitioners. The college doesn't seem to take that into consideration. I would just remind everyone that indeed we're talking about registered, qualified physicians and not a new service in this.

Incidentally, I spoke with the registrar of pharmaceuticals recently, and he felt that the public may not be as informed as to the proper use and cost of herbs in nontraditional medicine as they should be, and I agree. I agree that the public needs to be informed and that regulations and guidelines need to be in place so that the public is assured of an informed choice when they go to make that decision and that it should come from qualified sources. This obviously will require pharmacists and other merchants of herbal remedies to display a "qualified" or "registered" sign over the counter, and I have no difficulty with that. You know, Mr. Chairman, it wasn't all that long ago, when I was minister responsible for seniors, that I talked to a lady in Medicine Hat who was on 32 different medications. We need controls. There's no question that we need controls. We need very active controls. But it has nothing to do with complementary medicine. We need controls over substances.

I'm going to remind everyone just very briefly once again about the Helsinki agreement in 1988. At an international meeting of medical associations of the western world, one agenda item pertained to the perceived overzealousness of the state medical boards of the United States and the provincial colleges of physicians and surgeons to remove doctors' licences when unusual or unorthodox treatments were given to their patients even though no harm befell those patients. After considerable debate, a resolution was drafted to become the guideline for the licensing bodies in the matter of disciplinary action to be followed. This resolution was passed and signed by the participants, and the Canadian Medical Association is a signatory to that agreement. However, no action on the part of the College of Physicians and Surgeons was ever taken to implement the clause into the various provincial statutes, as had been agreed upon. The essence of that agreement, Mr. Chairman, is the essence of my Bill.

I'd like to sum up today's initial debate by saying once again that complementary medicine saves lives and saves money. Standards that are fair, accountable, and unbiased must be put in place to assure competent supervision and provision of both. Patients must have access to the necessary factual information and be free to choose not only the medicine but the medical practitioner of their choice. Medical practitioners of all disciplines must be encouraged to collaborate and co-operate – and that includes the College of Physicians and Surgeons – to ensure that every patient receives the full scope of medical knowledge and experience to ensure a return to full health in the most effective and least intrusive way. That is what Bill 209 is all about, Mr. Chairman.

I welcome further debate and ask for the support of this Assembly.

THE CHAIRMAN: The hon. Member for West Yellowhead.

MR. VAN BINSBERGEN: Thank you, Mr. Chairman. It's a pleasant surprise to be able to speak to Bill 209, because it was not to be found on the Order Paper for today. But I'm glad that I happen to be here and that it is the subject of debate right now.

I'd like to start off again by commending the Member for Olds-Didsbury for having been such a persistent sponsor of the use of nontraditional therapies in the face of a great amount of opposition. I would also like to pay tribute to the many, many Albertans who have pledged support to the cause of nontraditional therapies and chelation therapy in particular. Several people are here even from my own riding – I'm very pleased to see them here – advocating this particular Bill.

3:00

Mr. Chairman, I'm not going to repeat everything I said in second reading on this Bill because it's a matter of record. I would like to state, though, that I was very pleased to see such wide support on both sides of the aisle for this Bill. In fact, I think it was unanimous, if I'm not mistaken, and that augurs well for the ultimate success.

Let me reiterate that of course Bill 209 allows licensed practitioners – and I'm specifically referring to physicians – to use nontraditional therapies that they think would benefit their patients. It would allow them to do so without fear of repercussion from their own College of Physicians and Surgeons. Far be it from me to describe them, to portray them as ogres. They have a job to do, which is to make sure that whatever therapies are being used are safe. I think that in this case what this Bill does is really allow physicians to make that determination in the first

instance, and that, to me, is so important. That, to me, is so important for the college itself to remember: it should be able to trust its own members to do the right things for their patients. After all, they've taken an oath to do just that, and surely licensed physicians are familiar with the therapies that they might prescribe.

So, Mr. Chairman, the point that I'm trying to make is that these nontraditional therapies have been used far and wide in many corners of the world, and it's been mentioned before. We've heard about the Alaska clause, which has been accepted far and wide and in many corners of the United States. We know that those nontraditional therapies are being used in many countries in Europe. We do know that there are moves afoot in a fair number of provinces in Canada to foster the use of nontraditional therapies. We know that in Nova Scotia a health unit has been founded, which is supported by the provincial government there, that fosters those kinds of therapies. So all in all, this is current stuff; this is up-to-date stuff. I think that all reasonable people ought to be in favour of this particular Bill.

Now, I'd like to say just a few words specifically on the subject of chelation therapy, because that is the only nontraditional therapy that I am somewhat familiar with primarily because I was forced to sit through a video production by one of the constituents in my riding. That was very beneficial. That was the first time I heard of this. That's when I found out that this nontraditional therapy, chelation therapy, has helped not only him, but subsequently I encountered many others in the riding who felt that they had benefited from this particular therapy.

Therefore, Mr. Chairman, when they asked me to support the use of chelation therapy, it seemed to me I had to. There was no reason not to, because (a) it seemed to work, (b) it is decidedly cheaper and far less intrusive than all kinds of other heart surgery and so on, and (c) – that's an important point; I had to listen – because it is a therapy that is actually chosen by the patient in conjunction with his or her doctor. That is important to me. There ought to be an element of choice. I'm very proud to wear this button that I procured today – it was donated to me – which is in favour of that kind of choice.

So, Mr. Chairman, I will just end by saying that I'm fully in support of this Bill, and I urge all members of this House to cast their votes in favour of this Bill.

Thank you very much.

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

MR. DUNFORD: Thank you, Mr. Chairman. First of all, I want to thank all of the people in the gallery for showing their support by coming out today for my colleague from Olds-Didsbury. Also, I'd like to thank – and I guess it would have to be through the vehicle of *Hansard* – all of the people from Lethbridge and the surrounding district who have taken the time to come into my office and talk about alternative measures that perhaps could be taken for the betterment of people's health in Alberta and also to thank the association that exists in that area for inviting me out to one of their meetings.

The meeting, as I recall, was to be some hour in length, but the anecdotal evidence that was being presented by the people at that particular meeting was so compelling, I guess we stayed there as long as there was a story to hear. My recollection is that it was probably two and a half to three hours. This type of lobbying is welcome in a democracy. It provides the MLA with an opportunity to have some experiences that I for one had never encoun-

tered nor, as far as I know, anyone ever in my immediate family. So it was a real education. Of course it led then to my support at second reading for the Member for Olds-Didsbury's Bill. Interestingly enough, though, that started then a whole series of activities. I was starting to hear from people whom I'd never heard from before, of course including doctors and some druggists and that type of thing.

Another little part of my education was then filled in by the fact that we're getting another point of view on this particular amendment, and I think that's good. I think that's necessary in a democracy as well, where we have to hear both sides. Then, hopefully, we will consider the arguments made on both sides, and we will try to weigh it based on our own particular knowledge and our own particular experiences. Then we are prepared certainly at this juncture that we're at now to really get into the heart of the matter. I had no problem, as I've previously indicated, in supporting this Bill at second reading, because there we're really dealing with the principle of this Bill. What I see here is consumer choice, and really that fits so well with my philosophy that this seems to follow just along that path.

In the interests, though, of debate at committee stage, this is really a rather interesting Bill in the sense that the only amendment is one clause, and in that of course is the principle. I don't want to be seen as putting myself in a position, hon. member, where I agree with your principle but where I'm not about to agree with the particular amendment.

What I need to do, however, for my own satisfaction so that both at committee level and at third reading I can vote, then, with a clear conscience is I need to raise some of the concerns that were raised to me by the other part of this particular debate, and that of course was the local representative in my area for the College of Physicians and Surgeons. We sat in his office, and the discussion got quite technical; I had to keep bringing him back to try to deal in layman's terms. I think we finally arrived at what the key issue, in my sense, would be, and that was simply one of public safety. I don't want to be in a position in this House of ever supporting knowingly a Bill or an amendment to a Bill that places public safety in jeopardy.

Chairman's Ruling Decorum

THE CHAIRMAN: Hon. members, we're having a debate, but there do seem to be quite a few lively conversations going on at the same time, which makes the debate hard to follow. I wonder if hon. members could lower their voices or repair to the nether regions in the lounges.

MR. DUNFORD: Well, it perhaps shows how interested they've been in my past speeches, and it may be some continuance of that.

3:10 Debate Continued

MR. DUNFORD: However, again getting back to the situation as it developed in the doctor's office, it became, then, a matter of public safety. Then what the discussion seemed to start to evolve to was almost – I guess I would use the analogy of the chicken or the egg. We began to discuss the concept of the fact that the College of Physicians and Surgeons was already attempting to work out a bylaw that would make an attempt to deal with these sorts of matters. I know this is always hazardous, but if I might quote from a document that I'm in receipt of from the College of Physicians and Surgeons dated April 15, which was yesterday. It says:

To support this argument, we can discuss the fact that we have been developing a bylaw which would provide access by the public to physicians providing complementary therapies, and the bylaw was developed over a significant period of time as it required input from physicians who practise complementary therapies.

Well, again, this at the outset would seem like a compelling argument. But to get back to the chicken or the egg thing, it would seem to me that the process ought to be that we have a law in place recognizing, then, the ability for licensed physicians to be able to practise complementary or alternative therapies.

From just the sheer fact of the position that the College of Physicians and Surgeons would hold within the medical area of this particular province, they would then from that develop a bylaw. So why I was interested and felt that the representative and of course this letter had a compelling argument was that it seems to me we are simply dealing with how to get at the same sort of situation. I stand here today satisfied, based on the conversations that we've had, that yes, in fact we could amend this Act to allow this sort of situation to happen, and then the college would be there of course to provide the duty that it has been given.

Now, I'm giving you my understanding, hon. member, of how I see this thing. If in fact my understanding is not the way that you see that it would work in a practical sense, then I hope you will correct me prior to my being asked to provide a vote either for or against this particular Act. But if I am on the right track, then it seems to me perfectly logical that the model, then, is in place for all of this to happen.

Currently, the College of Physicians and Surgeons is working with, I believe, the government of Alberta, certainly with officials of the Department of Health to establish clinical practice guidelines for many medical procedures that have been in existence in this province for years and years and years. So I would then say to the College of Physicians and Surgeons and I would say also then to the Alberta Pharmaceutical Association – I have a copy actually of a letter that they sent to the hon. member. You know, I believe that this would really cover that particular situation. I'm a believer in clinical practice guidelines because I think what it will help us do is remove some of the excesses that we have in utilization through the medical system in this particular province. It seems only natural to me in providing consumer choice that when we increase the availability of other measures for therapy, of course we'll be looking at clinical practice guidelines for these particular areas.

