

## Legislative Assembly of Alberta

**Title:** Thursday, April 25, 1996 1:30 p.m.  
**Date:** 96/04/25  
 [The Deputy Speaker in the Chair]

head: **Prayers**

THE DEPUTY SPEAKER: Let us pray.

Our divine Father, as we conclude for this week our work in this Assembly, we renew our thanks and ask that we may continue our work under Your guidance.

Amen.

Please be seated.

head: **Notices of Motions**

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

MR. ZWOZDESKY: Thank you, Mr. Speaker. I rise simply to give oral notice that I will stand again pursuant to order 40 in order to propose the following motion to the Assembly. "Be it resolved that this Assembly recognize today, Thursday, April 25, 1996, as the first annual Canada Book Day."

Thank you.

head: **Tabling Returns and Reports**

MRS. BLACK: Mr. Speaker, today I am very pleased to be able to table with the Assembly the evaluation criteria for receiving and assessing proposals to market the Crown royalty crude for the province of Alberta.

Along with that, Mr. Speaker, I'd like to also table the news release that went out at noon today; in addition to that, a back-grounder of information on the process and a profile of the marketing companies that were selected through the task force process.

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

MR. DICKSON: Thank you, Mr. Speaker. I'm pleased this afternoon to table a number of documents; firstly, a letter from the German-Canadian Association of Alberta which expresses the "vehement opposition to Bill 24" of that particular umbrella organization. The other two documents are, firstly, a letter from the Human Rights Education Council in Calgary signed by Alaine Skoreyko, former human rights commissioner, and then a letter from a Mr. and Mrs. Ralph Edie, whom I believe are constituents in Calgary-Elbow. The letter's dated April 19, 1996, expressing concern with Bill 24.

Thank you.

head: **Introduction of Guests**

THE DEPUTY SPEAKER: The hon. Member for Dunvegan.

MR. CLEGG: Well, thank you, Mr. Speaker. I am very honoured this afternoon to have the opportunity to introduce to you and through you several volunteer tour assistants who are seated in your gallery. Members may recognize these wonderful volunteers as they have greeted many of our guests who have toured the Legislature Building and grounds. These fine, talented,

and hardworking individuals are an important part of our visitor services office, and we gratefully appreciate their efforts.

I would ask each of them to rise as I call their names. Jean Yates has been with us for five years. Doreen O'Callaghan has been with us for two years. Clive Lomax has been with us for one year. Evelyn Skakun has been with us for one year. Alice Holmes has been with us for one year. Wauneita Ross also has been with us for one year. Hon. members, please join me in welcoming and thanking these volunteer tour assistants.

THE DEPUTY SPEAKER: The hon. Member for Leduc.

MR. KIRKLAND: Thank you, Mr. Speaker. It's my pleasure this afternoon to introduce to you and through you to the rest of the members in the Assembly 23 very bright and enthusiastic and, from my own personal observation in the Round Hill school, very well-behaved students. They're seated in the members' gallery this afternoon, and they are attended by their teachers Mrs. Maxine Sych and Mr. Dan Adrian. I would ask all the members of the Assembly to give these students a very warm round of applause to welcome them here this afternoon.

THE DEPUTY SPEAKER: The hon. Member for Bonnyville.

MR. VASSEUR: Thank you, Mr. Speaker. It's my pleasure this afternoon to introduce 98 visitors from Bonnyville from the H.E. Bourgoin school. They are accompanied by three teachers: Ms Theresa Moxley, Mrs. Sharon Sharun, and Mrs. Kelly Trepanier. To show the involvement of the parents, along with the students there are 20 parents that are accompanying the students. I would like them to rise and receive the warm welcome of the House.

MR. DAY: Mr. Speaker, the Forum for Action on Workplace Health and Safety is a voluntary group of individuals from business, labour, and government that are committed to promoting the highest standards of health and safety in Alberta's workplaces. Some of them are with us here today. I would like to introduce Pat Whiting from Amtech Chemicals, Bob Blakely from the Building Trades Council, Heather Smith from the United Nurses of Alberta, and Dr. Roxanne Grade, Alberta Labour, director of occupational health and safety. They are seated throughout the gallery today. I would ask them to rise and receive the warm welcome of the Assembly.

head: **Ministerial Statements**

### Day of Mourning for Injured Workers

MR. DAY: Mr. Speaker, this Sunday, the 28th of April, is the day that Canadians have set aside to recognize workers who have been injured, killed, or had their health affected on the job. In addition, I want to take this opportunity to express the government's continued support for this initiative.

Industry, labour, and government are the major partners in the goal of safe and healthy Alberta workplaces. Mr. Speaker, we continue to see improvements in this area. Alberta continues to have one of the best workplace health and safety records in North America, but incidents do continue to occur, and Alberta workers continue to suffer injury or illness or fatalities as a result. Provincial occupational health and safety investigators responded to 26 workplace fatalities in 1995. In total the Workers' Compensation Board accepted 93 fatality claims 1995. That would include some motor vehicle fatalities.

Mr. Speaker, there was also an increase showing on the records in terms of the number of Albertans who died from a work-related disease. Most often that has been related to serious asbestos exposures that have occurred many years prior, having been identified and now showing up as occupational disease. We continue to make progress in reducing the numbers and the cost of work-related illness and injury. Just last week I attended a function of the gas processors association of Alberta. Some of those particular businesses in that industry, which is I think a challenge to all industries, were posting injury-free records of as much as, in some cases, 35 years without a lost-time accident. However, it continues to be a reality in this province and throughout the country that people are injured on the job and in some cases fatally.

Many of the province's achievements in this area have been due to the types of partnerships that have formed between government, workers' compensation, employers, and workers, and that type of partnership is reflected in no small way by the Forum for Action on Workplace Health and Safety. With its members from industry, government, and organized labour, the forum is taking a proactive, nonpartisan approach to an issue that benefits all Albertans. Continuing and expanding this particular partnership approach will help everyone achieve the goal of reduced work-related injury and ill health.

Work-related injury, illness, and death have a terrible effect on individuals, their families, their communities, and in fact on Alberta as a whole. This Sunday, Mr. Speaker, is a day when we can all pause and take a moment to think about those Albertans who have been injured, some fatally, as a result of their work. Every day, however, is a day to think about preventing future incidents, as well as the health and safety of our families, our employees, and all of those around us.

I know that the Forum for Action is sponsoring a day of mourning event right here on the Legislature Grounds this Sunday at 2 o'clock. I'd like to commend them as well as organizers elsewhere in Alberta and across the country for the commemorative and constructive events that are being organized in recognition of the National Day of Mourning for Injured Workers.

Thank you, Mr. Speaker.

1:40

THE DEPUTY SPEAKER: The hon. Member for Leduc.

MR. KIRKLAND: Thank you, Mr. Speaker. I would commend the Minister of Labour and also the World Council of Churches for recognizing April 28 as a day of mourning for workers who have lost their lives in the workplace. These Albertans, as we all know, have given the ultimate sacrifice – and that is their lives – as they attempted to earn a living in this province.

The loss of one Albertan, Mr. Speaker, I would suggest is too many on the worksite. We know that unfortunately there are many Alberta workers who are susceptible to unhealthy and unsafe working conditions, who really simply do not have proper representation to ensure that their work conditions are satisfactory. Alberta also, as we know, has many industries which have the potential to have a very high fatality rate. We would identify forestry, construction, transportation, utilities, mining, oil and gas as those industries that have that potential to have a high fatality risk factor associated with them.

Unfortunately, Mr. Speaker, the deaths on site bring to the focus of all Albertans an immediate snapshot of the dangers that employees have to work under and with. There are as well, unfortunately, many workers in this province who are exposed to

chemicals or radiation or, as the minister indicated, asbestos, that can have some long-term implications on workers' health, and although it is not instantly reported that it is a workplace death, we know in the long term that there are many who unfortunately have succumbed to such intrusions into their health. I would also suggest that preliminary research indicates that perhaps 40 percent of the cancers that we deal with in today's society are also occupationally related.

So, as the minister has indicated, I would suggest that it is a partnership. Certainly the government plays a large role in ensuring that employers fulfill their obligations to provide a safe worksite. I would suggest that the employees themselves have a responsibility here to ensure that they work in a safe and orderly manner while on site. Certainly it's incumbent upon the employers to give the employees the opportunity to work in a very safe environment.

On behalf of the Alberta Liberals, Mr. Speaker, I would like to offer our heartfelt condolences to all of the families and friends who have lost loved ones due to a worksite injury. Again, I would commend the minister for bringing this matter forth.

head:

### Oral Question Period

#### Capital Health Authority

MR. MITCHELL: Mr. Speaker, the Premier has said that he requires some more information before he decides whether or not the Capital health authority is to blame for the current financial crisis that they face. Yesterday we saw two independent reports, one by KPMG, an internationally recognized accounting and management consulting firm, and the other by the Auditor General of this province. Both recognize that Edmonton's Capital health authority struggles with particular circumstances and stresses which this government has chosen to ignore. What other information could the Premier possibly be waiting for that would convince him that the cause of the Capital health authority's troubles has been cuts that have been too deep, that came too fast, and that came without adequate planning?

MR. KLEIN: Mr. Speaker, the two documents to which the leader of the Liberal opposition refers were handed to me by the Capital regional health authority on Monday at our meeting. It's precisely those documents that are being examined in detail right now by officials of Treasury, the medical community, the RHA, and the Department of Health.

MR. MITCHELL: Mr. Speaker, how does the Premier justify the magnitude of his health care cuts that have forced the Capital health authority to have far fewer acute care beds than the government's own published targets, 1.4 beds per thousand compared to the target of 2.4 beds per thousand?

MR. KLEIN: All of these matters are under investigation now by the people I just referred to. Mr. Speaker, I just don't know what the answer is at this particular time. Perhaps one of the answers is that there are more community-based facilities available that have resulted in a lessening of the demand for actual hospital beds. Maybe more people are being treated in their homes or in a community-based setting. That might be one of the answers. Might be.

MR. MITCHELL: Maybe, might be: when it comes to people's health, maybe he should know, Mr. Speaker.

Why won't the Premier act now on what KPMG has found, that the Capital health authority services more people from outside its region than any other region in this province and that their funding doesn't reflect this difference.

MR. KLEIN: We are acting. We are acting now. We went into action on Monday. Since Monday the officials I referred to have been meeting constantly to go through those reports to get a good handle on the problem. Hopefully by early next week we will have the answers, and we'll be able to take some definitive action. Mr. Speaker, what we're not about to do: we're not about to do the kinds of things that the Liberals would do, and that is simply borrow money and throw it at the problem. We would like to have a detailed examination of the situation.

### Health Restructuring

MR. MITCHELL: On October 16, 1995, the Auditor General advised the provincial government

that all health boards and authorities need understandable, relevant and complete information on their assets, liabilities, revenues and expenditures . . . in order to administer their financial affairs.

The Auditor General went even further, Mr. Speaker, and prepared a number of specific recommendations for this provincial government to implement. His advice fell on deaf ears. Why did the Premier not see to it that each of the Auditor General's recommendations regarding the administration of health care were implemented prior to the start of this fiscal year?

MR. KLEIN: The one thing that the Liberals will never realize because they will never be in the position of being in government is that things simply do not happen overnight, Mr. Speaker. These are very complex issues. Certainly we deal with a great deal of respect with the recommendations of the Auditor General. Most if not all of those recommendations are now being taken into consideration. The implementation stage – you simply don't reach into the air and say that it's going to happen overnight. As I said in this Legislative Assembly yesterday, we are now in a period of assessment, evaluation, and determination of what impact the restructuring has had on the health care system.

This is a process that has to be monitored very, very carefully indeed, and that's exactly what we are doing with respect to the Capital regional health authority. It's one of 17 authorities in this province. There are some peculiarities that have certainly come to light relative to this one district. There are many other districts that are in perfectly good shape, Mr. Speaker, and we are working very diligently and very seriously and in a sense of absolute trust with the regional health authority to help find solutions to these problems.

MR. MITCHELL: How does the Premier justify not acting on the Auditor General's recommendations regarding budgeting and management while at the same time he is very quick to criticize the Capital health authority for not managing their affairs well enough?

MR. KLEIN: Mr. Speaker, that is not true. Again, that is not true. I have been very careful so as not to criticize the Capital regional health authority. There are some things that came to light that even surprised members of the authority board relative to the increased demand for services, relative to the anomaly that apparently has occurred relative to cataract operations, joint replacements. These are the kinds of things that we're looking into.

One of the situations that might affect the whole budgeting process is indeed the boundary situation, where in fact the people who are served by another health district, Mr. Speaker, are in fact accessing the services of the city of Edmonton and the Capital regional authority's facilities, and I'm talking specifically about Sherwood Park.

1:50

MR. MITCHELL: Mr. Speaker, how can the Premier expect any health authority to function properly when, as the Auditor General confirms, the Premier dumped a system on them that does not provide credible information on costs and programs, and the Premier himself admits day after day in this Legislature that he doesn't have the kind of information that he needs to make these kinds of decisions?

THE DEPUTY SPEAKER: Hon. Premier.

MR. MITCHELL: How do you run a health care system like that, Ralph?

MR. KLEIN: Are you finished, Mr. Speaker? I mean, will you ask the hon. leader of the Liberal opposition: is he finished? My apologies, sir. My apologies.

Mr. Speaker, again I can simply reiterate: we are working diligently and certainly in a spirit of good faith with the regional health authority to find solutions to these problems.

MR. SAPERS: Mr. Speaker, at various times the Premier has told Albertans that (a) the health care system is out of control, (b) there is no problem, or (c) when the government recognizes that it has made a mistake, it'll simply just back up and take a detour. Well, it's about time for some honesty and some consistency. The Auditor General has made it clear that the Premier's cuts have been too fast and have been done without adequate planning. How does the Premier respond to the Auditor General when he says that the cuts had to be accomplished with systems which did not provide adequate information to support decisions?

MR. KLEIN: Mr. Speaker, our indications were and certainly the comments from the Capital regional health authority indicated that the amount that they were allocated, the budgeted amount, was a workable amount. When they got into it, they found that there were some anomalies. I've outlined some of those anomalies: the increased demand for service that wasn't anticipated, the unusual number of cataract operations, the unusual number of joint replacements in this city, the fact that the city of Edmonton for some reason has a much higher aged population proportionately than other parts of the province. These are all the kinds of things that we're now looking at. [interjections] Throughout this province – if you want to refer to the city of Calgary, they're looking at a deficit of \$1.7 million, a zero deficit next year, and everything will be in order. They are not in that city experiencing the same kinds of problems and doing it with fewer dollars.

I would remind the opposition, Mr. Speaker, that we canceled \$53 million in anticipated cuts and put almost \$51 million back into the system. The Capital regional health authority has not been cut back. They are getting more money this year than they got last year.

MR. SAPERS: A 22 percent cut, Mr. Speaker, and he says that they haven't been cut back, 600 more layoffs than Calgary.

Will the Premier please explain, when he's telling his tale of

two cities, why the Capital health authority, the Calgary health authority, and even the beleaguered WestView health authority, which together serve the majority of the population of the people of this province, together have fewer acute care beds than what your own provincial targets called for?

MR. KLEIN: We're looking into it. What we're doing is we're examining this problem in a reasonable fashion, Mr. Speaker. We have our officials sitting down examining the problem. The one thing they aren't doing as they meet in the oval room in this office or as they meet at one of the hospitals in one of the boardrooms is they aren't standing up like banshees and screaming and yelling about the situation. That's very, very unlike the Liberals; I'll tell you that for sure.

THE DEPUTY SPEAKER: Final supplemental, Edmonton-Glenora, a question.