It seems to me there's a win/win situation developing here. One is of course for the advocates of the alternative measures and specifically, of course, for those of you in the gallery and those of you throughout Alberta who have been treated through chelation therapy. So on that basis I want to say, then, to those who lobbied me on behalf of both the college and the Alberta Pharmaceutical Association that I'm not dismissing their concerns, but it would seem to me as a layperson and one that is trying to represent the constituents of Lethbridge-West that we have a win/win situation with your amendment to this particular Act.

I don't want to digress from the Bill but just again to bring some of the experiences that one has into play in the discussion, in this debate. What I found most interesting about having a meeting in a doctor's office to discuss this is the fact that not very long ago we were in a situation where the Alberta Medical Association and the Department of Health, thus the government of Alberta, were attempting to arrive at some sort of agreement that we would be able to provide for a quality health care system within this province.

The Alberta Medical Association was extremely intelligent and extremely successful in the lobbying effort that they made. I don't know if I can recall the exact number of phone calls that I received in my office from citizens concerned about health care in Alberta. As I tracked through their concern, it inevitably came from a discussion that they'd had with their family physician. Maybe it was a specialist, but it came from a physician, a member of the Alberta Medical Association. It was actually heart wrenching in many cases to hear the fear that many of these people had who were calling me, especially the seniors. One thing we understand is that when we get into elderly years, the one thing that we need to hang onto is a quality health care system.

AN HON. MEMBER: Hear, hear.

MR. DUNFORD: That's right. There won't be a member in this Assembly that would disagree with that.

When these people were calling and crying on the phone about what they felt was going to happen, it was a very, very traumatic situation. I think the successful lobby that the Alberta Medical Association did had a lot to do with the agreement that was then arrived at between the Alberta Medical Association and the province of Alberta through the Department of Health.

So the irony was not lost on me when I was sitting talking to the representative of the College of Physicians and Surgeons. I simply pointed out to that person, as I would point out to all physicians in Alberta today, that when you enter into a lobbying situation, it is a two-edged sword. What we have here today is an overwhelming demonstration of the support for alternative measures going into the Alberta medical health system. One might use biblical phrases such as . . .

AN HON. MEMBER: Wax biblical, Clint.

MR. DUNFORD: Well, let's use the one: if you seed the wind, you reap the whirlwind. So there's some of that today that is happening. [interjections] Gee, Mr. Chairman, they seem to be listening now.

I want to close with an experience that is really secondhand because I heard it on the radio. I must indicate that we are all victims of our experiences. When we see things, hear things, feel things, they then become part of what we are. We can't change our stripes just because we come into this House or just because I go into your house. I am what I am, and this is an experience that makes me that way.

All of us probably remember a very popular radio show called *The Rest of the Story* with Paul Harvey. The one I want to talk about is when he was describing how in the mid-18th century in France a doctor was in jeopardy of being sanctioned by his medical peers. He had devised a system that was deemed to be so outrageous that he should lose his physician's licence. As Paul Harvey was very good at doing, which I of course can't emulate here today, he built the tension and he built the suspense throughout the two minutes of this radio drama, and the rest of the story was that this dastardly technique that this doctor had devised for which he should lose his licence was the fact that he wanted all doctors to wash their hands before they delivered babies.

So what I'm saying and why I'm bringing up that situation today is that I think there is a lot of fear of the unknown by physicians within this province. There's probably a lot of fear of the unknown by the Pharmaceutical Association members in this

province, but every person that I have talked to that has entered into an alternative measure looks me in the eye and says, "Clint, this stuff works, and we want you to support it," and I will.

3:20

THE CHAIRMAN: The hon. Member for Edmonton-Mayfield.

MR. WHITE: Thank you, Mr. Chairman. I, too, would like to congratulate and thank the Member for Olds-Didsbury for again bringing this piece of legislation forward. It's a very important piece of legislation for many people in this province, particularly those who believe in the alternative forms of deliverance of health care, the complementary medicine, if you will. It speaks of choice, as the speaker before me from Lethbridge-West spoke.

I happen to speak from a little personal experience here, my father having just recently survived a bout of chemotherapy, conventional medicine, and having been through the Second World War, having a broken back, and having done many, many, many things. He is 75 years old now, a retired engineer and retired teacher from SAIT in Calgary. He is fully aware of the risks of alternative medicine. He has examined the pros and cons, yet in large measure by the medical fraternity in this province he is denied access to those facilities and those services. It is clearly, in my view, wrong to deny those that have lived through the experiences I described and all of those in this province who have been denied that choice.

There has been holistic medicine practised since time immemorial. The recent therapies, whether they be chelation or any number of other therapies, have been researched. Yes, they're rather recent, but there are believers. As the members opposite have said, people come before you and say: "It may be only anecdotal to you; to me, it saved my life. It has changed my life."

Now, we as a Legislature cannot simply ignore that. We can't just look down the stats and go to the experts every single time and say, "This is the only way to form law." This is not the way to do it. We are representatives of the people. The people have spoken to me, as I'm sure they have spoken to many other members of this House. I have been lobbied, yes. I've been lobbied from both sides. I've been in this chair only three years but certainly in a position where lobbying was expected for many, many years, and I know that a lobby effort has some basis of fact and then some basis of hope and that both sides, yes, do have their points. In weighing all those together and saying, "Yes, there is an effect of these alternative medicines," I say that, yes, it is now time to remove the restriction from the registered practitioner and say to the College of Physicians and Surgeons in this province: "Yes, we have heard your lobby. Yes, we understand from where you come. Yes, we understand that you have the public interest and public safety in mind when you speak, but we also do." We are those that are rightfully or wrongfully in a democracy chosen to do exactly what we're doing today.

I know a great number of people that have had their lives changed by herbal medicine and acupuncture and any number of massage therapies. These are all accepted practices to them. They may not be acceptable to all of us. They may not be practised by all and available to all, but the choices are theirs, responsible citizens.

We need not delay any further. Bill 209 I believe is in the best interests of all in the province of Alberta, and therefore, sir, I shall be supporting it right through to third reading.

Thank you, sir.

THE CHAIRMAN: The hon. Member for Olds-Didsbury.

MR. BRASSARD: Thank you, Mr. Chairman. My colleague was right to raise the concerns that he did with the document that was sent around by the College of Physicians and Surgeons. I should say for the record that I've worked with the college for at least two years on this, and when I asked recently for an amendment that would not compromise the Bill, the amendment that I received was basically to put the Bill at the discretion of the bylaws. Well, of course we know that that isn't the way it works. The bylaws should reflect the Bill. I am indeed holding the college responsible for monitoring, if you will, the practices of physicians and surgeons, the same as they are now. I see no change at all to that.

I could go on, because I had a great deal of discussion with the Pharmaceutical Association and others. There has been lobbying – there's no question – and very confusing.

Given that, Mr. Chairman, I would like to call the question.

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

MR. SAPERS: Thank you, Mr. Chairman.

MR. BRASSARD: Mr. Chairman.

THE CHAIRMAN: Hon. member, what this signifies is that we have additional members who wish to speak to the issue, and in one minute we have to adjourn and report progress.

MR. BRASSARD: I realize that, Mr. Chairman. That's the reason I called the question.

THE CHAIRMAN: Okay. The question's been called.

[The clauses of Bill 209 agreed to]

[Title and preamble agreed to]

THE CHAIRMAN: Shall the Bill be reported?

HON. MEMBERS: Agreed.

THE CHAIRMAN: Opposed? Carried.

MR. EVANS: Well, to pre-empt you, Mr. Chairman, I now move that the committee rise and report.

[Motion carried]

3:30

[The Deputy Speaker in the Chair]

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

MR. HERARD: Thank you, Mr. Speaker. The Committee of the Whole has had under consideration certain Bills. The committee reports the following: Bill 209.

THE DEPUTY SPEAKER: Does the Assembly concur in this report?

HON. MEMBERS: Agreed.

THE DEPUTY SPEAKER: Opposed? So ordered.

head: **Motions Other than Government Motions**

Federal/Provincial Seniors' Programs

507. Mrs. Hewes moved:

Be it resolved that the Legislative Assembly urge the government to establish jointly with the federal government a one-stop help office for seniors.

Mrs. Burgener moved that Motion Other than Government Motion 507 be amended by striking out "office" and substituting "process" and adding the following after "seniors": "incorporating the following but not limited to single point of entry, Alberta Community Development seniors' information line, the Eldernet system for seniors, and other such information services."

[Debate adjourned April 2]

MRS. HEWES: Do I get to speak?

THE DEPUTY SPEAKER: The hon. Member for Edmonton-Gold Bar has inquired of the Chair whether she can speak to that. Normally, you don't.

MRS. HEWES: Why not?

THE DEPUTY SPEAKER: It's a motion with a limited time span. The Chair's understanding is that it would require consent.

AN HON. MEMBER: She's on the amendment.

THE DEPUTY SPEAKER: Oh, she's on the amendment. Right. Thank you very much.

The hon. Member for Edmonton-Gold Bar on the amendment.

MRS. HEWES: Thank you, Mr. Speaker. I think we have something like eight minutes left on this motion as amended. I just want to express my thanks to those members of the House that have spoken in support of this motion as amended and particularly to the Member for Calgary-Currie, who made the amendment, because I consider it to be a friendly amendment. I think it enhances and improves the motion as I have stated it.

I think, Mr. Speaker, that the amended motion really speaks very clearly to a growing understanding of the needs of our seniors right across the province and a growing concern that perhaps we don't always meet those needs in a timely and efficient manner. I think it also speaks to the recognition that there are many public programs for seniors. Some of them are provincially sponsored and operated. Some of them are federal programs and proposals, and many of them are municipal programs and activities. No question; there are many private and private nonprofit programs that can make seniors' lives a great deal more secure and comfortable and safe.

Mr. Speaker, the reason for the motion as I have presented it – yes, we have much printed information that is helpful to seniors. I have someplace around here the book that is printed by the government that contains a great deal of information about all levels of government. It is useful; there is no question. Nowadays many seniors, either individually or through their organizations, tap into the Internet, and that's useful. There's no doubt

about that. In many of our communities we have 1-800 numbers for seniors for health care or for seniors' abuse or a variety of other activities. To be sure, that's very useful.

What I perceive as being needed here is something of a more comprehensive nature. The Minister of Health sometimes refers to it as one-stop shopping. In fact, that's the kind of thing I think we've all envisioned here. One of the difficulties that seniors tell me they have with written documents or with 1-800 numbers is that they simply get a direction to go someplace else. What we need is some kind of operationalizing of an information service to seniors where they will have the high potential for feedback to make sure, when they are given the information, that they have a comprehension of the information, that they in fact have the capability and the wherewithal to act upon the information, and that the information they were given is in fact applicable to the question that was being asked.

Mr. Speaker, I believe that this is a motion that can be acted upon by this government if we put our collective minds together. I think it crosses political lines. No question. I think we've all experienced in our constituencies the kinds of problems that seniors exhibit to us. I believe that if we put our collective heads together, we can do some creative thinking and we can in fact develop such an information system that will benefit seniors. We do have collective systems for economic development, and we have collective systems for a number of activities with federal and municipal governments. I think it's time we had one for seniors.

Mr. Speaker, I would, with respect, ask that the question be called on the amendment to the motion and on the motion itself.

[Motion on amendment carried]

THE DEPUTY SPEAKER: Are you ready for the motion? On Motion 507 as amended as proposed by the hon. Member for Edmonton-Gold Bar, all those in favour, please say aye.

HON. MEMBERS: Aye.

THE DEPUTY SPEAKER: Opposed, please say no. Carried, let the record show unanimously.

Agricultural Practices Review

508. Dr. Nicol moved:

Be it resolved that the Legislative Assembly urge the government to establish an agricultural operation review board to arbitrate disagreements that may arise regarding generally accepted agricultural practices as they pertain to the Agricultural Operation Practices Act.

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

DR. NICOL: Thank you, Mr. Speaker. The rationale behind this motion is to create an easier operation procedure for the Agricultural Operation Practices Act. The agricultural practices Act effectively puts in place what in many other jurisdictions is titled right-to-farm legislation or right-to-farm activities, protection of farming rights.

The Agricultural Operation Practices Act goes through a process of setting out a procedure whereby farmers cannot be harassed because of the practices that they're using for agriculture as long as those practices fall within conventional standards. This creates quite a process of review as to what constitutes conven-

tional practice, standard practice, acceptable practice, all of these adjectives that can be added onto it, and that leaves open a real opportunity for interpretation as to how the farmer practises, the timing of those practices, the recommendations that are associated with good husbandry in terms of animals.

The end result basically, then, is an opportunity, when this definition is not very clear, where we end up with a situation where confrontation occurs between a farmer doing what he thinks is right to farm and someone else, whether it's another farmer or potentially a person who lives in the community who's not a farmer or in some cases just vacationers, tourists, picnickers. You know, you name the opportunities for confrontation in terms of defining conventional agricultural practices. The Agricultural Operation Practices Act right now, Mr. Speaker, provides for settlement of these issues through the judicial process, very expensive both for the individuals who want to lodge a complaint and for the defendant, the farmer who believes he's following conventional practices.

3:40

What we're doing with this motion is asking the government to deal with a less costly practice of allowing for these disputes to be settled. Many of the other right-to-farm pieces of legislation across North America, across Canada put in place a review mechanism, an arbitration mechanism. It doesn't have to go that expensive route of going to the courts and trying to get a decision on whether or not the farmer is practising the appropriate practice. This is a matter of interpretation.

I can tell you just from my experience as an MLA in an urban area that I get a lot of calls from my constituents who live adjacent to the edge of Lethbridge who are concerned: "That farmer across the field was out there combining at midnight last night, and we were trying to sleep." Well, Mr. Speaker, we all know that when farmers have weather that allows them to do their combining, that's when they have to be out there. Many of them don't get started because of dew or because of moisture condensation in the morning. They don't get started until 10 or 11 o'clock, after that dew has gone off and the moisture content is brought back to a reasonable level. As long as the breeze blows in the evening, they've got to continue to operate. Well, this is what is conventional farming activity, and we've got to be able to provide them a mechanism to have that defined without having to go to court, without having to go into a situation where the confrontation has to be settled at a really high cost.

So what this motion is going to do is basically just put in place or ask the government to create a panel which is going to be made up, I would hope, of persons who are knowledgeable about the agricultural process, who can judge whether or not the practices being employed by a farmer, whether it's in raising crops or whether it's in livestock operations, are acceptable practices. If they're acceptable practices, then people enjoying – they may not say enjoying because of the complaint – people moving into the rural community would have a mechanism to raise their complaint. They would also have an opportunity to be heard by other people who understand agriculture, other people who understand the timeliness, that's an issue, other people that understand the process of, say, waste disposal, that's an issue. Then we can make sure that these individuals get a chance for a hearing but that the farmer also has this hearing prepared in a case where the practice gets fair evaluation without a lot of cost that would occur if it went to the courts. We have to have a process in here, too, that goes through and gives it a mechanism to discuss what constitutes fair agricultural practices.

Mr. Speaker, we happen to enjoy a small farm outside Lethbridge, and we live there. Much to our surprise last year, an agricultural operation sprung up right next to us, and it's a matter now of definition as to whether or not this is truly an agricultural operation. It's a collection station for the hogs being brought together in southern Alberta, put on the big trucks, and hauled to the slaughter plants either in Edmonton or Red Deer. Now, let me tell you. It's one thing to live next to a hog farm, which I do, but it's an altogether different story to live next to a collection site for hogs. When they get the adrenaline flowing, the difference in the odour that comes out of one of these collection stations as compared to what comes out of a regular hog farm is a quantum leap into a less desirable odour arena.

Now, is this how we deal with good farming practices? The county approved the licence. The county approved the establishment of this collection station just a mere mile from my place. I happen to live downwind as well, so this doesn't help. I can't even rely on the nice Chinook winds to keep my air fresh. In fact, now I wish the Chinook would blow the other way. What we have to have in place is some mechanism so that farmers can get a good hearing when they are challenged by other people in the community.

Mr. Speaker, I gave you the example of this collection station. I don't have any intention of utilizing this mechanism to try and shut that down, but I sometimes wonder if I shouldn't be calling the municipal councillors at 3 o'clock in the morning when the breeze comes along and it blows in through the windows in our home. We have to say: "Gee whiz. Why is that sitting there?" This is the kind of conflict that arises as we move to high-tech agriculture, to advanced, large-scale agriculture, to commercialized agriculture, to industrial agriculture, however we want to put those growth and development terms into effect. There's always going to be this conflict that comes up.

The Agricultural Operation Practices Act really goes a long way towards providing the right to those farmers to farm, and that's what we should have: a good supporting network that allows farmers, when they need to, to carry on their activities without the implied threat behind them all the time that they're going to have to look out for the neighbours or look out for the people who visit the community. Yet when that odd occasion occurs when they are challenged, then we have to have this mechanism. What we're doing here is asking the government to expand and really develop their Agricultural Operation Practices Act by attaching to it this agricultural operation review board, that'll give them a chance to come to an amiable agreement with the people in the community who find their practices undesirable.

Mr. Speaker, we've got to look at the process of when these boards are set up. Through a motion like this it can't be put into that much detail, but what we need to do is make sure that there is a good representation on there from the farmer, that there's a good representation on these boards from people who can act in, quote, the public interest, people who will look at it from the perspective of the overall community, but they still have to recognize the fact that agriculture must have the right to carry on their activities. If we restrict farmers, it's a situation where sooner or later their activities are going to be cut back to the point that we're going to drive them out of competitive agriculture. We're going to create barriers, impediments, regulations, whatever, to their operation that'll make them noncompetitive. You know, we're trying to establish growth in our agricultural sector to create vitalization in our rural communities, and the way we're going to do that is by making sure that the agricultural

operations and the agricultural practices are safe from challenge on a regular basis by people coming into the community. We want to look at this and deal with it from the perspective of making sure that those kinds of issues are kind of put in place.

3:50

Mr. Speaker, this issue is becoming much more of a problem – I don't want to really call it a problem but a potential disagreement – as we go to the new idea of home-based businesses. I know a number of people in our community that have gone out and purchased homes in amongst farmsteads, and they're now doing home-based businesses out of these little acreages that have been cut off the corner of a farm. They're there all day. They're there in the evenings. They're there at night. They don't get away in the normal commuting sense of the rural/urban suburbanite that we used to have.

In the new environment in rural Alberta what we're ending up with is a number of these new residents who are permanent there. They're there just as many hours of the day as is that farmer or as is the farm family, and they're wanting this degree of environmental protection where that environment constitutes, you know, the kind of life that they envision as the rural style of life in Alberta. So what we end up with is: when the farmer goes down the road and the big tractor makes some noise and it disrupts their TV or it rumbles their computer a little bit by the vibrations it causes, they end up saying: "Well, gee, we can't have that. We've got to stop this."

Well, we've got to have in place a nice, easy, simple way that this can be brought to resolution. We don't want that to have to go to the courts. We don't want it to have to become expensive on either party's part, but we want to be able to make sure that concerns can be heard. By having the agricultural practices review board in place, this would allow us to have members of the community who are familiar with both sides of the issue address and listen to the concern and then make a decision as to whether or not a recommendation should be placed for the farmer as to a potential change or whether or not some kind of accommodation can be reached with the complainant in terms of the recognition that they must accept the environment they've now moved into or they're finding themselves involved with.

This also has to work very closely with local municipalities, because if we have these kinds of review boards going on locally, it creates an awareness of the issue. It creates an awareness of situations where we're going to have county councillors maybe thinking twice about zoning changes, about development permits that they're allowing for the establishment of some of these operations. We may end up, then, also having to look at what constitutes agricultural practice as opposed to industrial practice.

I gave you the example about the hog collection station, Mr. Speaker. There are processes in place, technologies available that can effectively remove that smell, remove that odour, especially adrenaline-caused smell and odour that comes about from these high-tension situations with the animals, yet we as Albertans in promotion of our agriculture industry have not at this point in time asked industry to adopt those kinds of technologies. This awareness has to be brought forth both in terms of how the practitioners of agriculture and the persons who live adjacent to those agricultural practices understand each other and interact with each other. So this is an issue where the creation of this type of board would greatly facilitate the implementation of this. We have had one or two court cases recently in the province in connection with defining acceptable agricultural practices.

In a number of cases it would also enable a dispute or an

awareness process for some of the concerns that we have about environmental pollution and environmental impacts. There's an example that I've been made aware of where there's an individual that's had a home for 14 years in the same place only to find out that the farmer who lives next to him has now contracted with a feedlot to allow them to use those lands as a disposal for the manure from the feedlot, which is a couple of miles away. They're coming in there and piling the manure on this field to such a depth that it can no longer be turned under, which effectively reduces the smell that comes after a rain or as the wind dries out that wet manure. That is a total violation of our major environmental standards. Still, the process isn't there to bring this to an awareness in the community. This kind of process would be able to call those farmers to task so that they would be required to practise viable and sustainable agriculture in the sense that they wouldn't apply the manure waste from the feedlots to these fields to such a depth that it can't be effectively turned under.