MR. SAPERS: Thank you, Mr. Speaker. Will the Premier stop talking about monitoring, stop talking about reinvestment, and will the Premier simply get on with it? Will he just do it? Will he give the regional health authorities the money they need to provide the health care that Albertans need? [interjections]

MR. KLEIN: Again, will the Liberals stop standing up and screaming and shouting and yelling about these issues and for a change offer some constructive advice?

#### Foster Children

MR. DOERKSEN: Mr. Speaker, I had the good fortune last Thursday to meet with the Alberta Foster Parent Association, and in the course of our discussions they brought up three items that I'd like to question the Minister of Family and Social Services on this afternoon. The first is that they're concerned with the move to the regionalization of child welfare. Their question is: will the ministry maintain the existing foster care model, which now has in place good models and good standards across the province?

THE DEPUTY SPEAKER: The hon. Minister of Family and Social Services.

MR. CARDINAL: Thank you very much, Mr. Speaker. Unfortunately, as of December of 1995 there were about 2,800 children in various types of foster homes in Alberta. Of course these foster parents always play a valuable role in providing services to children. In selecting foster parents, it is important of course to screen families for various reasons. The department provides mandatory training to all foster parents to ensure that they will provide a supportive, healthy atmosphere for children. There are four levels of training and payment processes provided at this time.

MR. DOERKSEN: Mr. Speaker, their second question was: because of the retention difficulties with foster parents and keeping them in the system for the support that they require, they are wondering what the government will do to increase the recruitment of foster parents.

MR. CARDINAL: Thank you very much, Mr. Speaker. I want to add a little more information to the first part of the question, that we will continue providing the standards, monitoring the operation, providing funding and legislation for that particular program.

In relation to the second part of the question, Mr. Speaker, unfortunately there is an ongoing need for foster homes in Alberta, especially in the Edmonton and Calgary areas, especially aboriginal foster homes. Close to 50 percent of the children in care are of aboriginal ancestry, which is very unfortunate. Our department of course will work closely with groups like the Foster Parent Association and the native community and the authorities that will be established to make sure that we provide the number of homes that are required in the future. We've concentrated in the last two and a half years on providing more aboriginal foster homes, and we've increased in the last two and a half years from 15 percent to 25 percent of the foster homes that are aboriginal families.

MR. DOERKSEN: Thank you, Mr. Minister. The last question I have is: for the occasions when allegations are brought against the foster parents by the foster child, is there legal support for the foster parents to help them offset the cost that they have to face, even in the face of allegations?

MR. CARDINAL: Mr. Speaker, it is very unfortunate whenever I hear of allegations of this type. I consider these situations of course very serious, and we need a very careful review of each individual case as it's brought forward. If foster parents cannot afford a lawyer, there's always the possibility of obtaining support from legal aid. In cases where mistakes have been made by the department, we will of course reimburse the legal costs to the family.

#### 2:00

#### Royalty Crude Oil Marketing

MR. GERMAIN: Mr. Speaker, on March 25 in this Legislative Assembly the Alberta Liberal opposition announced who had won the government oil marketing sweepstakes. The minister today says that using fair, open, and transparent criteria, she has selected those same people that were announced on March 25. Today let's put the minister's comments relating to that matter to the acid test. My first question to the hon. Minister of Energy is this: why on March 25 in this Legislative Assembly did you not come clean and acknowledge those people who had won these sweepstakes?

MRS. BLACK: Mr. Speaker, I think I made it perfectly clear on March 25 in this Assembly that when I was absolutely sure that the process of a selection had been completed, I would make the announcement. Until such time I would not speculate on who the final players would be. Today I was able to announce who had been chosen to market the crude barrels for the province of Alberta.

MR. GERMAIN: Well, if the process was a fair, open, and transparent process, Madam Minister, tell the House why Gulf Resources, owned by Torch, is marketing the largest share of the government crude while of the three finalists their previous production is the least of all?

MRS. BLACK: Mr. Speaker, I filed in this House today evaluation criteria for receiving and assessing the proposals to market the crude oil, which I also committed to do.

The whole concept of moving forward to privatize this was, first of all, to get the government out of business. That was the first concept. [interjection] If the hon. member would quit chirping over there, he might learn something. I would suggest that you also read my backgrounder. Secondly, Mr. Speaker, it

was very important that Albertans receive the greatest value for their natural resources. That meant putting together a scheme that would maximize that value at market.

If the hon. Member for Fort McMurray would read the backgrounder for the information, he would recognize that the scheme that we came forward with was one based on a pooling concept where we would take our barrels and producers' barrels and pool them together so there'd be no distinction between our barrels and the producers' barrels, keeping in mind that producers are very bottom-line oriented, so they are going for the best value they possibly can for their crude sales. If we could in fact piggyback on that success, we would have an advantage over what we have today. So clearly it meant that our barrels, light barrels, had to go with light barrels.

If the hon. Member for Fort McMurray would read the backgrounder, he would recognize that you go with strength to strength. In the selection and the sharing of the pools or the streams of crude, it becomes very apparent that 90 percent of the marketing profile of PanCanadian is in the heavy and sour crudes, and that is why the heavy and sour crudes went to PanCanadian. In the case of Gulf Canada Resources, they maximize their benefits, and over 90 percent of their crude stream is in the light sweet. That is why our light sweet went to Gulf Canada Resources. The third member, CanPet, specializes in marketing for over 180 small producers in this province and focuses their areas in smaller streams and smaller quantities. If the hon. member would read that, he would recognize that for those smaller streams, again, pooling our barrels with their barrels, went to CanPet. This is systematically designed, Mr. Speaker, so that Albertans receive the best value for their crude oil.

MR. GERMAIN: Well, Mr. Speaker, let's do it this way. Last year, by your own backgrounder that you invite me to read, PanCanadian Petroleum Limited marketed 11,000 barrels of light oil a day and Gulf marketed only 120,000 barrels per year of light oil. Why are they getting to turn their 120,000 barrels of crude oil light production into 178,000 barrels per day of marketing from 120,000 a year?

MRS. BLACK: Mr. Speaker, I will clarify one more time for the hon. member.

MRS. ABDURAHMAN: Sweetheart all the way to the bank.

THE DEPUTY SPEAKER: Order. Hon. Member for Clover Bar-Fort Saskatchewan, I wonder if we could hear the Minister of Energy speak, answer the question.

MRS. BLACK: Mr. Speaker, I would ask the hon member, if he is unsure about reading the splits, to please just go to the annual reports or phone the companies. There's a reference for each company on the profile of these companies that they have given us.

Let me make it perfectly clear. The concept of receiving the best value for Albertans' crude is to pool our crude with their crude, not have it separate, so sweet with sweet, heavy with heavy, sour with sour. We have the best opportunity to maximize the value of Albertans' crude by going with strength to strength. You would not go strength to weak. You would not move heavy crude into Gulf, because that is not their market strategy. Theirs is sweet. You would not move sweet into PanCanadian, because their strategy is heavy and sour. So to maximize the benefit – and

this is not a difficult concept, hon. member – you would go strength to strength to get the best value for Albertans.

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

#### Day Care Subsidies

MR. RENNER: Thank you, Mr. Speaker. My questions today are to the Minister of Family and Social Services. The Department of Family and Social Services annually provides subsidies in the amount of about \$30 million to subsidize the cost of day care for low-income families. This week I met with a group of representatives of day care facilities in the Medicine Hat constituency, and we discussed a number of issues, one of which was the department's policy regarding fraud investigation. My question to the minister is: does the department have a policy to spot-check on the day care subsidy?

MR. CARDINAL: Yes, Mr. Speaker. Of course, in the past the Auditor General has always pointed out that the department should improve the monitoring and review of files for day care subsidy, because it involves so much of taxpayers' dollars. Starting April 1995 we introduced a new program to put in review officers in fact to review files and also visit individual families where we feel the information is not provided correctly. So yes; we do do home visits.

THE DEPUTY SPEAKER: First supplemental, Medicine Hat.

MR. RENNER: Thank you. To the same minister: is it the department's policy to have fraud investigators conduct these home visits at night and to conduct searches of personal and private contents within those homes?

MR. CARDINAL: Mr. Speaker, of course, the individuals that do file application for the subsidy do fill out an application form, and that application form allows our department officials to review the files at any time and make the home visits that are required. The visits may take place any time during the day, but most visits are taking place in the evening because we feel that that's when the families are at home.

MR. RENNER: My final question: could the minister indicate what the results of this initiative are and what the verification of the initiative is?

MR. CARDINAL: Mr. Speaker, we have eight investigators across the province, and in the past year we have reviewed at least 425 files. The caseload dropped by 8 percent, or 2,163 cases, for the period from May to November of 1995, making a net saving for our province and the taxpayer here of \$1.4 million. The largest category of closure of files is for undeclared common-law income, and this amount is almost one-third of all the detected cases of fraud.

Over this time, just for information, Mr. Speaker, over 11,000 individual children are receiving subsidies on the average of \$250 per month per child.

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

#### 2:10

#### Solv-Ex Corporation

MR. DALLA-LONGA: Thank you, Mr. Speaker. Ever since

obtaining cabinet approval and support to develop the tar sands, Solv-Ex has been busy issuing securities and has since just announced the placement of another \$33 million in convertible debt. One of the features of the Solv-Ex proposal said to enhance its viability is the proposed extraction, processing, and marketing of alumina, which is extracted from the bitumen plant tailings. However, some analysts who've studied the project have some concerns about its economic feasibility and question whether the processing of the alumina will ever work. Now, we learn that officials of the Department of ED and T have been promoting Solv-Ex in the development of a smelting plant. My first question is to the Minister of Economic Development and Tourism. What role is your department playing in the location and development of an aluminum plant in this province which would be built with the capability of processing the alumina from the Solv-Ex project?

MR. SMITH: Wow, Mr. Speaker. There's no evidence that I've had presented to me that the department is doing anything in that area. I would appreciate, either in conversation with the member or by letter form, something that would support that allegation, if in fact it is an allegation.

I will tell you that the department of economic development is in three core businesses. One is business policy, business competitiveness, and the climate that allows the private sector to flourish and prosper as it has when you see programs like Shell bringing off the potential multibillion dollar investment, when you see Amoco looking at substantial investments into the tar sands project. So, in fact, the environment side is working. Secondly, we have a core business of promoting export sales, and we have a group that is associated with that. Thirdly, we have a responsibility to Albertans to promote investment. Investment inquiries come through the department at an ever increasing rate, and we respond to those. Now, if there's something specific that the member wishes to discuss, I'd be more than pleased to have that discussion with him.

MR. DALLA-LONGA: My question's to the same minister. Is the minister saying that he has no knowledge of members of his department promoting the Solv-Ex aluminum smelting plant?

MR. SMITH: Mr. Speaker, I have no documentation here in front of me that talks about any specific company with respect to an aluminum smelting plant in the province of Alberta, nor have I had any conversations with this member. The member might have picked up this information, you know, perhaps down in New Orleans. Who knows? If in fact he has that information, I'd be absolutely more than pleased to entertain it.

As I have said previously, the promotion of investment in the province of Alberta is so critical because every billion dollars of investment can lead to as many as 5,000 or 6,000 jobs in the province of Alberta. We've stated very clearly, Mr. Speaker, that job creation by the private sector, as has been put forward in the creation of 110,000 jobs in this province, is the responsibility of the private sector. We're facilitators. We're partners. We want to hear more.

If perhaps this member was out on a sales prospecting trip and he wants to bring this information to the House, we'd be more than pleased to hear from him.

MR. DALLA-LONGA: In view of the MagCan fiasco what assurances will the minister give that we're not going to get stuck with an aluminum can?

MR. SMITH: Mr. Speaker, we don't invest in anything.

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

#### Human Rights Legislation

MR. DICKSON: Thanks very much, Mr. Speaker. I see that the Edmonton Chamber of Commerce has now communicated its objections to Bill 24, the government's new human rights Bill. On May 3 in Calgary the Alberta Coalition on Human Rights, representing 75 diverse Alberta organizations, will meet with this Premier to discuss his Bill and 16 proposed amendments from the Liberal caucus. My question will be to the hon. Premier. Will the Premier commit that his Bill 24 will be shelved until that meeting has taken place?

MR. KLEIN: Mr. Speaker, I won't. As I understand it, a meeting has been scheduled for Calgary next week. Is that right, hon. minister? We're trying to sort out sort of the format and the agenda for that meeting. I understand that Mr. Ghitter wanted to bring about 50 people, you know, to the meeting. To me that sounds more like a demonstration than a meeting. I sort of like to sit down and talk about these matters in a reasonable fashion.

You know, people I talk to and stories I've been reading in various publications see absolutely nothing wrong with the Bill in its present form. Basically, it protects human rights. It reduces overlapping and duplication. If he wants to get into a debate on the Bill right now, it recognizes multiculturalism as a very, very important component vis-à-vis human rights in terms of breaking down discrimination and getting rid of racism, Mr. Speaker.

#### Speaker's Ruling Anticipation

THE DEPUTY SPEAKER: Hon. Premier and members of the Assembly, I'd remind you that Bill 24 is on our Order Paper for today, so any kind of detailed questioning and discussion on it would be inappropriate. We'd best wait until this afternoon, when we will all have an opportunity for a free flow of debate on the issue.

#### Human Rights Legislation (continued)

MR. DICKSON: Well, in the response issued by this government in December of 1995, the statement was made: we want to consult with as many Albertans as possible to hear their views on human rights. My question would be to the Premier then. Why isn't he responding when he hears the largest single outpouring of sentiment and concern that this province has ever seen on human rights?

MR. KLEIN: Mr. Speaker, I am not hearing that. I am hearing it from groups who might have a special interest in this matter. From normal Albertans, people from throughout this province, I can assure the member that I am not getting a lot of cards and letters. Now, I might after making that statement, because I'm sure that the hon. member will take it upon himself to go out into the countryside and say, "Folks, there is a crisis." That's the Liberal way.

MR. DICKSON: Well, my final supplementary question, Mr. Speaker, is this: when the Premier meets with representatives of

these 75 different Alberta organizations, is he going into the meeting with a view to negotiating real change to his Bill, or is it simply a question of finding another way of selling what is a seriously flawed piece of legislation?

MR. KLEIN: First of all, I have indicated to my colleagues in government who are arranging that meeting that I am not about to attend a meeting of 75 people. [interjections] Mr. Speaker, 75 people is not a meeting; it is a demonstration. I'll meet with three or four representatives of the groups who want to be heard. I know who they like to . . . [interjections]

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

THE DEPUTY SPEAKER: Order. Hon. Leader of the Opposition, Edmonton-Meadowlark, Calgary-Shaw, when the Speaker stands to call for order, members are obliged to be quiet, so we would appreciate it if they would conform to that custom.

Hon. Premier, about the meeting.

### **Human Rights Legislation (continued)**

MR. KLEIN: Mr. Speaker, I don't mind, along with my colleagues, sitting down and having a reasonable discussion. A reasonable discussion. From the government side I understand that we'll have four or five people there, including myself, the minister, the hon. Member for Calgary-Bow, who's the chairman of the Calgary caucus, and we would hope that maybe five or six representatives of Mr. Ghitter's group would attend as well. We can sit down in a room and discuss in a logical and a reasonable manner some of their concerns as it affects Bill 24.

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

### **2:20 Victims of Crime Act**

MS LEIBOVICI: Thank you, Mr. Speaker. Bill 33, which compensates victims of crime, obviously would exclude criminals. However, surprisingly this government has also decided to exclude those people who daily put their lives at risk from obtaining any benefits if they are injured or killed. My questions are to the Minister of Justice. Why have you decided that peace officers or their dependants are no longer eligible for compensation when they are injured or killed?

Thank you.

MR. EVANS: Well, Mr. Speaker, I'm glad to have an opportunity to speak to this provision in that Bill. We had met about a year ago with the chiefs of police in the province of Alberta and certainly had their input into the provisions in the Victims of Crime Act. It was our understanding, the officials in my department, through those discussions with the chiefs of police that it was felt by the police organization in this province that currently police were covered completely for all of the things that might happen to them through their collective agreement and through their employment and insurance and all the other things that go along with that employment for any of the activities that would occur during the time that they were conducting their affairs.

Now, subsequent to the introduction of the Bill we've heard from some of the police officers in this province stating that that's

not the case and that they have some concerns. We are doing due diligence on that at this point in time. As a matter of fact, the Bill was supposed to be up for committee earlier this week. I pulled it off the agenda so that we would have some time to consider this matter and to have some input from the officers and men and women who police this great province. It's extremely important that we ensure that our information is correct. If it's not, we'll make the appropriate changes.

THE DEPUTY SPEAKER: First supplemental, Edmonton-Meadowlark.

MS LEIBOVICI: Thank you, Mr. Speaker. Is the minister aware that the definition of peace officer also includes mayors, Reeves, bailiffs as well as police officers?

MR. EVANS: It depends on the context, Mr. Speaker, but generally speaking, the hon. member opposite is correct.

THE DEPUTY SPEAKER: Final supplemental, Edmonton-Meadowlark.

MS LEIBOVICI: Thank you, Mr. Speaker. Will the minister now commit to meet with all of those groups to decide what is going to happen with this Bill next?

THE DEPUTY SPEAKER: The hon. Minister of Justice, remembering my earlier comments with regard to things that are before us.

MR. EVANS: I'm sorry, Mr. Speaker? I didn't pick up your final comments, sir.

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

THE DEPUTY SPEAKER: The hon. Minister of Justice, commenting on the Bill.

MR. EVANS: We're moving through this, Mr. Speaker, one step at a time. We're going to take the input from police officers in this province. We'll deal with that input, and then we'll see if broader consultation is required.

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

### **Financial Support for Business**

DR. PERCY: Thank you, Mr. Speaker. The province of Alberta is unique in Canada, and for that matter in North America, in terms of the extensive involvement of government in the business of financing business; the Alberta Opportunity Company, the Alberta Treasury Branches, Agriculture Financial Services Corporation, to name the big three. The government has said that it's getting out of the business of financing business, but the reality is quite different. Agriculture Financial Services Corporation has assets in excess of \$1 billion; AOC assets in excess of \$87 million; and Alberta Treasury Branches in excess of \$9 billion. The corresponding liabilities in excess of \$10 billion are backstopped by the Alberta taxpayer. My questions are to the Premier. How come the Premier has not responded to the Financial Review Commission of March 1993 when it said that all of these activities related to the big three that I mentioned suggest

the opportunity to reconsider "the objectives and mandates of the financial institutions" involved and to assess how "duplication . . . can be eliminated."

MR. KLEIN: It's a good question. We have taken those recommendations under consideration, and indeed we have consulted with Albertans with respect to the Treasury Branches in particular, being the largest of the big three. The people in this province have said that they like their Treasury Branches. They want to keep their Treasury Branches, especially when conventional banks, Mr. Speaker, are pulling out of the rural communities. These people want to be able to communicate with their bankers. There's a trust that has been built up.

With respect to AOC we basically did a reformation of the board. We thought that we would have a board that would be very, very hawkish on AOC. After an examination and a year or so in operation they said: lookit; this is a tremendous service to Albertans because again the conventional banks will not provide the financing to start up small businesses and so on. The same with the Agricultural Financial Services Corporation. These are services that the Alberta public are saying to us as the government: we want you to keep these services; they provide a very valuable service to Albertans.

THE DEPUTY SPEAKER: First supplemental, Edmonton-Whitemud.

DR. PERCY: Thank you, Mr. Speaker. How can the Premier say that the province is getting out of the business of being in business when there's in excess of \$10 billion of liabilities that Alberta taxpayers are backstopping? Ten billion dollars.

MR. KLEIN: Mr. Speaker, Bill 31, the business financial assistance limitations statute, is quite specific in its intention. Basically it alludes to these three financial agencies. The point is that this piece of legislation says that cabinet – in other words, the Executive Council of government – can no longer sit behind closed doors as a cabinet, as Executive Council, and pick winners and losers and make these financial decisions using taxpayers' dollars directly to finance or get involved or take equity positions in certain businesses.

THE DEPUTY SPEAKER: Final supplemental, Edmonton-Whitemud.

DR. PERCY: Thank you, Mr. Speaker. How does the Premier plan to deal with the problem that the balanced budget law and consolidated bookkeeping mean that any losses on any of these three institutions would have to be met by reducing program expenditures in health care, education, social services? Why do you want our program expenditures driven by the lending practices of these financial institutions when there's a private sector out there that can handle the job?

MR. KLEIN: Yes, there are private-sector institutions that indeed can handle the job, but are not now willing to do so, Mr. Speaker, and that's why these agencies are now in place.

There's an assumption here that these agencies are going to lose money. We're constantly monitoring and assessing the governance of these agencies. As a matter of fact, as the hon. member knows, we have just put in place a new, for the first time board of directors for the Alberta Treasury Branches. I had the

opportunity of reading an article just yesterday quoting the new chairman, Marshall Williams, who said that they are going to be extremely diligent in their examination of the lending practices of the Alberta Treasury Branches. That's welcome news.

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

### Alberta Opportunity Company

MR. WHITE: Thank you, Mr. Speaker. "The purpose of the Alberta Opportunity Company is to provide financial assistance and guidance for the development of Alberta business," not to be in the business of venture capital. This Conservative government, however, believes and feels that this fund can be used otherwise. This government feels it is acceptable to sustain companies through AOC. VX Optronics, a Calgary company, has received government grants totaling \$400,000, sir, over four consecutive years running, three of which are from AOC. My questions are to the Minister of Economic Development and Tourism. Why is AOC, Alberta Opportunity Company, which is not a venture capital entity, listed as a 25 percent shareholder of VX Optronics?

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

2:30

MR. SMITH: Thank you very much, Mr. Speaker. In fact, the seed and venture capital programs of the Alberta Opportunity Company have been eliminated, and any residual equity that might be residing with the Alberta Opportunity Company at this point would be simply a matter of protecting whatever is available to the taxpayer in the orderly windup of these companies. It has not been the practice of this government to maintain an equity position in any new loan.

In fact, the Alberta Opportunity Company is moving towards being a more efficient entity. When you examine the business plan that was released in this budget, it makes loans; it has a higher default rate because it makes loans to companies that have been turned down by conventional lenders.

So that examination of efficiency is always under way, and the former program of seed and venture capital no longer exists.

MR. WHITE: Given that AOC has continually funded with public funds, and I quote, the development, the marketing, and the commercialization of this company over four years running and the minister's response is that you're getting out of the business of being in business, when, sir, does this stop with this particular firm? Four hundred thousand dollars.

MR. SMITH: Well, Mr. Speaker, you know, let me spend a little bit of time talking about AOC. In fact, it's very clear in the charter of the Alberta Opportunity Company as well as in its mandate that, number one, it's an arm's-length corporation that is run and administered by a very concerned group of businesspeople from throughout the province. In fact, I can think of an active businessman from Medicine Hat who's on the board. I can think of businesspeople from Edmonton who are on the board, businesspeople from Calgary.

As it's been discussed so often that government shouldn't be involved in the business of being in business, we keep that entity at arm's length. It has an open and accountable financial statement that's tabled in the Legislature. You know, Mr. Speaker,



unlike what I have heard from the Liberal opposition, that every loan should be handled through a Legislature committee where politicians would get involved in business decisions, we don't agree with that, and in fact we do not influence AOC decisions. As I've said to the member, we do not have a seed and venture capital program at the Alberta Opportunity Company.

THE DEPUTY SPEAKER: Final supplemental, Edmonton-Mayfield.

MR. WHITE: Thank you, Mr. Speaker. Is the reason for this generous support of this particular firm, which by the minister's own admission just in answer to these questions is outside the parameters of AOC's lending and granting policies, that part of the ownership of this firm resides with a former minister of the Department of Economic Development and Tourism?

THE DEPUTY SPEAKER: The hon. Minister of Economic Development and Tourism, if he can find a question.

MR. SMITH: Mr. Speaker, that's easy for him to say. If I get the gist of the question, about ownership with the department, the answer would be no.

THE DEPUTY SPEAKER: Question period has ended.

I wonder if we might have consent to briefly revert to Introduction of Guests?

HON. MEMBERS: Agreed.

THE DEPUTY SPEAKER: Opposed? Carried.

The hon. Member for Lesser Slave Lake.

head: **Introduction of Guests**  
(*reversion*)

MS CALAHASEN: Thank you very much, Mr. Speaker. It gives me great pleasure today to introduce to you and Members of the Legislative Assembly 42 visitors from Slave Lake. They all attend grade 6 at St. Mary of the Lake school, and they are accompanied today by their teachers Mr. Bouchard, Mrs. Potskin, Mrs. Adamowicz, Mr. Arlinghaus and parents Mrs. McWatters, Mrs. Brown, Mrs. Sontag. They are seated in the members' gallery, and I'd ask that they all rise and receive the warm welcome of the Assembly.

head: **Members' Statements**  
**Volunteer Week**

MRS. LAING: Mr. Speaker, the volunteer sector is one of the most important segments of our society, and this week we pay tribute to that sector through Volunteer Week. This is a nationally proclaimed week held to recognize the valuable and significant contributions volunteers make to our lives. On behalf of my colleague the minister responsible for the Wild Rose Foundation may I ask this Assembly for its unanimous support to recognize this week as Volunteer Week in Alberta.

All across this province events and activities are taking place to thank volunteers, who play such vital roles in our communities. The lottery-funded Wild Rose Foundation has facilitated this provincewide effort in partnership with Volunteer Alberta. A total of 52 communities representing over 2 million Albertans are participating in this week-long series of events. This commitment

of lottery dollars is helping to reinforce the efforts of those who give so much of themselves for others.

Through the Wild Rose Foundation this government supports the volunteer sector of this province in many invaluable ways. I encourage this Assembly to continue its support of volunteerism in the province. Our Alberta volunteer spirit is a model for the entire world.

Thank you, Mr. Speaker.

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

### Health Restructuring

MR. SEKULIC: Thank you, Mr. Speaker. Numerous constituents have called my office to tell me about their experiences with Alberta's new health care system. I will share one of those with the Assembly today in the constituent's own words.

So, health care cuts save us money. I fail to see how, given the experience I'm going through.

My father-in-law had been on the list for by-pass heart surgery for approximately four months, and on Good Friday he had a heart attack. After being transported by ambulance to the Royal Alexandra Hospital, he remained in critical condition until he was stabilized for his much needed surgery. The damage from the heart attack was substantial, making by-pass heart surgery much riskier.

Stabilized and on Life Support he was transported to the University Hospital where a quadruple by-pass was performed. His chest couldn't be closed following surgery because of fluid buildup, pneumonia and infection.

He remains attached to Life Support in critical but stable condition. The outcome is unknown.

Had the bypass surgery been available to him when he needed it, many dollars probably would have been saved. The only other way the situation would have saved money is if he had died before any hospital care.

From the information I was given prior to his heart attack, the only way to get bumped up the unreasonably long waiting list was to have a heart attack. To what benefit is this?

The trauma to my father-in-law and the rest of my family, as well as the extra costs incurred, are unnecessary and unacceptable. How many lives are lost, where is our humanity and our priorities? Think about it as it could be you next.

Mr. Speaker, I admire Debbie Hart's courage in coming forward with her story, but it should never have come to this. The government's underfunding of health care is responsible for longer waiting lists, more complex and intensive medical intervention, and the need for longer hospital stays, ultimately higher human and financial costs.

Mr. Speaker, I clearly see why most Albertans are concerned about the results of unplanned cuts. The Premier is right when he said that people used to die before his government's cuts to health care. They died because the health care system couldn't help them. Now in an increasing number Albertans are suffering or dying because politics is preventing the health care system from helping them in an appropriate and timely manner.

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

### Firefighters' World Games

MR. YANKOWSKY: Thank you, Mr. Speaker. I rise to congratulate the Edmonton Firefighters Service Association for their hard work and dedication in bringing another world-class

event to Edmonton and Alberta. From July 29 to August 3, 1996, Edmonton will be the host city to the fourth Firefighters World Games. This sporting event is expected to draw over 6,000 athletes and 6,000 visitors from over 30 countries.

The hosting of the firefighter games will have a significant impact on the local and provincial economy. It is estimated that the games and surrounding activities will generate a total economic impact of over \$23 million and will create or sustain 500 person-years of employment provincewide.

**2:40**

To encourage attendance at this event, the Edmonton Firefighters Service Association will also host the national and provincial fire chiefs' convention, and they will hold the first ever trade show that has been held in concurrence with the games.

Like so many successful ventures throughout Alberta, this event relies very heavily on volunteer efforts, and once again Edmontonians are responding in great numbers to ensure the success of this international event. The Fourth World Firefighters Games are a real coup for the city of Edmonton and Alberta. I am confident that the citizens of Edmonton will make these games a truly memorable event for participants and spectators.

Mr. Speaker, I would like to wish the Edmonton Firefighters Service Association and the citizens of Edmonton all the best in hosting this event.

head: **Projected Government Business**

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

MR. BRUSEKER: Thank you, Mr. Speaker. Maybe like in *Jeopardy* I'll provide the answer today, which is that we'll continue with our negotiations like we have in the past, and the Government House Leader can provide the question.

MR. DAY: Actually, that's the wrong answer, Mr. Speaker, but I appreciate the invitation to make it short. Actually, in trying to be a little more specific for the Opposition House Leader and of course for his colleagues, I'd like to suggest that Monday afternoon we'll be in third reading, in reverse order – this isn't indicating any regression here – of Bills 19, 18, 17, 16, 15, 14, and 13. Then, anticipating good governing on those, we would move and hopefully have time to look at second reading of Bill 24. Then in the evening in Committee of the Whole, Bills 6, 29, 31, and 33.

I think we can safely say, Mr. Speaker, that on Tuesday, regardless of the progress in committee on Monday evening, we'll look at third reading of Bills 7, 8, 9, 12, 20, 21, 25, and 27.

Following that, Mr. Speaker, I agree with the Opposition House Leader that we'll continue to communicate on a daily basis on progress and procedure on the Bills.

THE DEPUTY SPEAKER: I wonder if the Assembly would agree to have a brief reversion to Introduction of Guests.

HON. MEMBERS: Agreed.

THE DEPUTY SPEAKER: Opposed?

head: **Introduction of Guests**  
(reversion)

MR. DAY: Mr. Speaker, earlier I had indicated that members from the Forum for Action on Workplace Health and Safety

would be joining us today, and when I made those introductions earlier, it was not evident that all the members were in fact in the gallery. I believe they're with us now.

Just by way of reminder, the Forum for Action on Workplace Health and Safety is a voluntary group of individuals from business, labour, and government who are committed to promoting the highest standards of health and safety in Alberta's workplaces. I would safely say, Mr. Speaker, that workers and employers in the province owe a debt of gratitude to these individuals who are here today and those who work with them on these important issues.

I had earlier introduced Heather Smith from the United Nurses of Alberta. She has now departed, but I'm happy to introduce once again Pat Whiting from Amtech Chemicals, Bob Blakely from the Building Trades Council, and Dr. Roxanne Grade, Alberta Labour, director of occupational health and safety. I would now ask if they would rise and receive the appreciative welcome of the Assembly.

THE DEPUTY SPEAKER: Points of order. I believe we have one point of order from the hon. Government House Leader.