Mr. Speaker, there are an awful lot of places where, you know, farmers have been very willing to adapt their agriculture, adapt their practices and put in place friendly modifications to their agriculture to satisfy and to suit neighbours and to suit the community in which they're operating. We have to make sure that those kinds of individuals are recognized, that those kinds of individuals and those kinds of practices become common practices for all of rural Alberta as they move into this kind of co-habitation between farmer and nonfarmer, as we strive to continue the development and strive to continue a population level in our rural communities so that we can have the kind of rural Alberta that is made up of friends of all occupations, not just farmers.

So, Mr. Speaker, I'd just like to ask that all members of the Legislature recognize the benefits that would accrue if we could have this dispute resolution process put in place, as opposed to having to go to the courts. I would ask them all to support Motion 508 then, which asks the government to establish an agricultural operation review board.

Thank you very much, Mr. Speaker.

THE DEPUTY SPEAKER: The hon. Member for Pincher Creek-Macleod.

MR. COUTTS: Thank you very much, Mr. Speaker. It gives me a great deal of pleasure to rise and speak to this motion, particularly a motion that comes from the esteemed hon. Member for Lethbridge-East. He certainly did bring out a number of primary examples that each and every one of us in our constituencies, particularly in the rural areas, have to deal with. In his last statements he did recognize the importance of the right-to-farm legislation, and he should be commended for bringing this motion forward to be debated.

A number of things the hon. member brought forward: the right for farms and farmers, their need to be able to continue to operate under their normal practices without fear of legal reprisal from either neighbours or people who are just unhappy or maybe even to the point of being ignorant of the farming practices that they have.

We're in a trend of some deurbanization. We find that more and more families, individuals, couples are maybe coming along and wanting to get into some kind of farming operation with little or no expertise in that. They want to make their dream come alive of being in a country home, and really and truly who can blame them? Alberta's countryside with its rolling farmlands and the spectacular, if not breathtaking, mountain scenery makes for a beautiful lifestyle.

We notice that in this peaceful setting that they want to call home, they want to leave the stresses of the city life behind. When they make their new homes in these areas, they never know for sure whether there's a hog operation or a feedlot next door or one that could be built there in the future or even one that's being planned, as the hon. member brought forward. They also run into some problems with just regular grain operations and the hustle and bustle of even transportation trucks going by. Everywhere in all of these situations there are conflicts which are bound to arise.

4:00

The provincial government, our government of Alberta, was one of the first governments in Canada to draft and to enact right-to-farm legislation. Each province in its turn has recognized the value of that type of legislation, and many of them have moved to draft their own. Much of this legislation is more far reaching than what Alberta had envisioned or put out originally. It sets out a regulatory system for dealing with nuisance complaints under that particular legislation, something that Alberta's Agricultural Operation Practices Act does not do.

This motion, Mr. Speaker, does have validity in expressing a desire to set up a system to deal with such complaints so that farmers and nonfarmers can stay out of our costly court system. We will hear from the minister of agriculture on this particular motion in a few minutes that he considers the motion to be redundant because it calls for far more expense of taxpayers' dollars than the department of agriculture and members of the agricultural industry feel is worth while. The motion sets out to develop more layers of bureaucracy than really is needed in the industry. Many people have expressed concern about being overregulated, and that is why we see less need for a bureaucratic maze, as constituents have called it, particularly in my constituency. The ideas that will be set out in the minister of agriculture's plan will make more sense, rather than adding a quasi-judicial type of board, as many other provinces have done. This system lets the industry take care of itself.

It would be more appropriate to ask colleagues who will talk to each other at no expense to the government and hopefully will be able to settle the dispute between neighbours maybe over a cup of coffee or across the fence instead of other legal briefs or lawyers' fees. Even if they can't, agricultural development committees are informal and will set up a process to look after better ways of keeping order among neighbours without the need of the legal system. We also have a system in Alberta where our Farmers' Advocate office, even though it comes in after the fact to solve problems, is set up to handle these kinds of disputes. We also can't forget that we have other legislation under Health and Environmental Protection to deal with complaints that are above and beyond what is considered normal farm practices.

Putting aside for the moment the fact that the motion is redundant, there is a far more insidious concern over playing around with our right-to-farm legislation. Alberta, as I said, was quick off the mark to deal with concerns about conflicts between neighbours. We moved quickly to ensure that farmers were able to continue with their livelihood without the threat of legal action. My concern is that if we start playing around with the Agricultural Operation Practices Act now by opening it up and making changes, we run the risk of having it shot down or diluted by those interests who lie in the residential development of our countryside, a threat to us all.

To create a regulatory board, we would have to amend the Act as it stands today. The hon. Minister of Agriculture, Food and Rural Development's method, Mr. Paszkowski's, does not require

amendments to the Act. It includes industry in an active way, and it gives nonfarming country residents a place to be heard when they have concerns. Beyond that, this peer review process will cost our government very little in comparison to other provinces. This is a much better system for dealing with concerns about the legislation without exposing it to attack. It is also a good way to deal with problems before they happen. We will also hear, time allowing, from the hon. Minister of Municipal Affairs about his solution of problem solving when he makes his presentation on this particular motion.

[Mr. Herard in the Chair]

I would like to commend the Member for Lethbridge-East for the intent behind this Bill. He comes with a tremendous background in agriculture, and he knows and he understands the problems. However, this particular motion for a review board is redundant, and therefore I would ask that we, our colleagues, vote against it. Members of the House will hear from the Minister of Municipal Affairs and the hon. Minister of Agriculture, Food and Rural Development as to their plans and will realize that we will have a mechanism in place where we can handle these concerns that we feel is a lot more cost-effective and possibly more responsive to the concerns that have been laid out in this motion.

With that, Mr. Speaker, I will allow others to speak to this motion.

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

DR. PERCY: Thank you, Mr. Speaker. I'm rising to support the motion brought forward by my colleague from Lethbridge-East on two grounds, two I think fundamental points of principle. The first is that anything this Legislature can do to move dispute resolution out of the courtroom and into other venues makes sense. When I hear the hon. member speak of the alternative being more costly, I think it's clear to members that he's referring in part to the cost to government of setting this up, but he's ignoring entirely the cost to individuals who have to confront the legal system. To neglect the cost borne by individual farmers or the other litigants in any of these disputes that do arise, to ignore them and focus only on those costs that are borne directly by government by setting up this alternative is to ignore the real costs of the current system.

I think that on the grounds of the principle that you want to minimize the costs in society of using dispute resolution mechanisms, this motion sets out a process from the perspective of society that is far cheaper. After all, when you're dealing with legislation, what you want is policy to be driven by what is in society's best interest, not just government's best interest. So from the perspective of society as a whole it's far cheaper to use these other dispute resolution mechanisms than to confront head-on a legal system which in many cases does not understand what conventional farming practices entail. I think my colleague from Lethbridge-East was very clear on that. So on that principle, that anything that gets us out of the judicial system and into some other process of dispute resolution is to be desired, I would support this motion.

4:10

The second point deals with what my hon. colleague from Pincher Creek had mentioned and certainly my colleague from Lethbridge-East which is the creeping urbanization in agriculture

or the process of deurbanization. I mean, there's nothing worse than somebody who moves in beside an airport and then complains about the noise. It's very clear that if you've got any foresight, any hearing there are noise pollution problems. Similarly, individuals who move into an agricultural sector and then complain about either the noise or the smell associated with conventional farming practices basically don't deserve a tremendous amount of pity, unless some of the rules of the game were changed on them midstream.

[The Deputy Speaker in the Chair]

So on this issue of principle, if you ask, "What does right-to-farm legislation entail?" I think right-to-farm legislation entails a fair hearing by people who truly understand what conventional farming practices entail. It's not clear to me that the judicial system is clearly set up to give farmers involved in a dispute a fair hearing. I would think that a mediation mechanism, as proposed in this motion, both saves money from the perspective of society as a whole – time costs, financial costs, et cetera – and frees up lawyers for uses elsewhere in society. There may be in fact some such uses. Secondly, I think it gives farmers a far better hearing in terms of a panel and a process that understands what farming entails.

So to make an argument that the government has already done it I don't think is true. To make an argument that this is a far costlier, more bureaucratic process I don't think is true. Has anybody here ever gone to court? I mean, anybody here who's gone to court knows fair well that in fact anything that gets you out of there and into some other process is clearly cheaper. So I'm going to be very interested to hear the types of arguments that can be made to argue that we've got an efficient, smoothly operating, costless judicial system in this province. No province does. No state does. The trend has been on a consistent basis, wherever possible, to move disputes out of the judicial system and into other alternate dispute settlement mechanisms.

I think this is a constructive motion. It deserves support on two simple principles, one of which is that it minimizes costs to society. We here in the Legislature ought to be concerned about what's good for society. Secondly, it gives a fairer hearing and is a truly appropriate extension of the right-to-farm legislation. I would urge all hon. members in this Legislature to support this motion.

Thank you, Mr. Speaker.

THE DEPUTY SPEAKER: The hon. Minister of Municipal Affairs.

MR. THURBER: Thank you, Mr. Speaker. I rise in opposition to this motion because, as has been said before, we are doing this now and we're doing it quite well in the province of Alberta. In March of last year my department got involved in creating a permit process for municipalities regarding new or expanded intensive livestock operations, which I believe is the source of many of the complaints that come forward about the farming industry. Strictly a voluntary process, it allows municipalities simply to access expertise in surveying, environmental protection, and farming operations to ensure that legislation is followed and to nip any future problems before they can occur.

Part of the Minister of Agriculture, Food and Rural Development's plan is to deal with the concerns in the Agricultural Operation Practices Act, which the hon. Member for Lethbridge-

East is trying to address in this motion. The first step was the establishment of the code of practice for the safe and economic handling of manure. The third step will be the peer review process that the minister has spoken of many times.

I believe in practical solutions to problems, and I see this three-step process as very practical. It is proactive, hands-on, and works to keep the problem and its solution in the hands of those whom the problem directly affects. What I like about this is that it makes the parties aware of the potential risks in development and it places such operations where they will pose the least amount of nuisance. It helps the producer anticipate these concerns, and it creates an atmosphere of co-operation.

Co-operation is the key for me in a peer review situation. I don't like to see neighbours taking each other to court or dragging each other in front of regulatory boards. I agree with the hon. member across the way when he said that it's a lot cheaper to do it pretty near anywhere than it is to go to court. It seems un-Albertan to me. These are formal, hands-off arbitration hearings that don't really encourage conciliation. Generally one party or both will leave this kind of a process disillusioned and a whole lot lighter in the pocketbook.