**Point of Order**  
**Anticipation**

MR. DAY: Yes, Mr. Speaker. I just wonder if all members could be reminded – and I'm citing *Beauchesne* 410(14) – that questions should not anticipate a debate scheduled for the day but should be reserved for the debate.

We had questions on Bill 24. It was clearly on the Order Paper today, and I wonder if members could be more cautious in their questions. The Orders of the Day are presented to the opposition so they know what orders are there and what business is to be debated that day.

THE DEPUTY SPEAKER: The hon. Member for Sherwood Park on the point of order.

MR. COLLINGWOOD: Thank you. In response to the Government House Leader's point of order, we did in fact interrupt question period for the Chair, for you, Mr. Speaker, to consider whether or not those questions were in anticipation. On behalf of my colleague from Calgary-Buffalo I'd suggest to the Government House Leader and to you, Mr. Speaker, that the questions were crafted very carefully to ensure that there was not specific debate relative to the merits of the Bill but on the government's response to the public consultation process. I think you'll find from the record that it's very clear that we did not step over the line into anticipation with respect to those questions today.

THE DEPUTY SPEAKER: The Chair did make an intervention at that time. We're governed by Standing Order 23(e) and, true enough, *Beauchesne* 409(12) and 410(14) on the issue of anticipation when it's clearly on the Order Paper. Then when we get into the interpretation of the Act, that might be a little bit against the rule of anticipation, particularly 409(3).

In any event, I think, hon. members, we need to watch the questions when they do refer to Bills. When they're clearly on the Order Paper, as Bill 24 was, then it really is skating, although perhaps a legal mind would say that now it's on the right side of the line. But for someone trying to make a quick judgment in the heat of debate and of questions going to and fro, it's sometimes better to err on the side of caution.

If that's satisfactory to both sides, we'll leave it at that with that cautionary mention.

head: **Motions under Standing Order 40**

**Canada Book Day**

THE DEPUTY SPEAKER: Now we have a Standing Order 40, I believe.

The hon. Member for Edmonton-Avonmore on the Standing Order 40.

Mr. Zwozdesky:

Be it resolved that this Assembly recognize today, Thursday, April 25, 1996, as the first annual Canada Book Day.

MR. ZWOZDESKY: Thank you, Mr. Speaker. With regard to my motion presented earlier to have this Assembly recognize today, Thursday, April 25, as the first annual Canada Book Day, I'll just speak briefly to the requirement of urgency. Alberta is, of course, considered the most literate of all provinces. We have the highest percentage of library usage, and we have the best bookstore sales per capita, as well as the highest ratio of prize-winning authors per capita. So the specifics of the urgency are brought about because this is truly a national inaugural event which occurs today, and we in this province have frequently prided ourselves in being leaders, in being first in so many ways.

This motion enables this Assembly and this government and all MLAs present to be the first Legislature, I would hope, to recognize the importance of books and of reading in general. It will only take about five or six minutes, and I would sincerely hope that all members will extend the appropriate respect and let this motion come forward today for brief elaboration right at this time.

Thank you.

THE DEPUTY SPEAKER: The hon. Member for Edmonton-Avonmore has moved under Standing Order 40 that we give consideration to Canada Book Day. All those in support of this motion, please say aye.

SOME HON. MEMBERS: Aye.

THE DEPUTY SPEAKER: Those opposed, please say no.

SOME HON. MEMBERS: No.

head

**Orders of the Day**

2:50

head: **Government Bills and Orders**

head: **Committee of the Whole**

[Mr. Clegg in the Chair]

THE DEPUTY CHAIRMAN: We'd now call the committee to order.

**Bill 28**

**Dependent Adults Amendment Act, 1996**

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

MR. BRASSARD: Thank you, Mr. Chairman. In speaking to the

Dependent Adults Amendment Act, I don't want to reiterate all of the comments that were made in second reading because we had a fairly comprehensive discussion of this Bill. I should just perhaps renew or review the intentions of what we hope to accomplish. The amended Act provides for further safeguards for dependent adults, increases the efficiency of the courts, and reduces expenses for dependent adults, their guardians, and trustees.

This came about, Mr. Chairman, after consultation with quite a number of people: the Court of Queen's Bench; the Chief Justice of the Court of the Queen's Bench; the Deputy Minister of Justice; the Canadian Bar Association; the Law Society of Alberta; two justices themselves, Rawlins and Trussler; the Public Trustee's office; the office of the Public Guardian; and the Department of Family and Social Services. So it's had fairly comprehensive review. The amendments that are being proposed are significant to those involved.

A couple of questions came out of the debate in second reading, basically proposed by the Member for Calgary-Buffalo. He requested clarification that this in any way tied in with Bill 35. I'd like to assure him once again that this is not the case.

He also requested whether or not sections 6 and 14 could be harmonized. In checking this closer, I was advised by legal counsel that this might further complicate the issue. They would suggest that for clarification these two sections should remain separate.

So, Mr. Chairman, with those few comments I'd welcome any discussion or questions, and I would ask unanimous support from this Assembly for this Bill.

THE DEPUTY CHAIRMAN: The hon. Member for Edmonton-Whitemud.

DR. PERCY: Thank you, Mr. Chairman. Certainly the opposition caucus is pleased to support this Bill. It responds to legitimate concerns from citizens and professionals alike, and we certainly would urge all hon. members to support this remedial legislation.

THE DEPUTY CHAIRMAN: The hon. Member for Edmonton-Gold Bar.

MRS. HEWES: Thanks, Mr. Chairman. I just want to add my comments in support, as well, to this Bill and to the sponsor, the Member for Olds-Didsbury. Like many people in this House who have perhaps shared the responsibility, I was a guardian of my mother and struggled with some of the requirements of becoming a guardian, which seemed to me that at her advanced age and her health circumstances should have been a very simple bit of negotiation and discussion. In fact, I found it a very long, difficult process and very expensive.

Mr. Chairman, I think this Bill quite correctly addresses that where there is no objection from other members, it does not require a court proceeding. That saves us in many ways. It is a difficult time for families. When you find that a loved one or a family member or an associate requires this kind of legal care, you have to accept their circumstances, and it is a difficult and stressful time at best. To have to go through a court proceeding and prove certain things then adds to that dimension unnecessarily.

Mr. Chairman, I hope sincerely that this Bill will simplify the processes, will make it easier for people and a more comfortable

event for families who find themselves in these circumstances. I, too, will support it.

THE DEPUTY CHAIRMAN: The hon. member to close the debate.

MR. BRASSARD: Thank you, Mr. Chairman. I would call the question on this Bill.

[The clauses of Bill 28 agreed to]

[Title and preamble agreed to]

THE DEPUTY CHAIRMAN: Shall the Bill be reported? Are you agreed?

HON. MEMBERS: Agreed.

THE DEPUTY CHAIRMAN: Opposed, if any? Carried.

**Bill 31**  
**Business Financial Assistance Limitation**  
**Statutes Amendment Act, 1996**

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

MR. RENNER: Thank you, Mr. Chairman. I'm pleased to begin the debate at committee stage on this Bill. There were a number of comments made at second reading, and I'm certainly prepared to deal with any questions of clarification that any members have on the Bill at this point. I guess there are a couple of issues that I would like to not so much clear up but reiterate, and I think there are two real issues at stake in this Bill.

Firstly what the Bill does is that it very clearly removes the authority of cabinet, of the Lieutenant Governor in Council, to make decisions with respect to loans, guarantees, or equity acquisitions without the prior approval of this Legislature. From this point onward any new proposals that would come to government would have to be authorized by the Legislature by a separate, freestanding Act allowing that to take place.

The second feature of this Bill is that for all of the existing departments and agencies of government that do have loan granting authority and guarantee provisions and/or indemnity provisions, there will be, as a result of this Bill in concert with the Financial Administration Act, periodic reviews of that authority. Every five years members of this Legislature will have an opportunity to debate the merits of the loan and guarantee granting provisions within legislation and decide whether or not it is appropriate for those provisions to continue. So I think the Bill goes a long way towards guaranteeing that the province of Alberta, the government of Alberta, never again gets into a situation where decisions are made by cabinet behind closed doors so that the members of the Legislature and, more importantly, Mr. Chairman, members of the public are not involved in the discussion.

So with that, Mr. Chairman, I will resume my seat. I invite all members to participate, and I look forward to dealing with any questions they may have.

THE DEPUTY CHAIRMAN: The hon. Member for Edmonton-Whitemud.

**3:00**

DR. PERCY: Thank you, Mr. Chairman. I rise to speak to Bill 31 in committee. Before I do so, I would just like to make the following statement. I'd like to certainly congratulate the hon. Member for Medicine Hat. Having listened to the way he dealt with Bill 20, the Fuel Tax Amendment Act, and other Bills that he has shepherded through, he has always been well briefed, well prepared, and has certainly answered all of our questions. While one may disagree with him on a philosophical basis on occasion – many times I agree with him – one can never doubt his commitment to the legislative process and to the integrity of that process. Now having said that, it's downhill from there, hon. member. It's downhill from there.

Mr. Chairman, this Bill in fact deals with the limitation of financial assistance to business. I mean, that's its title. In part I've referred to it on occasion in debate as a slogan Bill, very much as the Taxpayer Protection Act was a good slogan but the Bill didn't have a lot of meat. It protected us from a tax that nobody here was going to introduce. This Bill in fact restricts the ability of the cabinet to behind closed doors ever again get this province into the series of messes that it did when you go through the list of MagCan, the Husky upgrader, NovAtel. You can just go through the list, and I won't go through it. Suffice to say, it cost us directly over 2 and a half billion dollars in misadventures.

Although it deals specifically with that and it also brings the Legislature into the loop to a greater extent should other authorizations be requested – we collectively here then will be responsible – the other area that I think it is relatively silent on is this whole issue of Crown agencies. As a question earlier in the House had demonstrated, Mr. Chairman, as we speak, when you just look at the Alberta Opportunity Company, Alberta Treasury Branches, and the Agriculture Financial Services Corporation, we collectively as taxpayers backstop \$10 billion dollars in liabilities. All of those liabilities in one way or another have a value that is driven by what happens in the Alberta economy. When times are good, land prices rise; real estate prices remain relatively stable. When the economy does go into a cyclical downturn – and this is a cyclical province – a lot of the asset values that act as collateral for these big three then will decline in value, and that will cause us real problems given the constraints imposed by the balanced budget, given what a consolidated bookkeeping does in terms of linking everything to the province's consolidated deficit or surplus.

I look at the Bill in that light and ask: what does it do for us when times are rough? Because legislation written when times are good – it's easy; right? You know, when oil prices are rising and when the economy is booming, you can build all sorts of constraints into legislation – we have done so – but at the same time you should be working on constraining your contingent liabilities. This Bill offers one such opportunity, but unfortunately it doesn't go as much of the way that some of us on this side of the House and, I suspect, in the absence of party discipline, some on that side of the House would like to see. The nub of the problem is that although the Bill does put a cap on the amount that can be loaned by AOC and the Agriculture Financial Services Corporation and as well we have these other changes to the ATB that aren't in this Bill but have occurred prior to the introduction of this Bill, there is still nothing that limits the total exposure of the province and the contingent liabilities that we have.

Again, we're talking \$10 billion in contingent – these are the liabilities that are backstopped, and \$9 billion of them are the savings of the ATB. So we look at this Bill and ask: well, how

does it enhance accountability? Again, as the hon. member suggested, it goes part of the way in that we review the mandate of these agencies, the ATB in particular, every five years, but five years is a considerable period of time. I recall that Premier Getty was able to turn this province from having net assets to having a net debt in considerably less time. When things do turn sour, they can do so very quickly in this province, given the cyclical instability that is characteristic of this province. So some of the provisions that are in the Bill do not go far enough in addressing these types of issues.

We have a series of amendments we will bring forward and propose that we think go part of the way, then, to addressing some of our concerns with the Bill. The amendments are at the Table and are now being distributed. Mr. Chairman, we would like to deal with the amendments individually and sequentially as opposed to a package, because each of the issues that are addressed with the amendments I think are deserving of separate debate and a vote.

I'm just waiting for them to be distributed.

THE DEPUTY CHAIRMAN: That's great, hon. member.

Okay, hon. member. I think they've now been distributed.

DR. PERCY: Thank you, Mr. Chairman. The first amendment reads that Dr. Percy moves that section 1(3) be amended by adding the following after proposed section 49.1 (2). I believe that would be A1 then.

THE DEPUTY CHAIRMAN: That's right.

DR. PERCY: The intent, then, of this amendment is to further enhance the accountability of the Legislature. I think the operative section is that "the transaction must first be approved by the Legislative Assembly." Again, the intent of this amendment is to try and address some of the issues regarding our total exposure, because that total exposure is rising. I think that collectively members of the Legislature ought to be responsible for adding on to that rather than delegating that to various boards or other entities. So this particular amendment then requires that any member of Executive Council that "wishes to enter into a transaction referred to in subsection (2)" must come to the Legislative Assembly. What it really is is an attempt just to keep transparency open and the accountability of the Legislative Assembly paramount.

Many of the financial problems that we did run into arose both because things were done behind closed doors and because there was no role for the Legislature in making decisions and being collectively responsible. I think all members in this House, when the next election comes, would like to be able to go to the doors and say: "Yes, I have a say in terms of the additional financial exposure that we may be locked into, and I'm just not, in fact, powerless to do anything about it. I can speak my piece in the Legislative Assembly." Really, this particular amendment attempts to do that.

So with those comments, Mr. Chairman, I'll take my seat.

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

MR. SEKULIC: Thank you, Mr. Chairman. I rise to speak in favour of the amendment – A1 is it? The reason I rise to speak in favour of this amendment is that I, too, clearly recall my

commitments, the commitments which I made at the doors in 1993. In fact, one of them was to stop using taxpayers' moneys, public funds, to promote private interests. This amendment provides Bill 31 with what I would consider more teeth, a better grasp on the public purse. I think that the onus on these 83 members of this Assembly – and I've said this before. Only 83 Albertans can enter this Assembly and debate legislation on behalf of 2.7 million people. I think we have to ensure that, one, that responsibility comes to the floor of the Assembly and, two, that in fact all members have the opportunity to participate in carrying out their responsibility. In past years in this Assembly, as we well know, that simply wasn't the case.

3:10

I refer to the Alberta Taxpayers Association's press release that they put out some time back. Their title on the press release was Alberta Government Business Boondoggles Since 1980, and, Mr. Chairman, 1980 isn't that far in the past. They list – and there's a large number here. I think it's really important, because I know many of my constituents know that there were failed business dealings, that when the government was picking winners and losers, they picked significantly more losers than they did winners, but they're not aware of the . . .

MR. ZWOZDESKY: How many losers?

MR. SEKULIC: Hon. member, I'll try to bring those readers of *Hansard* up to date as well as yourself in terms of the numbers. A very good question.

MR. KIRKLAND: Will you have time?

MR. SEKULIC: Well, it's going to be difficult to get through all of it in the 20 minutes that I have, but I'll try my best because there is a long list and this is a significant amount of money.

A good question has come to me from one of the other members, and that question is: where did the money go? Well, Mr. Chairman, that question I'm afraid has never been answered by the government that was responsible for those losses, and I would daresay that we shall never hear the response, the answer, to that question. Albertans will never know really where that money went. For whatever reason, this government hasn't permitted thorough investigations and appropriate accountability or checks of those losses.

When we look at this Alberta Taxpayers Association release, they list the first one, which I know was a big issue in 1993. Certainly the Liberal opposition at that time brought this forward, and I believe it was a Liberal researcher who worked within caucus that discovered the problems with the province's finances as they pertained to the business dealings the government had with NovAtel. At that time this researcher, Lenny Kaplan, a very responsible and thorough researcher, uncovered the leaks in the public purse, and what this eventually led to was a total of \$646 million of lost taxpayers' money.

You know, when we sit in this Assembly or when we're debating in this Assembly and we just list the number, \$646 million, which is upwards of two-thirds of a billion dollars, it doesn't mean as much. They're just numbers. When these numbers start to mean something is when we start cutting health care, when we start cutting education, when we cut kindergarten. That's when these numbers start meaning something. In fact, the numbers in those cuts were significantly smaller than this loss. In fact, the cumulative cuts wouldn't come close to this loss.

So one deal, this deal alone, the government's picking of this loser, has cost some Albertans their lives. I mentioned one earlier, in my private member's statement, who was having difficulty getting surgery. Well, the health care system has been trimmed, I would say, to the bone, dangerously so, where access is now made difficult, and it can be attributed directly to deals like NovAtel. What I find so difficult to understand is that so many of those members that sit in the Assembly today on the government side were here when that deal was being promoted and being approved by the Executive Council of government, which was, of course, the Conservative government of the day.

Mr. Chairman, the second one on the list. The first, NovAtel, as I said, had \$646 million. Second on the list is the Swan Hills waste treatment plant. Now, although the Alberta Taxpayers Association lists it at \$410 million, I believe that's grown significantly. The hon. Member for Edmonton-Whitemud will of course correct me on what number that is. I believe it's upwards of \$600 million currently and with outstanding liabilities to the taxpayers. So those two deals alone are over a billion dollars of taxpayers' dollars. A billion dollars.

I know in my constituency we have a large number of tradespeople, people who go to work every morning at 7 o'clock and work hard, and many of them are engaged in work that requires labour. To think that a billion dollars, many of which they contributed to the public purse, have just been spilled away – well, Mr. Chairman, in my mind sorry wasn't even good enough. No government can apologize in a way that would suit me. In fact, the only thing that would in my mind be an appropriate consequence would be, if not the forced resignations of all those responsible certainly from the political party which was in power at the time to impress upon those members that sat at the cabinet table and that approved those deals, to require those members not to run again. But that wasn't the consequence. In fact, they returned, and many of them, like I say, are here today. I would ask them to rise and provide Albertans with the explanation, provide Albertans with the reasoning as to why you threw away over a billion dollars on two business deals, why some of my constituents, lower income constituents, couldn't send their children to kindergarten last year and the year before because you imposed user fees which were in their case unreasonably high and well beyond their income ability.

Mr. Chairman, I have great difficulty in trying to understand how a government could have been so irresponsible, and I have even more difficulty understanding how members of that government then could return to this Assembly and present the arguments that they do to me and my colleagues about their pro-business stand. Well, pro business in my mind is when you permit the marketplace to act independently. [some applause] The hon. minister of transportation understands what I'm saying when I say that pro business . . .

MR. DECORE: He's clapping because he voted for NovAtel.

MR. SEKULIC: I'm getting to that, hon. member.

Mr. Chairman, perhaps if I would have been in the Assembly prior to 1993, I would have convinced . . .

DR. WEST: Laurence, you know how I cleaned up Alberta Mortgage and Housing; you know that personally.

MR. SEKULIC: Mr. Chairman, I still have the floor.

THE DEPUTY CHAIRMAN: Hon. members, you'll have your chance if you want to. Everybody has the right to speak in the

House but not the right to talk back and forth.

Hon. Member for Edmonton-Manning, continue with your remarks.

MR. SEKULIC: Thank you, Mr. Chairman. Had I been here prior to 1993, I believe I could have convinced the minister of transportation then to vote against NovAtel, to go back into his caucus and tell them: "You're doing the wrong thing. You're throwing away taxpayers' money. Kindergarten and health care and education will be threatened in the future if we continue on this artificial support of business. It's not our place." I would have helped the hon. minister, but I wasn't there. I'm here now, and I'm going to do it now.

Mr. Chairman, at this time I'd like to call the question.

[Motion on amendment A1 lost]

THE DEPUTY CHAIRMAN: It was close.

The hon. Member for Edmonton-Whitemud.

DR. PERCY: You must have the Deputy Speaker's hearing. Thank you, Mr. Chairman.

I'd now like to turn to amendment A2, and that one reads: Dr. Percy to move that section 1(6) be amended. It has six particular items that deal with 1(6). I would ask all members to turn to what this section deals with, and you'd find it on page 4 of Bill 31. The intent really deals with the issue of indemnities. Clearly the hon. Minister of Transportation and Utilities remembers and understands indemnities, because as minister of Alberta Social Housing his department provided a variety and array of indemnities and guarantees when the various Social Housing assets were transferred into the private sector.

3:20

The force, then, of these amendments is that it would make it far more difficult for such guarantees and indemnities to be provided. After all, one would hope that if you're transferring these assets to the private sector, they ought to bear some of the risk. Why should the government bear that risk through the provision of a guarantee or indemnity? [interjection] I can see that the hon. minister would like to participate in this particular debate.

The bottom line, I think, is that we ought not to provide such indemnities when we transfer assets into the private sector, because the whole purpose of getting them into the private sector is to have them bear the risk of profit or loss. But to the extent that we provide such an indemnity, we in fact remove incentives from them to operate efficiently and we . . .

DR. WEST: I had to get rid of all that property that you Liberals had leverage in.

DR. PERCY: So, Mr. Chairman, you can see that after these years it's still a touchy topic why the indemnities were provided.

What this would do is it would make it extraordinarily difficult to provide those types of indemnities. Again, if you look at the array of indemnities that were offered in Social Housing, it is in the hundreds of millions of dollars. If you look in fact at when the guarantees expire, we're looking at the year 2012, 2020 in some instances, so the province bears all of the risk over that prolonged period of time.

The force of this amendment then, Mr. Chairman, is to restrict the ability of governments henceforward to in a sense allow the

private sector to skim off the cream, bearing none of the risk, through the provision of these types of indemnities. If they attempt to get an indemnity, at least it would have to be passed through this Legislature. Again, I think some of these companies in fact would shrink away from this type of sweetheart deal if they knew they were going to be exposed and that the indemnity they were being given was going to be debated in this House.

So this amendment I think is clearly in the spirit of the Bill. It enhances greater accountability. It removes the ability of the provincial government to be in the business of being in business. Again, the private sector provides indemnities and bonds. Why is the province doing that through these types of financial transactions? If a firm purchasing such an asset has significant concerns about the viability, what would happen is they'd bid less for the property. As it stands right now, we bear all of the risk and get none of the potential return.

From my perspective, Mr. Chairman, the bottom line is that this particular section has to be strengthened by removing the ability of the Executive Council to provide such indemnities without the approval and consent of this Legislative Assembly.

Thank you.

**THE DEPUTY CHAIRMAN:** The hon. Member for Edmonton-Manning.

**MR. SEKULIC:** Thank you, Mr. Chairman. I rise in support of the amendment put forward by my hon. colleague from Edmonton-Whitemud. Quite simply, I believe that the government should not be in the business of never mind business and should not be in the business of indemnifying private-sector corporations or businesses. What you do when you indemnify a private interest is you essentially remove risk. As my hon. colleague said, you remove incentives to becoming efficient.

Well, I want to support Alberta business but in a different way. I want to ensure that they do become efficient. I do want to ensure that they can compete internationally. Our businesses in Alberta will never be able to compete internationally if we provide them with an artificial playing field, because if you ever remove those incentives, you will take away that company's ability to operate. So if you want to ensure that Alberta companies are as healthy as they can be and able to compete internationally, then what you have to do is provide them with a level playing field with no exceptions. Unfortunately, in the past we've seen an extremely unlevel playing field, where certain companies were sustained artificially, promoted even though it was inevitable that the bleeding of taxpayers' dollars was horrific, Mr. Chairman. But this government and many of the members which are still here continued to promote those losers.

Mr. Chairman, when I was speaking to the first amendment, in favour of it, which the government didn't support – now, I didn't understand why they didn't support it, because we're trying to enhance. This is a positive attempt to strengthen legislation which created 30 percent of Alberta's net debt. I don't see why the government wouldn't accept what I would consider a reasonable and a positive amendment. Nonetheless, it was rejected.

Now, the second amendment, Mr. Chairman, is in the same thrust. It's I think both reasonable and positive, and it's extremely positive if you're a taxpayer in Alberta. I can't think of one single reason for any government member to vote against this amendment. Now, having said that, if there is a reason that a government member can't vote in favour of this amendment, then I'm sure that prior to the vote taking place, at least one member

of the government will rise and say quite straightforwardly, "Here is the reason we cannot support this amendment." I look forward to that. But in the absence of such an explanation, I will have great difficulty believing that this government is different from the government that created the debt in the first place.

Mr. Chairman, when I left off, I'd only covered two of the losers which the government had picked, and they totaled over a billion dollars. Well, the third business loss, the third intervention, the third government intervention, the third Conservative government intervention in this province in terms of magnitude of loss of taxpayers' dollars was just blocks outside of my constituency. I remember all too well the last election, when I had to go to the workers in front of the Gainers plant. The last thing they wanted to see was any provincial elected official, because they had not been well done by by elected representatives. The total loss on that business venture, Gainers, was well over \$229 million, a quarter of a billion dollars, the third in this long list of Conservative losses of taxpayer dollars in the province of Alberta. This government purports and often yells across the floor their support for, their belief in a marketplace, in a level playing field, yet there are no actions that match the words that I hear across the way.

So this amendment was intended to provide government members with the ability to walk the talk. You know, it's time. It's time to provide the protection to those sacred dollars, those sacred tax dollars which you as a government deduct in taxes, which you in the government levy in fees against Albertans, against working Albertans, Mr. Chairman.

The fourth in this list of losses – and I won't go on with too many, Mr. Chairman, because there are only so many days to debate on this Bill, and the list is extensive. Once again, these first five are almost household names, more so than most sitcom stars. This star here is Millar Western, \$200 million. Well, \$200 million: you know, if you just rattle that number off, it doesn't mean as much as when you translate that back into kindergarten, when you translate that into health care, when you translate that into seniors.

Well, Mr. Chairman, I believe earlier today the first two questions in question period were regarding the Capital health authority and the fact that they were underfunded by this government and the need now to right that wrong by this government.

**3:30**

**MR. KIRKLAND:** Thirty-seven million they needed, wasn't it?

**MR. SEKULIC:** Mr. Chairman, they're asking for \$37 million. Well, that's less than 12 percent of what Millar Western asked for. We have 700,000 Albertans living in this city, probably 850,000 or 900,000 in the surrounding area, and they're asking for \$37 million. So we have, let's say, 800,000 people in the service area, and they can't get their money, yet they're the taxpayers. They can't get \$37 million so they can maintain a quality health care system, but Millar Western, one player, one private-sector player, came to the government and acquired \$200 million. Well, there's something wrong with this picture.

Today I heard the Premier say that he's not willing to meet with a group of 37 – was it? – because . . .

**MR. KIRKLAND:** Seventy-five.

**MR. SEKULIC:** . . . he considers that to be a demonstration. Well, I can see that if you come in a smaller number, Mr. Chairman, you get more money. Millar Western: \$200 million.

So in fact that group of 75 should send one voice, and they may get what they require. That must be the lesson. These are all Albertans that we're talking about.

What I want to emphasize is that any additional handcuffs that we can put on a government which was tax and spend – certainly I have to say tax and spend in the Conservative sense because it happened for 20 years in this province. This province is the level of government which I was elected to represent, so I won't refer to federal or municipal jurisdictions, Mr. Chairman. This is the level of government that needs to be handcuffed from shelling out Alberta taxpayers' dollars to private interests, to picking winners or losers.

Mr. Chairman, I would encourage all members of this Assembly to support this amendment. I believe, as I said in my opening remarks, that it is a reasonable, a fair amendment, that it is a positive amendment. I think it will help guide whichever people come to this Assembly, whether it's these 83 members or perhaps more appropriately a future 65 members in this Assembly, as was one of the Liberal Bills to reduce the number of members in the Assembly, so that somehow they are governed within a structure by which they can dole out taxpayers' moneys, so that we do provide some restraints and constraints, and so that we put those constraints into legislation. I think this strengthens legislation which is going in the right direction. I would encourage all members to support this amendment.

Thank you, Mr. Chairman.

THE DEPUTY CHAIRMAN: Are you ready for the question on the amendment as proposed by the hon. member for . . . Oh, sorry, Edmonton-Roper.

MR. CHADI: Well, we were almost ready for the question, Mr. Chairman. Just give me a few moments; I'm going to be very brief.

I, too, want to speak to the amendment on Bill 31, especially in relation to indemnities and guarantees. It wasn't so long ago that we were at the doors trying to get ourselves elected to the Legislature. It was so simple, Mr. Chairman, really simple to be able to show individuals, constituents, Albertans the record of the government: the performances, the loan guarantees that took place, the loan losses that amassed in the billions of dollars. It wasn't difficult at all at that point to convince individuals that there is a better way. I for one was saying that I would advocate something totally different, and that's why I feel compelled to speak today to Bill 31 and the amendment on Bill 31.

Mr. Chairman, the Liberal opposition wanted a Bill such as this to come forward. We would have made it, I think, a little tighter, a little more clear inasmuch as the government's role in the business of being in business. Quite clearly we heard today that many individuals believe that the government is still in the business of being in business, particularly with respect to the financial institutions, and of course governed by the Financial Administration Act, and that's what we're amending here today.

The fact of the matter is that we look at certain sections of this Bill and we see there still are limits within this Bill to allow for different lending institutions to provide guarantees to business, lending institutions that are owned by the Crown, lending institutions that are backstopped by the people of this province. There's a marketplace out there, Mr. Chairman, and that marketplace is quite well looked after with respect to the lending institutions that exist here in the province of Alberta. I believe there is no role and I believe the intent of this Bill is that there is

no role for provincial agencies and the Crown to provide guarantees. I would like to see the Bill tightened, specifically with respect to the amendments that have been brought forward by the Member for Edmonton-Whitemud.

To that extent, Mr. Chairman, I'll take my seat. Thank you.

[Motion on amendment A2 lost]

DR. PERCY: Okay. That sounded a little louder than last time, Mr. Chairman. I'm willing to accept that result.

THE DEPUTY CHAIRMAN: That wasn't a hard call.

DR. PERCY: There is another set of amendments that is about to be distributed. There are three amendments on this page, and I will treat them as a package, the three amendments. Members on this side of the House who speak will be speaking to each of them as a package.

[Mr. Herard in the Chair]

As the amendments are being distributed – I guess these would be labeled A3, A4, A5, and A3, A4, A5 would be voted on as a package, but we will talk to them as a group – I would just draw members' attention to section 74.2. It's on page 6 of Bill 31. It says:

References in sections 49.1, 74 and 74.1 to specific authorization by an enactment are to be taken . . . to mean authorization in express terms in or by necessary implication from that enactment.

Well, that's pretty vague, pretty open-ended.

I draw your attention, hon. members, to the following statement:

to include instances where the transactions are required, are potentially required, or are one of a number of things required, to be done.

Well, it strikes me that that's pretty open-ended. Potentially required: well, that's great. A lot of things are potentially required. I find it quite surprising that we would be talking about a business financial limitation Act when we have a particular subparagraph there so vague that you can drive a truck through it.

The first amendment, which I guess would be A3, reads: Dr. Percy to move that section 1(6) be amended by striking out proposed section 74(2). That's the intent of that particular amendment. The other amendments, 2 and 3, which would then be A4 and A5 . . .

THE ACTING CHAIRMAN: I think what we'll do, hon. member, is call it all A3.

DR. PERCY: We'll call them all A3?

THE ACTING CHAIRMAN: Yeah. You wanted to vote on a package; right?

DR. PERCY: Yeah.

THE ACTING CHAIRMAN: Thank you.