The peer review process is a much friendlier attempt to create a solution amongst neighbours right at home. There are no lawyers, nobody in black gowns, and no forced decisions. This way a solution can be reached right at the farmhouse or at the acreage. I can see how this kind of process would make both the farmer and the nonfarm resident feel that their rights and concerns were being respected. It's a 1990s kind of approach. Taking the solutions away from the farm/soil level, so to speak, can make the parties feel alienated.

I'm also concerned that technology and operations change too quickly these days for us to allow some board to make up the rules about what's right and what's wrong in the farming industry. A producer who volunteers time to help resolve these complaints will be in a much better position to judge whether the complaint arises from normal farm operations or not because they do the same business every day. As the Minister of Ag, Food and Rural Development said, a regulatory type of approach to this issue is expensive. It cost Manitoba taxpayers \$440,000 alone last year to allow a regulatory board to make decisions based on nuisance complaints. At that kind of cost we might as well let it go to court.

There is simply no point in urging the government to do something that they're already doing and doing, I might add, in a way that is once again on the leading edge in all of the provinces. Time and time again we have shown other governments how to be creative and effective in policy and practice and still remain fiscally responsible. This three-step process culminating in the peer review program is just such an example, Mr. Speaker, and I would urge everybody to turn this down just simply on the basis that we're already doing it and doing it much better than they could under this process.

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

MS CARLSON: Thank you, Mr. Speaker. It's a pleasure for me to rise and support this motion today. I'm surprised at the Minister of Municipal Affairs when he states that he does support some of the items outlined here but has to speak against the motion. It seems to be a contradiction in terms. In fact, there are lots of things here that we need to seriously consider as being fundamental changes in the way that areas, particularly around urban areas, are being settled at this point in time.

In my constituency there are a number of farms that were original homestead farms that are gradually being eroded by acreage owners and other people who are wanting a quieter lifestyle who are constantly in conflict with the resident farmers over a number of issues, particularly one that the Minister of Municipal Affairs talked about, and that's the handling of manure on their properties. While there may be regulations talking about the care and safe handling of manure, the acreage owners in my constituency don't care about that at all. They care only about the smell. They're in conflict with the farmers about this issue, and they cannot come to a resolution over a cup of coffee.

In many instances they've threatened to take the farmers to court, while the farmers are in fact only practising the same kinds of practices that they have for generations on these farms and should have the assurance that regardless of who their neighbour is they can continue to do this. All the regulations and rules that the Minister of Municipal Affairs promotes are not going to solve that particular problem, and that's why we need this review board. The minister was concerned about the membership of the review board. It's to be made up of farmers, so he's going to see those people and his constituents having their interests properly represented.

He stated that the government is doing an adequate job now. In fact, they aren't, because there are disputes. As long as there are disputes that are being resolved unsatisfactorily on both sides, then there has to be some other kinds of mechanisms put in to solve those problems. He doesn't want people to have to go to court or to regulatory boards, but the fact is that what they've got now doesn't work. It's not being solved. There are ongoing problems throughout this province, and there will continue to be increasing ongoing problems as we see people moving out from urban areas and trying to resettle what used to be prime farmland that is now turning into acreage ownership.

Definitely this review board provides an ideal opportunity for disputes to be heard. People on both sides of the House have talked about that in terms of cost cutting by staying out of court. I can't possibly see how anybody could not support that kind of a motion.

So, Mr. Speaker, with those comments, I would like to call the question.

4:20

THE DEPUTY SPEAKER: You've called the question. Are we ready for the question?

SOME HON. MEMBERS: Question.

MR. PASZKOWSKI: Mr. Speaker, I'd like to speak to this particular motion. I think it has some interesting merit. I want to address some of the concerns that are here as well. I want to congratulate the hon. Member for Lethbridge-East for the thoughtful presentation that he has made, but I also want to share that indeed we may be duplicating some of the initiatives that are already in place, certainly regarding the establishment of an agricultural operation review board to arbitrate disagreements that may arise regarding generally accepted agricultural practices as they pertain to the Agricultural Operation Practices Act.

I wish to point out that in 1987 an Act was passed, and it was the first piece of legislation that indeed dealt with the right to farm. This was the first legislation of its kind in Canada, and again Alberta was the leader and Alberta was here to deal with this issue as the first province in Canada.

It's been mentioned that the Agricultural Operation Practices Act doesn't have a definition for "generally accepted agricultural

practices,” and I think there's good reason why it doesn't deal with it in a firm form of definition. I want to point out that indeed there are hundreds of types of farming operations that would have to be dealt with. If indeed we're going to deal with it in a legislative way, we'd have to define every one of those hundreds of different types of agriculture with a true and definitive definition which legislation really, really requires.

Even more important than that reason, I believe it's a fact that generally accepted agricultural practices – and this is probably the most difficult part of all of this – are a moving target. It's not something that stays static. We may have had generally accepted agricultural practices in the hog industry, for example, in 1987. Technology has changed, and the whole concept of the hog industry has changed since 1987 and changed very dramatically. So does that mean that we're going to be dealing with legislation every year to accommodate these changes as they come by? Overall I don't really see that legislation is going to be the way to deal with a vibrant, exciting business such as agriculture, that's on the move in this province. There's an ongoing movement in agriculture. Research and advanced technology continue to provide new and improved ways for raising livestock and crops, and we have to be able to move with the times.

The Minister of Agriculture, Food and Rural Development as well as the agricultural industry producer groups want farming practices to be as current as a farmer can afford. They want to be there on the leading edge, and we certainly demonstrated that very, very dramatically in Alberta. That's why our industry has moved so rapidly in Alberta. We haven't bound it with the regulatory inhibitors that some of the other provinces have done. We also want regulations to be no more expensive than the public can afford, and I think that's critical and important as well.

An agricultural operation review board to arbitrate disputes over agricultural practices sounds like an excellent idea in the first place, and I agree that there are some very strong strengths to that particular concept and that particular idea. However, it's important to take a thorough look at this whole process and see just indeed what all this may entail.

Whenever there's a problem in society, someone always says: “There ought to be a law. There ought to be a law to fix this.” That's the easy way out. The more laws that we have, the more bureaucracy we have and the more problems we can establish, and that is something that we want to try as much as possible to avoid. It's like love and marriage, Mr. Speaker. You can't have one without the other. It costs a considerable amount of money to enforce laws, and the more laws you have with outsiders enforcing them, the less community caring you're going to have. If you want somebody from abroad coming in and telling you what you have to do, well, maybe that's something that has to be considered in this process. I caution on this. The Liberals continue to want to bring forward intrusion into everyday lives through laws and more bureaucracy and more costs on an ongoing basis. I consider this as an inhibitor. I consider this as one of the problems to what appears to be a very constructive and a very good idea. [interjection]

Upon looking into the farm mediation and review board that was set up by the Farm Practices Protection Act in Manitoba – and this is interesting. I hope you pay attention to this, hon. Member for Fort McMurray. I think you'll find this quite interesting. I understand that you're going to have your opportunity to talk, so I'll hope that you will stand and rise to utilize that opportunity when your times comes, because you've spoken quite often about us on this. So I hope that you hear this. In Manitoba in 1994-95 the cost of this particular board was \$446,000 to hear six cases.

AN HON. MEMBER: How much?

MR. PASZKOWSKI: Four hundred and forty-six thousand dollars to hear six cases, and this is what we're looking at setting up. Is this what you really want? That's what we're talking about here, Mr. Speaker. I think it's important that we understand and we consider some of the ramifications of this that may be coming forward. I hope there's a clear understanding of some of the other ramifications that may come forward, what indeed may be considered a good idea.

There were only six meetings. Consider what this could have cost if there had been a lot of disputes in the particular area. That's something that's actual fact and something that indeed we can allude to, something that we have to consider on an ongoing basis and indeed demonstrates that each one of those arbitrary sessions costs close to a hundred thousand dollars, Mr. Speaker, and that is taxpayers' money. I feel very strongly that there are other ways of dealing with this issue. There are other ways of dealing with the dispute issue. It's more likely that layers and layers of bureaucracy that must be provided to run a board such as this and provide legally binding powers can be very, very expensive, and that's something we have to consider.

The residents of Alberta have told us through constant consultation that they want less government. They don't want more layers of bureaucracy. We just came back from a meeting where that was the whole thrust and that was the whole focus. “Get government out of our lives. We can manage. We can run it.” So why do we want to present more layers of bureaucracy? Why do we want to impose on people in additional ways when indeed there are other ways of dealing with the issue? The people want the services, and that's fine, and they want the government to establish a process of how to supply services that can be provided without these big price tags.

I think Agriculture, Food and Rural Development has developed an excellent process for dealing with complaints arising from agricultural practices in this province. The process is without costing us much money. It deals with each problem individually and without a bureaucratic or cumbersome definition of generally accepted agricultural practices. It'll encourage neighbours to come together and become more neighbourly, because you can't have a third party coming in and dictating and still have two neighbours communicating after the process is done. What you really have to do, Mr. Speaker, is have the people who have the issue and have the problem come together and sit down and negotiate in a friendly manner to come to a successful conclusion.

THE DEPUTY SPEAKER: I'm required to interrupt the hon. Minister of Agriculture, Food and Rural Development because the time limit for consideration of this item of business has now concluded.

head: Government Bills and Orders
head: Second Reading

4:30

Bill 31
Business Financial Assistance Limitation
Statutes Amendment Act, 1996

THE DEPUTY SPEAKER: The hon. Premier.

MR. KLEIN: Thank you, Mr. Speaker. It gives me great pleasure today to speak briefly to Bill 31, the Business Financial Assistance Limitation Statutes Amendment Act, 1996.

Before I get into the essence of the Bill, I would like to refer to section 74 of the Financial Administration Act. That Act allowed

for large loan guarantees to businesses in the past. Examples of situations where this was used included MagCan and NovAtel and certain northern forestry developments. We've alluded in the past to those operations being examples – I won't say good examples but examples – of government deals that went sour, although there was a certain degree of private-sector involvement as well. Under that Act ministers had the authority to give guarantees, to make loans, or to buy shares for government, and examples of where this occurred include Smoky River Coal, Vencap, and XL Foods.

Mr. Speaker, under this new legislation all Acts that can still authorize these types of transactions must now be reviewed in the Legislature and in public, such as the Agricultural Societies Act, the Feeder Associations Guarantee Act, the Irrigation Act, the Livestock and Livestock Products Act, the Rural Electrification Long Term Financing Act, the Rural Utilities Act, and the Treasury Branches Act. This would affect a number of Crown agencies and certain program guarantees like the feeder associations, rural gas co-ops, and agricultural societies.