3:40

DR. PERCY: So A3, subsection 2 is: to move that Section 3(2)(d) be struck out and the following substituted. The intent of both subsection 2 and subsection 3 is to provide further accountability. Really what these other amendments do is require the chairman of



the board in the case of AOC and the chairman of the board in the case of ATB to appear before the Public Accounts Committee, and we think that is critically important.

As we've said, the province has a potential exposure, in terms of the liabilities of just the three financial institutions that are backstopped by taxpayers, in excess of \$10 billion. Again, if you think of what happened to Canadian Commercial Bank, Northlands Bank, the credit unions in this province when there was a slump in the economy, they suffered badly because all of their assets are tied specifically to the Alberta economy. When that economy goes into a slump, the market value of these assets diminishes and in fact the balance sheet of each of these entities turns around and turns brutally negative, and that will affect the surplus or deficit of this province.

What we then need, over and above the requirement that every five years we assess the mandate of these institutions to make loans and guarantees, is the ability on an annual basis to ask the chairmen of the boards what their lending practices are, how they assess risk, what their loan loss provisions are, how they've been assessed, so that there is some legislative accountability. The Public Accounts Committee is an ideal mechanism for that. We could then assess the issues related to exposure, do so in a generic sense without referring to specific loans or guarantees, and really make sure that their lending practices are prudent.

As MLAs we are collectively responsible for what happens to the balance sheet of these financial institutions. We're responsible. It'd be nice to actually quiz the chairmen and say: "Well, what is the process by which you evaluate loans? What's the structure of your audit committee, your management committee whereby you assess large loans? What are your criteria? How do you go about setting up the loan loss provisions?" Again, if we're going to restrict the contingent liability of the province, then we've got to make sure that legislators in this House on both sides have a vehicle for finding out what is happening.

So the amendment here just proposes that we use the Public Accounts Committee as an annual review, because a lot can happen in five years. As I said, Premier Getty was able to turn this province around in a very short period of time and certainly in less than five years. It's taken some time to try and dig out of that hole. Again, I would think that this is a constructive amendment. It enhances accountability for all parties, and it does so in a forum, the Public Accounts Committee, where it's properly delegated.

Mr. Chairman, those are my comments on amendment A3.

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

MR. RENNER: Thank you, Mr. Chairman. I'd just like to briefly address these amendments. The first part of the amendment I think I dealt with when I spoke at second reading, and I'm not going to spend any more time on that now. It has to do with authority for indemnifying MLAs and government officials, and I think I addressed that quite adequately at second reading.

On the other two amendments, which deal specifically with having the chairmen of the boards of AOC and the ag financing corporation appear at Public Accounts Committee, I frankly don't see the overall value in this. The amendment is very specific: that the discussion at Public Accounts would be limited to discussing the "total amount of loans guaranteed by the Corporation in the preceding . . . year." That is very simple and is available in the corporation's annual report, so I don't know what would be the benefit of coming to Public Accounts Committee to discuss that very specific thing.

I can understand why the member has chosen to limit the discussion of Public Accounts to that subject, because obviously we're dealing with individual Albertans' private financial affairs. I don't really think that anyone who is a client of either AOC or the agricultural financing corporation should have their personal financial affairs discussed in the atmosphere that is Public Accounts. It wouldn't be reasonable to the individual, and I don't think it would be, quite frankly, fair to the members of the committee to be participating in that. So the member has quite rightly removed that portion of the discussion from Public Accounts and has said that, no, the discussion will relate only to the total amount of outstanding loans. Well, that discussion doesn't need to take place at Public Accounts. It can take place in a number of other venues within this building. Each of those corporations files an annual report. The information is freely available. Members have ample opportunity to have that discussion in the Legislative Assembly and in addition, as I mentioned earlier, during the review that takes place every five years.

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

MR. SEKULIC: Thank you, Mr. Chairman. I appreciate the hon. Member for Medicine Hat rising to provide some defence, I guess, against this amendment, and I partially see the point he's concerned with. But from my perspective – and the perspective is one purely motivated by accountability to the taxpayer – when we have through three financial institutions or programs a \$10 billion liability, which is imposed upon the taxpayer in the sense that the consolidated budget imposes, and when core programs are as a result put at risk, then I'd rather have mechanisms for too much accountability than too little. In the past, as I've said before, I guess the screen has been far too coarse, and much fell through. I'd like to tighten up and develop a much finer screen through which very few taxpayers' dollars can pass. I admit this isn't the optimal approach, but all the solutions can't be a hundred percent.

I know the defence of the Premier, in terms of the direction of health care and the chaos that's been caused, is that he often comes to the floor of the Assembly and says, "Well, we've tried, but there are inevitable mistakes that we'll make just through the process of change, through the process of transition," although I'd disagree when that defence is used in the context of health care, because it's a much broader system. In the context of financial accountability, I think it's better to err slightly on the more accountable than it is on the less accountable.

3:50

As an economist I'm terribly concerned about the absolute lack of financial accountability or the historic lack of financial accountability to the Legislature. I can't think of a more appropriate venue than this building, than this very room, this Assembly. I just don't think enough of the members that were elected to this Assembly have yet fully comprehended the fact that only 83 Albertans can access this building to debate the issues we're debating today and to debate the issues which affect the other 2.7 million that can't access this building. We have an incredible responsibility upon our shoulders. This get away, get out from under the dome business, that's a cop-out from the responsibility which we've committed to.

Although this may create more work for MLAs – and as the Premier, I think, quite appropriately put it, most MLAs probably work around 70 hours a week – the bottom line is that we spend

well over \$10 billion a year, and those dollars are taxpayers' dollars. I think the responsibility for us to extend that extra bit of effort to assure full accountability and that the past never comes to be again in the future – this amendment will go a little ways to ensuring that that happens.

Mr. Chairman, I would encourage members of the Assembly to vote for more accountability rather than less. This amendment speaks to more accountability, and I would encourage them to support it. With those comments, I'll call the question.

[Motion on amendment A3 lost]

DR. PERCY: Again, to conclude debate in committee on Bill 31, two points. The first is that with regards to the issue of the role of public accounts, although the question that could be asked relates to the total volume of loans or financial liabilities that the institution might have, it's very easy to use that and relate it to questions of risk management, in terms of questions of process by which that total is achieved so that we could address many of the issues that concern us simply by focusing on the total. The questions could be generic. So that question could be very rich in the right hands. That's the first point.

The second point is that, again, this Bill does provide some small steps via an enhanced role for the Legislative Assembly by restricting the ability of the Executive Council to issue loan guarantees. But we still have a very significant problem with the contingent liabilities that are being racked up by these other entities. So long as taxpayers are ultimately responsible, there has to be some mechanism that is achieved to ensure that with that responsibility there's accountability in this Legislative Assembly.

So with those comments, I will take my seat.

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

MR. SEKULIC: Thank you, Mr. Chairman. I think it's very important because this is one of the principles on which I ran, and I did want to make sure that I'm on record, having spoken to it and defended it in the Legislature. I'm going to refer to a couple of things. Most importantly, I'm going to be running through a list of the financial losses, and I'll try to do that quickly because I do not want to consume too much of the House's time.

I want to go to a document I referred to when I spoke at second reading to Bill 31, and that was a document produced by the Alberta Chamber of Commerce. I think they've put forward a significant amount of wisdom, but in particular they've projected upon the Legislature a significant amount of business wisdom. Their document which I'll be referring to is titled *Creating a Level Playing Field for Canadian Businesses*. I believe they expounded their beliefs onto a Canadian model, although it was borne from our competitive business nature in Alberta. They state:

To operate in a way that will stimulate economic activity in Alberta and more widely throughout Canada, businesses must be confident that all opportunities and stakeholders – both across industries and within a particular sector – will be treated equally.

Well, Mr. Chairman, when we speak of a level playing field, that's precisely what I know I mean, and I know that many of my colleagues, when they speak of a level playing field, mean exactly that, that all players in industries, across industries, and within particular industrial sectors are treated equally. Certainly for the past 20 years in Alberta that's not been the case.

“Effective planning requires long-term vision, not short-term

fixes.” Far too often a cash injection of public moneys, moneys from the public purse, were used as short-term fixes, and then we'd see the collapse of those individual industries or particular players within the industry. That's clearly been demonstrated not to be the solution. This Bill goes one step, I think, a relatively small step but nonetheless one step, in the right direction in the first step.

Managers [in industry] must be allowed to make decisions as to activity levels, employment and reinvestment on the basis of sound business analysis, rather than on factors that are subject to political whim. Investors need an equitable return, and project operators must be able to maintain a globally competitive position.

Mr. Chairman, what we're saying here is that industry works best when it works independent of political manoeuvring, political preference, and deals with full information. Generally, in my discussions with businesspeople across Alberta, their only interest in government is of course that government be fair with them, that government be open and communicate with them, and that government not put up blockades in any way in their path. I think those are generally reasonable expectations.

Incentives such as grants, loan guarantees, and interest assistance distort investor assessment; they have an impact on activity that is not market driven. By providing incentives, government may, for example, advance the timing of a project and help the operator absorb the risk of high production costs and low selling prices. But the incentives backfire when they introduce uncertainty into investment and operating decisions; what seems a certain outcome can easily change with the next election.

Well, Mr. Chairman, there's no better summary of the business and politics relationship in Alberta than that which I've just provided, where that uncertainty was reintroduced prior to each general election. I'm sure that players in the major losses in NovAtel and Swan Hills and the Lloydminster biprovincial upgrader and Gainers and Millar Western were terrified prior to general elections because a change of government may have seen a dramatic change of direction and there may not have been any more freebies and no more visits to the public coffers. So I do say that there was indeed a great deal of uncertainty. Unfortunately, it never came to be that the Liberal opposition could in fact have formed the government and put the brakes on the losses, the severe bleeding of taxpayers' dollars.

Industry sectors and projects within specific industries are competing for funds from a common capital pool. Subsidies distort perceptions as to where that capital can earn the best return. Business activity has to be able to stand on its own, and operators have to consider all factors and make decisions in the most stable policy environment possible.

What I refer to there is that business prefers to have some degree of predictability. They need to know what environment they'll operate in. When we refer to the regional health authorities in Alberta, what the Liberal opposition has pleaded for so many times from this government is: be forthright, be open, permit these authorities to know what to expect in terms of funding and what kind of a relationship they can expect from you and how they can expect to respond.

4:00

Mr. Chairman, to Bill 31, which would restrict government involvement in business, which I'm clearly referring to:

Business activity has to be able to stand on its own, and operators have to consider all factors and make decisions in the most stable policy environment possible. This is particularly true today, as producers contend with global market forces and sellers work to meet prices set in the world marketplace.

We have to permit business the right to compete in that market-place.

I'm going to very quickly come to a close on this, Mr. Chairman.

Where subsidies persist, unsubsidized operations are at a disadvantage. A level playing field for all business activity is essential to creating an economically healthy Canada.

This summary, these words offered by the Alberta Chamber of Commerce are wise words which I would strongly recommend to the government to adhere to.

As I said in my opening comments, the Alberta Chamber of Commerce recommends that the government of Alberta undertake two primary objects. One of them is to "refrain from providing grants, loans, or guarantees that favour specific industries or projects within industries," and secondly, that they "make their opposition to such grants, loans, or guarantees known to the Government of Canada."

Mr. Chairman, I concur fully. I intend to present that viewpoint because I firmly believe in it, and I would hope that when it comes to increasing accountability for taxpayer funds, we as a full Assembly do all that we can.

Thank you, Mr. Chairman.

[The clauses of Bill 31 agreed to]

[Title and preamble agreed to]

THE ACTING CHAIRMAN: Shall the Bill be reported? Are you agreed?

HON. MEMBERS: Agreed.

THE ACTING CHAIRMAN: Opposed? Carried.

MR. DAY: Mr. Chairman, I move that the committee rise and report.

[Motion carried]

[Mr. Herard in the Chair]

MR. TRYNCHY: Mr. Speaker, the Committee of the Whole has had under consideration certain Bills. The committee reports the following: Bill 28 and Bill 31. I wish to table copies of all amendments considered by the Committee of the Whole on this date for the official records of the Assembly.

THE ACTING SPEAKER: Does the Assembly agree with the report?

HON. MEMBERS: Agreed.

THE ACTING SPEAKER: Opposed? So ordered.

[The Deputy Speaker in the Chair]

head: **Government Bills and Orders**

head: **Second Reading**

**Bill 26**

**Child and Family Services Authorities Act**

[Adjourned debate April 16: Ms Hanson]

MRS. HEWES: Mr. Speaker, I . . .

THE DEPUTY SPEAKER: Hon. member, we first have to have somebody move second reading, and then you can go. [interjections] We have several people here. If the hon. Member for Edmonton-Highlands-Beverly wishes to continue her speech, she has the first opportunity to do so. If that's not the case, then we'll take whoever else, and I have at least two signalers right now.

Hon. member, did you wish to debate?

MS HANSON: No, I didn't. Thanks very much, Mr. Speaker.

THE DEPUTY SPEAKER: You've concluded it?

MS HANSON: I was finished.

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

MR. ZWOZDESKY: Thank you, Mr. Speaker. It's important to get on with this very important piece of legislation, and I'm delighted to kick off debate this afternoon on Bill 26, which is known as the Child and Family Services Authorities Act. There are several things in this Bill which are noteworthy and extremely good, and there are a few things which I think require some additional attention and perhaps even some correction. I shall try to make those observations during the next few minutes.

As I understand it, the Bill before us seeks to create a system of local authorities spread out throughout Alberta for the purpose of delivering child welfare services, and specifically it serves to establish some legal authority for the minister to also transfer the child welfare responsibilities to those local authorities. As I go through some of the Bill, I note that in trying to enable child and family service authorities to be created and to take up the responsibility for everything from the planning to the design and the delivery of services to children and families throughout Alberta, there are a few things that spring to my mind as concerns.

Among those concerns, Mr. Speaker, is of course the issue of what the government's role specifically is in regard to the responsibilities that it is transferring and hopefully not abandoning. Its proposer leads us to believe that under this Bill the province will remain accountable for child and family services and that the province will somehow continue to provide funding and to set policies and standards and guidelines and so on as well as to oversee the supervision, the inspection, the monitoring, and the evaluation of those services, and I think those are very laudable concerns and very laudable objectives for the government to aspire toward.

As I read a little further, I get concerned as to what assurances we might have through this Bill and through what the proposer promises. What assurances will we have that those promises will in fact be kept to the degree that we understand them to be critically necessary? Where in this Bill do we see evidence of the government's accountability or the government's responsibility that is somehow commensurate with the expectations that the government is placing on the local authorities? They are expecting the local authorities to carry the burden of responsibility, and they've transferred a number of authorities to those local groups. But in the end, if one of those authorities should happen to collapse, for example, what provision is there within the Bill that says that that responsibility reverts to the government? The government would act quickly to correct it, I'm sure.

There are questions about liability and the security of funding, and in the end we must ensure that the protection and safety, the well-being of the children is served first and foremost through whatever aspects of the Bill we might care to address. Child protection is of paramount importance to this member and to all members, I would hope, on both sides of the House.

So if the intention is to really help and protect the children of Alberta, particularly those children who have demonstrably been in the greatest of need, we have to look at specific programs, which I know this Bill addresses to a larger or smaller extent, programs that deal with early intervention, for example, and the prevention of the very need that child services actually goes about providing. I know that in the Act there are a number of specific things, as well, that talk about the financial assistance that might become necessary for eligible families and how these services and these costs are provided for through these authorities to those families. I think that is a good position for the government to take and to have and to support.