Mr. Speaker, under the new legislation the province would be able to use indemnities only where it's required to conduct the regular business of government and to sell assets, the assets of the government. Regular business would include indemnifying, for instance, appointees to the various boards, authorities, commissions, and agencies. These people are ostensibly volunteers, and it makes sense that they ought not to be held liable for the actions of the government. An example under the old Act: an indemnity was used to sell government shares in North West Trust, for instance, and the government at that time had to provide an indemnity of \$15 million in order to sell close to \$100 million worth of assets.

This legislation is unique in Canada. I think it certainly is the first of its kind to be introduced in any Legislature in this country. Basically, through this legislation we're tying our hands – we're tying our own hands – because government is now out of the business or will be out of the business of loans, guarantees, and investments to business, period. Albertans told us, Mr. Speaker, that they didn't want to see their government pick winners and losers in the private sector, and what we're doing today is proposing legislation to remove the ability of government to make any loans or guarantees behind closed doors, in other words as an Executive Council, as a government. From now on if any of these kinds of deals are to be made, they must be made right here in the Legislature and before the eyes of the public.

Mr. Speaker, with this legislation we've made good on our promise to address government loans to business. This new legislation will restrict any provincial government in Alberta from investing in or giving any new loans or loan guarantees to Alberta businesses for all times. I'm talking about the government. The Legislature still has that ability.

As I mentioned, the legislation is the first of its kind not only in Alberta but in all of Canada, and it was the one way to show Alberta taxpayers that government can be accountable for the decisions it makes.

Mr. Speaker, unfortunately the financial failures like NovAtel and MagCan taught us a hard lesson: the Alberta government should not be in the business of being in business. Today marks the beginning of the end of that era. Cabinet can no longer risk taxpayers' dollars picking winners and losers.

Mr. Speaker, the adjudicator of transactions, if any of those transactions occur in the future, will be this Legislature, and I encourage all members of the Legislature to support this legislation.

Thank you.

DR. PERCY: Mr. Speaker, I rise to discuss the principle embodied in Bill 31. Certainly, the principle of restricting the ability of the cabinet to authorize loans and guarantees is furthered by this Bill. There are provisions within the Bill which go part of the way but a very small part of the way in dealing with the ability of various Crown entities such as the Alberta Treasury Branches, the AOC, and other such entities to provide loan guarantees or other such indemnities. It provides for a review of their mandate every five years. But one stands back and asks: does this Bill get us out of the business of being in business? It does, only a small portion of it. It removes the ability of the Executive Council to lock us into the fiascos that we have seen historically. That's a positive step, and it should be supported.

The second important issue, though, is the extent to which it in fact does remove government from being in the business of being in business. There are caps, for example, that are placed on AOC, the \$1 million provision which can no longer be overridden by Executive Council, but AOC can still make loans of a million dollars. It still has the ability to offer guarantees of a million dollars. There's no limit on the number of million dollar loans that they can give, short of the budget they have and the discretion of the board and subject to the minister and his willingness to provide additional funds or via the Legislature.

ATB. In one year, Mr. Speaker, loan guarantees provided by the Alberta Treasury Branches increased by \$350 million. To whom were those loan guarantees given? We do not know. What is the collateral that stands behind them? We do not know. To what extent were they backstopping the refinancing of West Edmonton Mall? We don't know, but we certainly have suspensions. Three hundred and fifty million dollars in guarantees.

You look at the Agriculture Financial Services Corporation, which again is heavily involved in the business of providing financial services to agriculture. Its influence is extensive in rural Alberta. The influence of AOC is extensive in both rural and urban Alberta. The influence of the Alberta Treasury Branches is ubiquitous throughout the province. All of these entities are controlled by the Crown. All of them are directly involved in being in the business of being in business.

It is true, Mr. Speaker, that this Bill provides a cap. It is not true that the Bill gets the government out of the business of being in business. To the extent that we have loan guarantees out there that we can't explain other than it seems to have been done at the convenience of the government and for the purposes of government and not done directly by government, it leads one to believe that there are still a variety of mechanisms that exist for the government to continue to be actively involved in the business of being in business.

Now, the issue that one has to confront directly is: what is the cost to Albertans of having this array of financial institutions that are owned by the Crown? Let me again make the point that I've made before. Point one: we are on a consolidated set of accounts in this province. Any Crown entity that runs at a loss directly influences the bottom line of the government, surplus or deficit. It is true that the Provincial Treasurer and legislation provides a variety of revenue cushions, \$585 million in the current budget for example. They're there.

But a second point has to be borne in mind in that we work on balanced budget legislation. So if there are losses in these other entities that are involved in being in the business of being in the financial business, given the balanced budget legislation, given the consolidated nature of our accounts, it directly influences the bottom line of government. Should the losses in these other

entities that are out there eat up the cushions, then where are we? We are, Mr. Speaker, having our core programs being driven by the lending practices of the AOC, the ATB, and the Agriculture Financial Services Corporation.

4:40

Could that happen? Could in fact we end up with losses on those three entities that absorb the cushion that we have? Well, let me give you a scenario, Mr. Speaker. Remember the '80s? Remember the downturn in the Alberta economy, the collapse of the Canadian Commercial Bank, the collapse of Northlands, the collapse of the credit unions in this province? Now, in part that collapse was driven by federal government policy, the NEP. That was a part of it. In part it was driven by federal monetary policy and extraordinarily high real interest rates, and in part it was driven by cyclical factors. There's enough blame there to go around for everybody. The bottom line is: it did happen, and you saw the balance sheet of a wide variety of financial institutions that had all of their assets Alberta-based.

When you look at Agriculture Financial Services, AOC, and Alberta Treasury Branches, on one hand you can say, yes, there may be a role for them, but on the other hand all of the collateral that they have, all of the assets that they have invested in to backstop their other practices, their value is based on the level of economic activity and prospects for economic activity in the province of Alberta. When the good times run out – and although oil is now \$25 a barrel, the good times will run out at some point, Mr. Speaker. This is a cyclical economy, and what goes up does come down. At some point we're going to run headfirst into the constraint of consolidated bookkeeping, the balanced budget constraint, and the losses that will arise in these institutions. It will happen. It's only a question of when.

When it does happen, two things will occur. First, the revenue cushions that are set up in the budget will be absorbed. The second thing that will happen as we go into that type of economic slowdown is that revenues accruing to government will fall and the demands on government will rise. So there'll be natural factors that will push towards the deficit. It will run head-on to the balanced budget constraint. Over and above that there will be these other entities that are leveraged, that have made loans, made loan guarantees, and they will be running losses that will contribute to a further exacerbation of the deficit that will be driven by these primary factors. That will happen. It's only a question of when, Mr. Speaker. It's not being pessimistic about the Alberta economy; it's just being an observer of the Alberta economy and looking at a cyclical nature over the last hundred years.

That is why I think there must be further constraints placed on the ability of these other financial institutions to make loans and loan guarantees. I am not talking about the abolition of these entities. What I am suggesting is that there must be a higher degree of accountability. So part of the principle that's embodied in this Bill is getting out of the business of being in business and specifically getting out from behind closed doors. That is highly commendable and must be supported.

The Bill also calls for any of the guarantees in excess of a million dollars or these other indemnitees coming before the Legislature and MLAs collectively taking responsibility for any such loans, guarantees, or other types of indemnities. That is absolutely consistent with the parliamentary process and is something that we have asked for. So again that is good, and it has to be supported.

The issue, then, relates to these other financial institutions

which are part of government. Their boards are appointed by government. In the case of Alberta Treasury Branches we self-insure the \$9 billion in deposits of the Alberta Treasury Branches, so they are part of government. We can't deny that. So the issue is: how do we in a sense rein them in? The Bill attempts to do that by making those caps difficult to leap over.

The other issue, then, is: how do you kind of constrain the total amount of guarantees and loans that are given out by the Agriculture Financial Services Corporation, Alberta Treasury Branches, and AOC? What type of mechanism do you put in place that not only puts a limit, a cap, on the individual amount of a loan but the global amount of those loans, and what would be an appropriate cap? I don't know, Mr. Speaker. I do not know, but it is an issue that I am concerned about.

In terms of looking at this, there is much in terms of the principle of this Bill that should be supported, and I will support it. There are concerns, though, on this other entity, the breadth of government in these other entities. I've only spoken about the big three: Agriculture Financial Services, AOC, and ATB. It's clear that there are other entities that provide one way or another guarantees, from cattle feedlots, feeder associations, and the like. They're there. But, again, how do you deal with them?

I think one mechanism that we can look at – and it's certainly an issue to bring forward when we debate amendments to this Bill – is that any entity in this province that provides loans or guarantees and is Crown owned or controlled ought to appear before the Public Accounts Committee and be subject to scrutiny.

Now, again, in that process you could not ask about specific loans or guarantees, but you could ask about the prudence of the lending policies, the nature of collateral that is in place, and their projections about what lies ahead in the future. I will say that the minister of agriculture always brings in with him a number of individuals, one of whom, in fact, is with the Agriculture Financial Services Corporation, and we can look him straight in the eye and ask him questions about their risk assessment, their lending practices. That's not true about the ATB. That has not been true about the AOC. At some point I think it should be part of the legislation. If we can't cap the global amount that these entities provide, over and above the three that I've mentioned, there has to be a mechanism of accountability.

This Bill goes part of the way by saying that any exceptions have to be dealt with through legislation here, but I think the operation of these other entities has to be scrutinized, and I would say that they would enjoy the pleasure of going before Public Accounts. I know that every Wednesday I look forward to it as we go through in some detail. I think that if we're going to talk about accountability and we're going to be collectively responsible for these types of financial decisions made by these entities, we ought to have the right to question individuals directly involved with the lending practices. As I say, right now it tends to be haphazard with some ministers, in fact, ensuring that that is done. Other ministers, not. Certainly one mechanism, then, that would be consistent with the principle of the Bill is to provide a further role for the Public Accounts Committee in terms of assessing the prudence of some of the lending decisions and guarantees made by these entities that are still operating as a result of this Bill.

[Mr. Clegg in the Chair]

Now, the other issue, which is an issue of principle, is why is the government continuing to remain involved in the business of being in business: AOC, ATB, and Agriculture Financial Services

Corporation. Again, there are a number of other entities that in fact are subject to this Bill, but I'm talking about the ones that are the big-ticket ones. This is an issue that we've tiptoed around. We scurry around, and we beat each other up in our caucuses, but we rarely talk about it here. It really is the mandate of these entities, the breadth of financial services that are offered by this government. Some of these entities emerged in a period of time when we had far more money than brains.

At some point what has to happen is there has to be a review of the mandates of these entities that are involved in loaning money. We have to come to a decision as to do we have too many. Can we consolidate them? Can we combine them? Can we narrow their mandate? Can we somehow protect the taxpayer from imprudent decisions of these firms or from the consequences of the economic downturn that will occur at some point? That debate has to occur. Perhaps the best way of doing it is doing what was done with the heritage savings trust fund in terms of having both a set of questionnaires and a committee – all-party I think worked in that instance – that would go around and would just solicit the views of Albertans. But prior to doing that, they would have in their hands information about the breadth of the financial reach of the government through these other types of entities.

While this government has reduced the size of government, has downsized government, not much has happened to this whole array of Crown entities that are out there that are involved in the business of providing financial services, and we have to address the issue at some point. This Bill goes part of the way in doing it, a modest way. I think it could be significantly improved, and certainly in debate, when we come to Committee of the Whole stage, I think we can bring in amendments that would be acceptable to all members of this House, which would be consistent with the principle of accountability that is partially set out in this Bill and consistent with the principle that is set out of trying to get government out of being in the business of being in business.

4:50

So in terms of looking at the principle, certainly I support the principle of government getting out of the business of being in business. This Bill does it partially in terms of getting Executive Council directly out of the business of being in business. It still appears to have a number of loopholes, which we will discuss I think in further detail in Committee of the Whole. It deals with some of the concerns that have been raised about the magnitude of individual loans that could be made by some of these Crown-controlled financial entities, but it does nothing to deal with the total volume of these loans and the implications that these loans have and the reach that the government has in the financial community on the bottom line of government.

Again, at some point oil prices are going to fall. At some point investment is going to decline. These price movements are cyclical in nature, and what this Legislature has done, in part supported by us, is impose a number of constraints in place that don't touch us when the times are good – that's the consolidated accounts and the balanced budget constraint – but once in fact economic activity starts to slow down, these things will grab us and they'll grab us hard. They're going to grab us two ways, both directly by falling government revenues and rising demands on government and indirectly by what's going to happen to the balance sheet of a number of these entities that are out there.

When I look at this Bill, I ask: does this Bill go the distance in terms of providing us with some mechanism for mitigating worst case scenarios? Because when we're dealing with legislation, I

think we ought to look at worst case scenarios. I don't think it goes far enough. As I say, as I've read the Bill, I think I understand the intent. I think the Bill is well intentioned. I think it does make a good first step. I'm still at a loss as to how to deal with some of my concerns directly. As I say, one way of dealing with them directly is by enhancing and strengthening the role of Public Accounts in terms of scrutinizing the accountability of these institutions. Subjecting the mandate of these agencies to periodic review and debate in the Legislature has been done as well. Those are reasonable steps. One might quibble that five years might – you know, a lot can happen in five years. This Bill can be strengthened, it ought to be strengthened, but in terms of the underlying principle, I will support it.

Again I think the record speaks for itself in terms of what has happened when decisions about loans and guarantees have been made behind closed doors. I mean, the cost of those types of decisions are in excess of \$2 billion. They're borne today in terms of reduced services, in terms of higher debt-servicing payments. That can never happen again. That is being dealt with, Mr. Speaker.

The tougher issue now is how to deal with these financial agencies that are owned by the Crown that are actively involved in being in the business of business. ATB now has a board. Good move. It provides a buffer, but it still doesn't reduce our financial exposure. That is still the problem. The AOC? We still have the financial exposure. Agriculture Financial Services? We still have the exposure. I'm sure the ministers involved in those entities are going to stand up and say, "Look; these are great institutions and everything's great." Well, everything is great now, but what we have to plan for is when things aren't so great. What we ought to do when we look at this Bill is ask: how can it be improved so that when things aren't so rosy, it will at least give us a soft landing?

So with those comments, Mr. Speaker, I will take my seat.

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

MR. BRUSEKER: Thank you, Mr. Speaker. In looking over Bill 31, one has to ask the question of whether or not it is indeed a step in the right direction. I guess I would say, perhaps paraphrasing the hon. colleague who just spoke before me, that half a loaf is better than none and from that standpoint see that this is a step in the correct direction, but I do have some concerns with the Bill as it is before us today.

The previous member did say that, yes, it's a move in the direction of getting out of the business of being in business, but as I listened to the Premier introducing it, he said that this will completely get the government out of the business of being in business, and that is not quite true. What it does is it significantly reduces the amount of exposure that the government can get involved in by pretty much putting a cap of a million dollar figure on a variety of different organizations. That cap is in place for ag societies, Ag Financial Services, the Alberta Opportunity Fund Act, and so on and so on.

In fact, what it does is it removes the option of the Lieutenant Governor in Council, in other words the cabinet – it removes that option on behalf of the cabinet to make exceptions, if you will, to make those exceptions that did get us into trouble in the past, that got us into a \$2.1 billion hole with respect to businesses that have gone under in the past. When I look at that and I say to myself that if we are in fact tightening things up, then certainly, Mr.

Speaker, I would say that it is a step in the right direction. A half a loaf is better than none at all, but it would be nice if we had the entire thing.

Now, when we look at the Act, though, there are a number of sections that proceed apace outlining a variety of restrictions and eliminations of opportunity for the government to give money. Those all read very nicely until you read that one fateful word that crops up on a number of occasions, and that is the word "unless." Mr. Speaker, when one finds that word, then one finds, if you will, the out clause that still allows government to provide a variety of means of financial assistance.

There is reference in the Bill, for example, to still being allowed to become involved with a transaction of the purchase of shares. That would be allowed if indeed certain conditions are fulfilled and so on. I guess the more I read through the Bill, as I was going through and started highlighting those with my trusty little highlighter pen, I found those "unless" words occurring more often than I would have felt comfortable with. There are a number of cases where the phrase "unless certain conditions are met," for example, is included. In section 74, which of course is one of the key sections, there are a number of references to the allowance, if you will, for guarantees still to be made, for loans still to be made, and for the government to get involved with the involvement of business.

I guess, Mr. Speaker, what I'm saying is that if we had eliminated all of those "unless" clauses throughout the piece of legislation, if we could get rid of those, in fact what we would have is a much tighter Bill, a Bill that would basically say that the government will not get involved, period, full stop, end of sentence. Will not get involved unless certain conditions are met. It simply would have tied things down much tighter, and if that had been the case, if we did not have all of those "unless" clauses, then I think we would see something that would give considerable more support, give considerable more comfort, if you will, to the people of the province of Alberta.

When I go around talking with constituents about the various ventures that the government has become involved with in the past by giving loans or loan guarantees or purchasing shares in corporations that quite frankly were going nowhere and had little opportunity to go anywhere, quite honestly my constituents simply shake their heads. They can't imagine how that could be the case. Now what we have is a Bill that proposes to tighten that circle up considerably, but it doesn't close the circle completely with respect to being able to still get involved with different transactions.

I think, Mr. Speaker, that, as I said, is a step in the right direction. It is an improvement, but the way I read it, it still doesn't eliminate the giving of loans and guarantees and share purchases. All it really does is it changes the rules under which those loans and guarantees and share purchases can be made. From that standpoint I think this Bill does not go far enough. It does not cover a broad enough range of territory.

5:00

I think there are some good moves in here. There are a number of places where the Bill removes the ability, removes the authority of the Executive Council, of the Lieutenant Governor in Council. It removes them from having the ability to make those loans that are in excess of the million dollar mark. While certainly for you and I as individuals a million dollars is a large amount of money, when one looks at how the government has become involved with different corporations in the past, a million dollars in some of the ventures we've seen is indeed a small

amount of money. We've seen some get up into the hundreds of millions of dollars, and certainly by eliminating that opportunity, by closing that door on themselves, if you will, the government has made a step in the right direction.

Perhaps I'm being somewhat cynical here, Mr. Speaker, but I guess one must simply ask the question: why is it necessary that government would pass a Bill to do this sort of thing? Why doesn't the government simply say, no, we're not going to give any more loans and loan guarantees?

It seems to me that this is a Bill that has been in the Legislature before, or at least a concept of this Bill. I believe the Member for Edmonton-Ellerslie introduced a Bill to this effect as a private member's Bill in the last spring session of this Legislative Assembly, and that was turned down at the time. Now we have the government coming forward with a good Liberal motion and concept. As I said, they've got it half right but not completely correct, so a step in the right direction. I guess one must ask the question of why it is that the government needs to, if you will, tie their own hands. I'm glad that they are, from the standpoint of what's happened in the past, but one wonders why it's even necessary.

Mr. Speaker, there's one section in here, section 74, that I wanted to just quickly look at because it refers to something somewhere else. What it refers to is an order in council, OC 668/92. This was dated November 19, 1992, and is the last order in council, as I recall at least, by the previous Premier, Mr. Don Getty. What it proposes to do – and there's a reference to it in the Bill – is it covers off any future costs, both legal and settlement costs, from any foul-ups, shall we say, from previous members of cabinet.

AN HON. MEMBER: Is that the NovAtel order in council?

MR. BRUSEKER: I guess some would refer to it as the NovAtel order in council. Some might refer to it as the MagCan order in council. Some might refer to it as the Gainers order in council, just to name a few of them.

MR. GERMAIN: Take your pick.

MR. BRUSEKER: Certainly, take your pick, as the Member for Fort McMurray suggests, and the pick would be from a long list, Mr. Speaker.

I guess when one looks at this, this is an order in council that is a little over three and a half years old – three and a half years old – that is going to be ratified, if you will, by this particular piece of legislation. The section in the Bill says, well, that order in council is now validated as if it were law and as if it were law all along.

MR. GERMAIN: It's like the 10th commandment provided in the Act.

MR. BRUSEKER: The 10th commandment? Maybe it's the 11th commandment included in the Act.

MR. GERMAIN: Thou shalt not sue government negligence.

MR. BRUSEKER: But the interesting thing – thou shalt not sue government negligence. That would really put a hamper on the legal profession where we would need the assistance. There could be all kinds of work created where it's not included, so maybe that's why it is included.

But I find it interesting, Mr. Speaker, that when you look through the order in council that is referred to, the order in council grants blanket immunity to Executive Council, and for the rest it says, well, with the approval of the Treasury Board the Crown may give indemnities. So the order in council says that cabinet is covered. Anybody who's in cabinet now or ever was or ever shall be, forever and ever, amen, is covered. No problemo. But for anybody else: um, we're going to have to think about it.