#### 4:10

I think the government must, however, maintain somehow full responsibility for children's services. How can one support the entirety of this Bill when it falls short on a few critical issues such as that? We on this side of the House certainly understand the government's reforms that were touted a short while ago, just a couple of years ago in fact, when they talked about things like community-based service. I think that in concept and in theory that is not a bad suggestion. What we have to be sure occurs along with that is that we give the responsibility for the service planning and the delivery services for the children and their families to those communities that can sustain them, that can in fact deliver on those. I know the government has a provision within the Bill to provide for the monitoring and the inspection of that to ensure compliance and concurrence, but the government has to have its own responsibility to go with that. I don't see that in this Bill. I think the minister probably intended to have it and perhaps will be able to look at some amendments in that regard later. So I would ask the minister to keep that in mind.

When we talk about the early intervention aspect, Mr. Speaker, we must design and develop these services that go beyond just the normal suggestion of the words. These have to be extremely meaningful programs. These have to be programs with some teeth and with some accountability and with some measured results. I think that's what the community would expect, and I think that the government's job is not done until those results have been accomplished and they are very evident through the young people that this Act serves.

I know, also, that in the last couple of years the government has done a lot or at least spoken a lot about assisting if not improving the services that are provided to aboriginal individuals. Mr. Speaker, I had the great pleasure of growing up in the area of Sangudo, which is not too far from Glenevis. It was frequently the case that we visited the Alexis reserve there or that we had visitors from the reserve come to Sangudo for ball tournaments or hockey tournaments or other types of events. I know, from receiving them and having served them as a businessperson in Sangudo, some of the difficulties that surround that specific community of First Nations, Métis, and other aboriginal people. Needs with regard to food, clothing, and shelter are very, very basic, of course, but one would be surprised if one had the opportunity to visit some of these reserves, as I did and other members here have done, to see some of the very difficult

circumstances under which some of these children are expected to exist.

Mr. Speaker, the other point with regard to some of the reforms that were talked about earlier is that of integration of some of the services. We've heard the expression that it takes an entire village to educate a child and to raise a child. To properly raise a child would mean to involve in a very meaningful way and in a very perfectly integrated way all those communities such as Justice, the Department of Education, the departments of Health and Community Development so that it becomes a very real and holistic approach to serving the needs of the child. To do anything short of that is a bit of a falsehood, and I would hope that the government has that in mind as well as looking at reducing overlap or duplication or whatever, which I'm sure the minister is very vigilant on. They're trying to plug certain gaps that exist; so too must they act in a very proactive way to integrate the services very fully for these very needy children.

The new child welfare system, as I understand it, was created or designed or impacted, at least, by numerous people throughout the province of Alberta. I think we had 200 or 300 working groups at the community level who somehow tried to influence the minister and his department regarding the type of child services delivery programs that were required, and in fact more than 5,000 Albertans had input into that. I'm happy to see that, because I think that one good way that the government can get the best of benefits is to really, truly consult the community. Earlier today, Mr. Speaker, you will recall that we talked about Bill 24 and how much of the community input or involvement was felt through that process. Sadly not enough was had, is what was reported. But here we see a case where I think the minister of social services has gone out and received a good deal of consultation. So as I said earlier, the bulk of this Bill really has a lot of good points to it.

One of the points that I wanted to comment on was the use of the word "may," which appears on page 2 under section 1. It says here that

"child and family services" means the programs and services for which an Authority has assumed responsibility pursuant to an agreement, and may include the following.

Then it goes on to describe what it is. I stopped at that point, Mr. Speaker, because I was concerned that an authority may have responsibility, and "may include the following" is not perhaps strong enough. I would like to see that part of the Bill stiffened up. Unless I have the wrong interpretation of it, I would say that these authorities must have and must include the following responsibilities. That's what I mean by giving the Bill some teeth, a little bit more of a directive, on the one hand, and at the same time a little more accountability, on the other, but in the end a very comprehensive and very clear directive that says: this is what you must do because the children of this province are that important to us. By saying we must protect them as opposed to we may or some other conditional, moot word, that would help strengthen it, in my view.

I know that somewhere within the Acts referred to here, Acts like the Child Welfare Act and the Social Care Facilities Licensing Act and the Social Development Act and so on, there are some provisions for my next point, and that has to do with the Children's Advocate. I have spoken many times in this Legislature about this following point, Mr. Speaker, and that is the need for arm's-length relationships with this government. There are many opportunities where the government is much better served if they have arm's-length reporting relationships, which are much less threatening to the people who occupy them. None could be

more important in my mind than the Children's Advocate, which I believe is addressed through the Child Welfare Act that's referred to here. But it's curious to me as to why there is no reference within the Act specifically here to the Children's Advocate. Now, am I missing something, Mr. Minister, or is he referred to by inference? Is that the case? [interjection] He's not referred to at all in this Act? It's just a question. I'm curious.

THE DEPUTY SPEAKER: Hon. member, we are in Assembly, not in committee.

MR. ZWOZDESKY: Yes. I'm not trying to engage the minister in debate.

THE DEPUTY SPEAKER: Through the Chair for whenever the minister may answer.

MR. ZWOZDESKY: Thank you. We were exchanging some verbal signals there, which we perhaps shouldn't have been.

I am curious as to why there is no direct reference to the Children's Advocate in this Bill which is all about child and family services. I hope the minister will clarify that for me at another time.

In any case, the point is the arm's-length relationship that the Children's Advocate would have. I've spoken about the need for this with regard to the Human Rights Commission, with regard to the Alberta Foundation for the Arts, with regard to the Alberta Sport Council, and the Recreation, Parks and Wildlife Foundation. Now I want to strengthen that particular point insofar as the Children's Advocate is concerned. He or she must be fully empowered and that position strengthened to the extent that he or she who occupies the position has the freedom to report to this government and to also point out any shortcomings without fear of reprehension or without fear of reprisal. So that's another point there, Mr. Speaker, that I hope the minister will address during his comments.

4:20

We are as a caucus, I hope, embracing the bulk of this Bill, as I said earlier, so as to suggest that we're not really opposing the concept so much as we are concerned about some very critical areas and whether or not those particular areas serve the interests of the child first and foremost. I see reflections of that throughout the Bill, and it should be held in the first order and be of the highest, most paramount importance to the government, because the government has to account back to us through this process and through this Bill for its actions and its responsibilities and its legal liabilities as well.

I wonder about another point here as well, Mr. Speaker, which is with regard to women's shelters. I'm sure that the minister has looked at this very carefully, but in reading this Act through, I just wonder if it is proper for women's shelters to be rolled in under the children's authority, as would be suggested here. I would make the point that these are two very, very critical, very important points – the women's shelter and the children's services – but I'm not sure that they belong necessarily together in one Act.

I think that there should be a separate, self-standing body that serves the needs of women, particularly abused women, women who have had violent acts committed against them, and that that should be somehow separately established under the social services department. Then as a separate entity again would be anything and everything that relates to children's services. That

to me would make sense, and that to me would allow a great deal of special attention to be given in a special way to the areas most needing it. If it's abused women who need the help in the shelters, then let's give it to them. Let's give them proper programs; let's give them proper resources; let's give them properly trained staff, and so on, who can address those needs.

I have had the pleasure or perhaps I should say the displeasure of visiting some of these women's shelters. It's shocking to hear some of the stories that those women have to tell. I think they need an environment that caters to their specific needs as opposed to one that caters to too many needs and sometimes falls short of properly addressing any of them as a compromise. The same can be said of the importance of having a free, self-standing authority or whatever that addresses specifically children's services, the need and the well-being of our children in particular.

So I wonder what precisely these authorities' responsibilities will be – and I see some of them spelled out in the Act – I mean, in relation to what the government's responsibilities are. That's the question that hasn't been answered, to me. These kinds of things could of course be addressed best if they were assured somehow in the legislation, yet I don't see enough government accountability and acceptance of government responsibility in here. I'm looking forward to the minister's comments in that regard.

We must not weaken the position of child welfare services by attempting to roll too much in here that perhaps is related to it, such as women's shelters, which I mentioned earlier. We must somehow assert these shelters for women, on the one hand, and at the same time have a self-standing assertion for the children's services.

Now, what we have had here with the women's shelters, I understand, has taken us almost three decades to build up, and it's worked quite well, although it's short funded and understaffed perhaps and so on, but let's not try and undo it or weaken it unnecessarily as a result of this type of legislation which tends to want to roll everything in under one. Instead of helping the government by avoiding duplication and so on, it would probably have the reverse effect of creating more headaches, and in the end the people for whom it was established to help and to serve would not be as well served as they could be.

The safety and protection of children must come first in this Bill and be self-standing, and so, too, in other aspects must the safety and concern of abused women be addressed equally and in a totally self-standing fashion. Safe living arrangements for the victims of family violence, be they women or be they children, are not to be taken lightly, and I want to make sure that the minister does deliver on his commitment to provide adequate resources that go along with this Bill in whatever form it ultimately comes forward. I think the minister is a well-intentioned individual in that regard, and I hope he'll be able to deliver on that intention, because thousands of women, thousands of children need him. They need his support.

I have another question that I'd like to raise here, Mr. Speaker, with regard to this Bill and more specifically, I guess, to the model that the Bill is advocating. The question that I raise is whether or not this particular model, these authorities which are essentially parallel to the health care regional authority model that we've had under debate for some time in this province – I realize that that's what it is, and I just wonder if the model serves rural areas equally well to urban areas and equally well to very small community areas. I think that's a very critical point.

I would suggest that addressing children in need in the rural

areas, particularly the smaller communities, is much more problematic and not as easily solved. I don't think we can risk winding up with a patchwork type of scenario such as was the case in Manitoba. The approach there had provisions that resulted in a similar approach to what we see contemplated here in Alberta. It worked well in the populated areas to the south, Mr. Speaker, but not so well in the populated areas to the north. I hope the minister will address that.

I thank you. I hear the bell going, so I'll take my place.

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

MRS. FRITZ: Thank you, Mr. Speaker. I'm pleased to speak to Bill 26, the Child and Family Services Authorities Act. I believe, as the Member for Edmonton-Avonmore indicated, that this Bill underlines a basic principle, and that principle is in the first preamble on page 1, where it says, "Whereas the safety, security and well-being of children and families is a paramount concern of the Government of Alberta." I think it has been stated as well that this Bill is enabling legislation. It is my understanding that it involves community members in planning future services, in developing standards, and in reviewing possible funding options.

I believe that the opportunity for all Albertans to have input into the redesign of services for children has existed throughout the entire planning process. I know that in Calgary we've had great success in that planning in that we had I think it was a thousand plus people contribute their ideas to the minister and to those involved with putting this Bill together.

Mr. Speaker, people continue to meet to contribute their ideas as to how the regional authorities can truly make a difference for children and their families. In fact, this week I met with representatives from Calgary-Cross, Mr. Henry Eckert and Mr. John Gyryluk, on behalf of people with developmental disabilities and their families. These representatives asked that the funding formula for all 17 regions being established within Bill 26 have an equity clause and that current funding for programs be earmarked and protected so that it not be lost in the priority setting by the regions. I'd like to file four copies of the document with the Legislature: A Request for Action to the Members of the Legislative Assembly on behalf of people with developmental disabilities and their families. That's for information. I'm hoping that the minister and members of the Legislature will take time to read that document.

With that, Mr. Speaker, I'd just like to encourage members of the Assembly to support Bill 26. Thank you.

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

MRS. HEWES: Thanks, Mr. Speaker. I just want to get on record with a few comments about this particular Bill. Certainly it's a field of practice that has long been of major interest to me.

Mr. Speaker, I want to comment about the process that has been put in place here. Just going back in history a little bit, a lot of this has been provoked by a series of tragic incidents that have occurred over the years, suicides among children who are in the care of the province, and increasing evidence of children being at high risk. Each one of these incidents provoked public outrage, public concern, and from the government, a study. A commission or an individual would be put in place to review what had occurred and make recommendations in order to prevent such a thing happening again, and indeed we were treated to a series of

these. Almost every one of the studies that were done made pretty much the same recommendations and received pretty much the same response from the government, which was, "Well, we're doing something about it," but clearly not enough, because each time the incident would repeat itself, and yet another study would be put in the works.

4:30

This culminated a few years ago with the Children's Advocate, Bernd Walter, doing a very comprehensive report after one particularly tragic incident where a child did take his own life. The Bernd Walter report, Mr. Speaker, was very well received by interested parties across the province, by the public in general, by other provinces as being an excellent blueprint of where we should be going in child welfare in this country. However, it too was not found to be satisfactory to the government, and subsequently the Children's Advocate left. He was replaced, and I'm grateful for that.

Another individual, a commissioner for children, was appointed and was asked to review and provide us with a model of how child welfare could be dealt with in Alberta. This gave rise to the Lazanik report, which one assumes is the document that is the basis for this piece of legislation. Unfortunately, Mr. Speaker, the legislation will not, in my view, implement what it was that Ray Lazanik was telling us needed to happen.

There was an interesting process put in place as a result of the Lazanik report, and this entailed soliciting volunteer help from some 5,000 people across the province, good people, every walk of life in every community of Alberta, who would volunteer themselves to work on behalf of child welfare to help the minister to see where we should be going from the Lazanik report on.

These people were provided with some interesting documentation. They were provided with workbooks that specified what they should be doing. But gradually over time there's been a kind of unrest, a kind of uneasiness or angst among these groups almost universally, Mr. Speaker, that in fact all of the decisions had been made, that really nobody was all that interested in what they were going to say, that they were out there – they were working diligently keeping the children at the centre – and all the while decisions were being made under the dome, that these two things one hoped would be compatible aren't necessarily compatible, that there was another agenda in fact operationalized.

Mr. Speaker, this became real for me and for many of these good volunteers, the steering committees, and the working groups across the province when the first draft of the legislation was circulated. It wasn't circulated to everybody, but a few people did get it and were asked for their thoughts on it and found it to be woefully inadequate.

The question we have to ask ourselves is: why didn't we let the process unfold? Why on earth would we want to write legislation that would constrain and confine us before the processes of policy development and program development were completed? Mr. Speaker, I think this flies in the face of what the government told these steering committees and working groups their expectations were and what their intentions were. I believe that they were very sincere in their work, and I think they really believed the government's intentions as well. I think it's with some sadness that they have realized that in fact the government had another agenda happening at the same time.

Mr. Speaker, my colleague has commented, too, about one of the ironies, and that is that from the outset it was always understood that not only the Ministry of Family and Social Services would be involved with this but that there was an essential

requirement for the ministries of Justice, Education, and Health to be an indigenous part of the process and the legislation and the programs that would be developed as a result of it.

Where are they? Mr. Speaker, we don't know. The Minister of Justice has indicated that, no, this was not his understanding, that they're only to be peripherally involved, and I think that's a terrible mistake and an error in judgment. I believe that that deprives children, will deprive communities of their capacity to serve children. We're talking here about children who may be seriously at risk, children who are being abused or who have been abused and who desperately need our protection. I hope that the ministers, not just the one minister but all ministers, will want to answer that question, because it's been asked on a number of occasions. This legislation that's before us in no way reflects what our understanding was and our expectations and I believe the expectations of those volunteers who are still working diligently on this project.

Mr. Speaker, the Act that is before us I believe is inadequate in that it does not define clearly enough what is the public responsibility. The member who moved first reading indicated to us that the province remains accountable for child and family services . . . [and] will continue to provide funding, set policy and standards, and oversee monitoring and evaluation of services.

But the legislation itself does not describe how, and I think the Act therefore is flawed. Unless in some way, with amendments or with additions, it does describe exactly what the public responsibility is now and into the future, I think the Act is deficient.

He says, "The government will continue to provide funding." We don't know how. Certainly if the health care authorities are the model, we see the chaotic results there. We see the chaotic activity right now where we have some parts of the province jumping ship from one authority to join with another where they believe they geographically and program contentwise are more correctly placed. Are we going to see the same thing happen here? Are we going to adjust those boundaries? Are they going to be coterminous with the health care authorities, which would seem logical even though there are too many of them as it exists and we see them up for changes and adjustments daily?