Now, I must confess that when I look at that, Mr. Speaker, what I see appears to be a rather strong double standard. I would have to say, with respect to that particular reference in Bill 31, that I have some concerns about that. The argument, I suppose, is that Executive Council are the ones that make decisions, and, heaven forbid, sometimes that's true. Maybe that's why we got into the \$2.1 billion hole we're in right now. If they didn't keep all those cards so close to their vests, maybe they would allow a little more input from all Members of the Legislative Assembly on both sides of the House as opposed to just the small poker-playing group of 17 or so we have right now. The stakes sometimes do get a little high, as they did with NovAtel, \$641 million; MagCan, \$209 million. Gainers was \$170 million. You know, huge amounts of money. Swan Hills, half a billion and still growing, I think, something that we're still looking at.

I guess that when one looks at that order in council, one has to be a little concerned with the proposal that's going in. First of all, the process by which we are backdating this order in council, bringing it suddenly forward from November 19, 1992. That's the date printed on the order in council, and I'm sure you've seen it and have it committed to memory, Mr. Speaker. Knowing what a fine bit of research you frequently do, I'm sure you have that right at your fingertips. So we're backdating something, and then what we're backdating and bringing in is something that quite frankly, in my opinion, puts into place a double standard. I have a concern with that, that that process would be included in this piece of legislation.

Mr. Speaker, I guess overall when one looks at Bill 31, as the previous speaker, my colleague from Edmonton-Whitemud has said, this is a step in the right direction, a small step in the right direction. It does to a certain extent restrict the ability of government to get involved in providing financial aid, whether that be a loan, a loan guarantee, or the purchase of shares. But there are too many, to my way of thinking, outclauses that are still in the Bill that I refer to, these "unless" clauses if you will. Then by including this order in council from three and a half years ago, by the time you add in the outclauses and you cover off any possible liability because there's no worry if something does happen to go wrong, it seems to me that this is still far too much a loosey-goosey piece of legislation.

It seems to me that either the government should eliminate the outclauses, the "unless" clauses if you will, or they should eliminate Order in Council 668 from 1992, or preferably I believe they should eliminate both of those things. That would make this legislation much tighter, much tougher, and say to all of those financial institutions that operate under the auspices of the government of the province of Alberta – it would make all of those financial institutions much tighter and much more accountable. Because if you look at section 74 of the Act, there is also within the Bill already a section that deals with the issue of indemnities to a variety of people provided that the indemnity is given in writing. Well, Order in Council 668 is a blanket, automatic it's in place; no problemo. If we forgot to write

something, you're covered; have a good time; see you later. We've seen some real fiascos go through. We've seen some huge financial losses go through, and this indemnity . . .

MRS. HEWES: Where did the money go?

MR. BRUSEKER: Where did the money go? I don't know where the money went. It's probably in Switzerland by now. I don't know. [interjections] Where did the money go? It's a good question. In a big black hole. It's an interesting question, Mr. Speaker.

MRS. FORSYTH: Order.

MR. BRUSEKER: Thank you, Madam Speaker.

Where did the money go, and what are we going to do to prevent this sort of thing from happening in the future? This goes a little way to preventing it. I think we can tighten it up some more. I look forward to input from members opposite, both in the Executive Council and certainly from those who are private members on the side opposite, to come forward with some good, positive suggestions along the lines that certainly members on this side of the House have put forward in the past to tighten up this whole piece of legislation so that we have something that will prevent this kind of loss of taxpayers' money in the future.

So I intend, Mr. Speaker, to support the Bill. I think that in principle it's a step in the right direction. I think that when we get to the Committee of the Whole stage, we will need to see some amendments to tighten it up a little more so that it becomes a good solid piece of legislation to protect Albertans in the future.

Thank you.

5:10

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

MR. RENNER: Thank you, Mr. Speaker. I'm pleased to rise and speak to second reading of Bill 31. I am proud to be involved in this type of a Bill because frankly this is the type of thing that we have been talking about. This is the type of thing that I campaigned on three and a half years ago. I guess it's not quite. It seems like three and a half. It's actually just about three.

I want to speak a little bit about the principles of the Bill, a little bit about the background on the Bill, but I also want to address some of the points that have been raised by the speakers opposite. First of all, the Bill itself is designed to put into legislation what we have been saying: that the government should not be in the business of business. I heard someone make reference before, "Well, why would the government want to put handcuffs on themselves when all they have to do is follow through on what they're saying?" It's probably not a bad observation. However, we recognize that, as the Member for Edmonton-Whitemud pointed out, times may not always be as they are, and it may not always be as easy to stand by someone's philosophical stand. So when you bring something into legislation, it makes it very clear that the government is going to have to live up to its own legislation. What this legislation does is it says: from this time onward there will no more behind-closed-doors negotiations and deals made and then we announce it to the world; no more.

We've heard reference to section 74 of the Financial Administration Act. Well, frankly, section 74 is really the key to this legislation. The reason that it's the key to the legislation, Mr. Speaker, is that if you'll remember a couple of years ago when

the Financial Administration Act was passed in this House, what section 74 did was gather the loan and guarantee provisions from every department throughout government. Believe it or not, every minister used to have loan and guarantee provisions within their department, and they used to be able to independently grant these loans and loan guarantees. As a first step, the Financial Administration Act said: "Well, let's at least bring them all together. Let's at least bring them in, and let's have the recommendation of the Provincial Treasurer." After all, the Provincial Treasurer is the one that's responsible for the financial statements, and if the Provincial Treasurer doesn't at least have the ability to approve these loans, then what kind of control do we have?

Well, this goes the next step further. This says: "Now that we've gathered everything all together, now that we've got it so we have control on what we're doing, we're going to take it one step further. We're going to take it out of the hands of cabinet, out of the hands of the Lieutenant Governor in Council and put it right here where it belongs: in the Legislative Assembly of Alberta." So if someone comes to this government or future members of this government and says, "We have the best idea for you as Albertans, and you just can't let this idea go by," we don't go off into some little closed room and negotiate. If the government wants to proceed and get involved in that deal, they have to come to this Legislative Assembly, bring legislation, have it debated in this Legislative Assembly.

This Act will prohibit – will prohibit – any minister from getting involved in loans, loan guarantees, and share purchases that are not already in place. After all, we have to recognize that there are some deals that were done. We can say all we want about the deals. There are some very obvious deals, and the Premier made reference to them earlier: the MagCans, the NovAtels, not particularly good deals. We're saying that from this point onward we're not going to get into that kind of deal anymore. But we also have to recognize that previous governments have made commitments, and we are obligated to meet those commitments that previous governments have made.

What this Bill also does, Mr. Speaker, is allow the government – and the Member for Calgary-North West made reference to the term the "unless" clauses. It is absolutely essential that the Provincial Treasurer have the ability to do proper and adequate cash management. There are from time to time huge sums of money that the Provincial Treasurer is responsible for. If we don't give the Provincial Treasurer the authority to invest that money on a short-term basis to the best advantage of Albertans, what are we going to do? Take the money and lock it in a vault somewhere? The reality of it is that we cannot as a government invest all of our funds in federal government Canada savings bonds or something like that. There has to be some flexibility for the government and for the Provincial Treasurer to in a reasonable way, in a prudent way deal with the Crown's cash from a cash management perspective. That's what the provisions in section 74.2(2) – the member was making reference to it. That is the provision for cash management.

We also heard discussion of the provision of Order in Council 668/92. It's important that everyone understand that the section 74 that is in this Bill is replacing section 74 in existing legislation. It says that section 74 of the Financial Administration Act is repealed and replaced. Now, one of the provisions, if you read on page 5 in the Bill, section 74(1)(c), is the provision that allows the government to give indemnities to ministers, MLAs, government officials. I think it's perfectly reasonable that I should be

protected as a member of this Assembly. If someone should sue me, the government should protect me if I'm only doing my job as a duly elected representative of this Assembly.

It goes on to say in that same clause that these indemnities will be on the basis "specified by the Lieutenant Governor in Council." That basis specified by the Lieutenant Governor in Council is in fact the order in council that the member was referring to. That order in council was repealed when section 74 was repealed, so it's necessary that it be reinstated. When you repeal one section, you have to reinstate.

The other thing that I think we need to discuss – and the Member for Edmonton-Whitemud made some excellent points and talked about the provisions in this Bill with respect to AOC and agriculture finance as well as Alberta Treasury Branches. He asked: what kind of provisions are in this Bill that will allow this Legislative Assembly to have some control over the volume of business that these organizations are doing? I think it's very important to note in the legislation the provisions for mandatory review of all of the Crown agencies and provincial legislation that have loan and guarantee provisions.

In the latter part of the Act we deal with each of the different areas that are provincial agencies that have loan and guarantee provisions within their legislation, and the Act provides that before 1999 and then every five years thereafter there must be a motion brought to the floor of this Assembly that if passed would have the effect of repealing the loan and guarantee provisions in that legislation. That's very key. That's not a sunset provision as such, but it gives the opportunity to the Members of the Legislative Assembly to review each piece of legislation that this government has that has loan and guarantee provisions within it and to have a debate on the floor of the Legislature and decide whether or not this should continue.

5:20

I also want to talk about the areas with respect to AOC and the financing corporation and the limiting of a million dollars on any one loan they can make. I think that's a very important provision, because up until now, although both of these organizations had a million dollar cap in place, all they had to do was come cap in hand to the cabinet, behind closed doors, without the scrutiny of this Assembly and say: "We want to have an order in council allowing us to go beyond our cap. We feel that we want to lend this particular organization more than the million dollar cap." This Bill will forevermore prohibit that. I will say that from this point forward these organizations will have the ability to grant loans to individuals and businesses in the course of their day-to-day operations to a maximum of a million dollars. If it requires more than a million dollars, they're going to have to find their financing elsewhere.

In addition to that, the bigger picture, the discussion that I think needs to take place in the House, but it's not appropriate to be dealing with it in this Bill, is: should in fact the government be involved in those businesses at all? The provisions are within this Bill that those kinds of decisions will come back to this House. Those kinds of debates will take place. I look forward to those debates, but I think it's important that in the meantime we put a very clear cap and a fence around the ability of the existing organizations to get involved in loan and loan guarantees and that we put an absolute cap, an absolute lock with 15 padlocks on the ability of the government to get involved in any new initiatives.

I think that there are some other areas that I would like to cover. I see from the time on the wall and the antsy-ness of the members that perhaps it would be appropriate for me to move that

we adjourn debate at this point and that we get back to it at a later time.

THE ACTING SPEAKER: The hon. Member for Medicine Hat has moved that we adjourn debate. All those in favour, please say aye.

SOME HON. MEMBERS: Aye.

THE ACTING SPEAKER: Opposed if any, say no.

SOME HON. MEMBERS: No.

THE ACTING SPEAKER: The motion is carried.

[The Assembly adjourned at 5:24 p.m.]