Mr. Speaker, the member who proposed the Bill said, "Set policy." Well, I thought the policy was to be developed, and I think the steering committees thought that's what they were doing. It also tells us that they will "set . . . standards and oversee monitoring and evaluation." Yes, they're fine terms, but the legislation does not reflect how that's going to be done.

While this caucus supported the initial plan of reforming child welfare services and the Lazanik report, Mr. Speaker – goodness knows we've needed it for a long time – I believe that we need to have a piece of legislation that is very, very clear and unequivocal upon the government maintaining full responsibility for these services.

**4:40**

Mr. Speaker, there are some of the services that are included as being part of the authorities' mandates as they are set up that I am very curious about, and we have not had a satisfactory answer. Among them are family violence initiatives, including prevention programs and the funding of women's shelters. Now, while I believe we have a very critical reason for the government to be involved in these particular circumstances, that are increasing or appear to be increasing in the province whether in actual numbers or in visibility, I don't know how this piece of legislation can fit family violence, including prevention and women's

shelters, into child welfare. While there are some crossovers, we again know that the Minister of Justice is not intimately involved with this legislation, doesn't see himself or his department as being a continuing part of the legislation, and clearly this is a field of practice that crosses over those two departments, as it should. It doesn't include either our concern about women who need shelter from abuse who don't have children, and there are numbers of those. I don't know how or why the minister or the department would want those to be dealt with. It's simply absent in the legislation.

Mr. Speaker, I think we have to make sure that the legislation reflects that the best interests of the child are always at the centre of every part and that government accountability and responsibility and legal liability are clearly spelled out in this Bill. I re-emphasize that in my view they are not. The services and the programs that remain in the public domain must be clearly enunciated.

Mr. Speaker, another problem that I observe here, not only in this piece of legislation but in much of legislation that we're seeing nowadays, is that the Bill itself is very open-ended and much is left to the regulations. Because we have the steering committees working on this, because we have work groups working on it, because we are talking about a very highly vulnerable constituency here, children, children who are painfully at risk, I believe we simply must see the regulations prior to the Bill being passed. I think it would be totally unfair to those steering groups not to let them see them. I can't imagine in my wildest dreams how the government would want to pass the legislation in the face of their appointed steering groups – you named them, government – and not allow them to see the regulations. It seems inconceivable to me.

The minister says that the government is ultimately responsible, but it is not reflected in the legislation. The closest it gets is in the preamble, but the legislation does not make, in my view, the government legally accountable.

Mr. Speaker, I think that needs to be addressed. I think the regulations need to be in our hands before we go further. I think we need to have a good understanding about how the funding will be dealt with, how the boundaries will be dealt with, whether or not we're going to see authorities shifting responsibility for programs between them over time.

Finally, I'd just like to comment about a few of the responses we've had from some of our public. The Alberta Council of Women's Shelters is very concerned about this Bill, and I would be grateful if the minister would tell me whether or not he has met with them and has received their concerns, because the legislation does not deal with them. The Ombudsman has publicly and I hope privately reflected his concerns about the Bill. The Alberta Association of Social Workers has submitted a number of reasons why the Bill is flawed and needs to be changed. The Alberta Union of Public Employees has done similarly.

Mr. Speaker, I believe the notion of communities dealing with child welfare, the notion of allowing communities to develop policies that are particular to their region, their geographic region, their demographics, is a good one. I think we've always supported that. But I do submit that this Bill is inadequate and needs some very dramatic changes before it would serve the needs of the children of Alberta who are at risk.

THE DEPUTY SPEAKER: Okay.

The hon. Member for Leduc.

MR. KIRKLAND: Thanks, Mr. Speaker. It's my pleasure this afternoon to stand and speak to Bill 26. As I reviewed the Bill, I would say that the theory of actually creating community-oriented specific services for the protection of children has some appeal to it. There's no question that if everything was in place, perhaps it would work well.

Now, I have been involved and have been watching from a distance the steering committee out in my particular area attempt to pull this particular aspect together, and as I indicated, it sounds on the surface to be a fairly sound idea. Within the community certainly there has to be the expertise, and one would think that the steering committees that are, generally speaking, attempting to unfold this plan so that it fits their communities have to identify that expertise. They have to identify the expertise to ensure that the children who ultimately fall into this particular committee's care or the resulting body that's set up to provide care have a required protection there.

Now, in dealing with this matter in the Leduc constituency, one of the areas of concern that has been identified in speaking to some of the members involved is the department's lack of providing good, sound advice on what it costs today to provide child welfare services. You would have to do it on an area specific or a community specific, such as the city of Leduc or Devon or how much was spent in New Sarepta or Beaumont or the county of Leduc. Those are very critical figures so that the steering committees know exactly what they're dealing with, and it would, of course, temper and direct their plans to some degree. To date this information has not been co-operatively forthcoming, and it will be a handicap to them because it's a guess in the dark.

How can these steering committees and how can a community like Beaumont or Devon get a grasp on what it costs to serve their area as far as child welfare is concerned? The department has that information at hand to some degree, and certainly it has to be forthcoming and shared with those steering committees so that they can have a complete and total picture. The department, as I indicated, seems to be protective of this. So I look forward to the minister providing more specific area costs associated with child welfare.

Now, the Member for Edmonton-Avonmore, when he spoke, raised a question: what is the real reason? Why are we going to this community model? Personally, Mr. Speaker, I would suggest that it's to distance the department from some controversial child care situations that have been somewhat embarrassing to them in the past, that it's to distance them from the accountability. I have a large concern with that. In my mind, government certainly has a role to play when it comes to providing care for children, and it should not be delegated to anyone in a DAO situation.

I can think, Mr. Speaker, of some of the more well-known child welfare cases that have caused the department a tremendous amount of embarrassment. I think just recently in this House we brought to the public's attention the Zachary Giroux situation in Calgary where there were repeated comments directed to the child welfare workers in Calgary indicating that the child was in fact at risk. Now, I have some empathy for those workers in Calgary because I know their caseloads are extremely complex and also very onerous at this point. However, we know that there was a very unfortunate result to young Zachary Giroux in that case.

If we were to look at the Jason Carpenter case, Mr. Speaker, I would describe that case as a scandal. That child lost his life, and I would suggest that there was significant neglect on the department when that young lad was left in the care of the individuals who ultimately had the right to care for him through government appointment.

4:50

If you look at that situation closely, the three caseworkers who were very closely involved with that situation will tell you that there was a major department cover-up in the Jason Carpenter situation. If you talk more closely to those individuals, you will find that none of them are able to find work in the province of Alberta as a result of their reluctance to change professional notes and their reluctance to co-operate with the department in attempting to bury that particular situation.

I can think of one in particular that I know very well who not only lost her employment with the department because she refused to change her personal notes, Mr. Speaker, but when she did secure employment with Catholic Social Services in the city of Edmonton, she found herself released from that job very shortly thereafter due to a threat from the department that their funding would be somewhat curtailed if this woman continued to work there.

So I think, Mr. Speaker, that what the department is really trying to do with this community-based offering of child services is to distance itself from some of the accountability. That causes me some concern. When I think of children, I think of them as being one of Alberta's most valuable resources, and they deserve the utmost in protection from government, particularly when they are threatened. There are other examples that we can speak of that in fact the department has been embarrassed by, and I really can't convince myself that the department is doing this for the good, sound reasons that the Bill attempts to identify.

The other concern I had when I looked at this, Mr. Speaker – and I recall as I stand here that there was a young adult that was in the care of one of these community-based or community-oriented or community-originated committees in the Lac La Biche area recently, and there was a death associated with that. The department at that particular point was very conveniently able to distance itself from it easily, and that told me that that large concern will multiply within the province. It causes me a great deal of difficulty when we don't give our children in this province the utmost in protection, and I'm not convinced that this model that we're moving to here will do that.

I would suggest, Mr. Speaker, that when I looked at the Bill, I did not find that the Bill entrenched the accountability of the government. I did not see the Bill entrench secure funding. I did not see the Bill entrench safety or the well-being of children. In my view, those are very critical components when you're providing care for children. It is a very large concern. I know that the department has a very large challenge on its hands as well when you're attempting to provide care to children that have been threatened. It's not a simple process. It's very complicated. They have a great deal of expertise within their departments attempting to do this. They haven't done that completely successfully. I alluded to earlier that the expertise has to be in the community. I'm not convinced it's there. I'm not convinced that this department has undertaken a scientific and analytical review of some of the areas in the province to see if in fact the qualified people will be there.

I think, Mr. Speaker, of the discussion that's gone on in this House in the last week about regional health authorities and the lack of funding that has surfaced in that world. Now, that obviously indicates that there was not good, sound judgment made when we associated different dollars to the different regional health authorities. I would have to suggest that when we read the press today, when we look at the polls today, about 70 percent of Albertans are very dissatisfied with the health care needs they're



receiving in this province, and those health care needs are being provided as a result of an educated guess on how many dollars each region would require to provide those services.

We are moving into a similar situation in the new model for providing care to children that need care from government and need protection from individuals that would bring them harm. Mr. Speaker, I don't take assurance that the dollars associated with each region will be adequate to provide the necessary protection to children. We've seen that it clearly isn't as far as the health authorities are concerned. I have no reason to believe that same mistake would not be made when we come to allocating dollars to the different regions to provide care for the children.

Mr. Speaker, I listened to the debate from Edmonton-Gold Bar, and in her learned wisdom and many years of experience in dealing with these aspects she identified that concern that I expressed earlier about secure funding. The hon. Member for Edmonton-Avonmore identified a concern that the women's shelters had been rolled into this Child and Family Services Authorities Act. The hon. Member for Edmonton-Gold Bar pointed out that they had actually approached government and also the loyal opposition to indicate that they had concerns with that.

When we look at the concern that was raised about the boundaries and exactly where they will fit – and we can think of the Lakeland boundary dispute that we all have become apprised of in this House this week – there has to be a concern in that aspect. This could be a very large cost to some communities, providing child welfare services, and there may be a reluctance by some communities to take on the financial cost or burden associated with providing child care. There may be some lobbying to ensure that they are within a region that perhaps has more dollars so they can access those, and I see that as splitting some of the actual trading patterns in the areas and also causing a great disparity throughout the province as far as the protection of children will get.

I also had some concern, Mr. Speaker, when I was reading the Bill, about the contradiction that seemed to exist when the minister stated that the department would establish the policy objectives or the strategic directions. Now, that would strike me as being a handicap to some of those steering committees or community groups that exist out there. They supposedly have their finger on the pulse of the communities. They were struck to attempt to determine which community needs must be met as far as the protection of children is concerned, and if in fact they are already being handed government policy as to where and how they will do that, that will be restrictive to their efforts. So it causes me a concern.

Mr. Speaker, I'm not opposed to the offering of protection of children under Bill 26 on a community model. There is merit to that, and I certainly would support the merit of that particular theory or concept. There has to be improvement in this Bill before I will stand and support it. The items that I identified earlier – and I won't reiterate them – must be addressed in amendment or must be addressed prior to actually making this legislation. If they aren't, I would suggest that we will read in our newspapers and see on our TVs far more examples of children that fall between the cracks and do not receive the proper protection they should.

A government has a role to play in society, and certainly protection of children is paramount. I believe very much in my heart that this is one that government should play a large role in. I see this as being an abdication of their duties and their responsibilities as it is presently laid out, and until such time as the Bill is

strengthened and some of the gaps are filled in, I will find myself opposed to the Bill.

So with those comments, Mr. Speaker, I will yield the floor to those that may want to add to the debate up to this point.

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

MR. COUTTS: Thank you very much, Mr. Speaker. It gives me pleasure to speak to Bill 26, the Child and Family Services Authorities Act, and just reiterate some of the comments I've heard from the members opposite supporting the concept of bringing in community-based systems. Their support for that is encouraging as well as their concept that we did consult with over 5,000 Albertans to come forward and be involved in the planning for this particular Act and how these services could be delivered. I'm also pleased to see that the minister would come forward with a framework for a new community-based service not only for children but for families. Albertans have said that their own communities have probably a better understanding – and it's been acknowledged by the members opposite too – of the needs of their local children and their families, and their own communities are in the best position possible to make those decisions about the services that can be available and who can help with those services in respective communities.

5:00

The Act also sets out the process for the formation of child and family service authorities. As they've already become readily put in place, these authorities will take on the responsibility of that planning and delivering that service to the children and the families in their respective regions. The services, as has been pointed out, will include other things that are distinctive to communities but more importantly will take on a broad range of child welfare services, early intervention programs aimed at preventing family breakdown, providing assistance to families of children with disabilities, and, particularly in the case of women's shelters, providing programs for women's shelters for the prevention of family violence, and also deal with the licensing of day care centres.

Each of our communities has its own individual characteristics, and this proposed Act will give communities that flexibility they need to design and tailor the services in ways that meet their needs – their needs – while meeting the requirements under provincial standards and provincial legislation. The Act that is in place that we're debating is that the provincial government is still keeping overall responsibility for services to Alberta children and families. For example, the Child Welfare Act will remain in force and the Minister of Family and Social Services will continue to see that those requirements are met. The province will also continue to fund services for children and for families, to set provincewide policies and standards, to oversee the monitoring and evaluation of services, and to provide services in communities until the authority is ready and has all the necessary plans in place.

This new Act will offer some exciting possibilities to community members, agencies, and professionals who work with children and family services. At the same time it will include and does include the safeguards to make sure that all children and families have reasonable access to quality services no matter where they live in the province. I'm supporting this Bill because I believe it is the proper way for us to go. Having talked with the authority in our area, I've become very convinced that the steering

committee has worked with the people in our community to make sure that these services will be adapted to each and every community.

One more thing I'd like to point out, Mr. Speaker, is that we have a current service system in social services that has many strengths, and those strengths should be retained. We have highly qualified child welfare professionals who have worked with children who are at risk and work also with their families. These professional skills will not be lost. Government social workers will have the opportunities to bring their skills into this new community system. In fact, there will be an ongoing need under this new system for a broad range of services to be available to the children and families of Alberta. That means there's still an ongoing need, as there is now, for trained and qualified professionals to work in a variety of programs. This legislation provides the flexibility to do that and, in addition, to be able to work with the community.

I also believe that one of the strengths of this legislation is that it has an opportunity to work with aboriginal people. Particularly, I can tell you that in working with our community director in the Pincher Creek area, where we have urban aboriginals living in the Pincher Creek area helping to design a new system with the existing system that's in place, it is working very, very well. We've had a co-ordinating meeting where a partnership has been formed, and some of the services that have been provided over the last 12 years in that community will continue to be provided and expanded upon under the new authority. We also had the opportunity last week of meeting with the Peigan band and getting involved with new discussions on how to help deliver child services on the reserve in a better way. This particular legislation will continue to provide that service and expand on it as we move forward.

So with those few comments, I'd like to congratulate the minister on bringing forward Bill 26, as it sets out the overall framework on how we can better plan and better manage this very, very important need of our communities.

Thank you, Mr. Speaker.

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

**MS LEIBOVICI:** Thank you, Mr. Speaker. I rise this afternoon to speak to Bill 26, the children and family authorities Act. This is an Act that I have had a great deal of difficulty with, as I have with the ability to believe that the government would in fact follow the route that they said they would when the reforms were first put in place in I believe it was December of 1994. At that time the government indicated that they would in fact have four major principles that these reforms would be based on. That would be community-based service, early intervention, improved services to aboriginal people, as well as integration of services.

At that time I sat quietly, if that can be believed, and thought that I would wait to see if the government would come through. Up to this point in time I have not seen that the government has come through, and in fact there's a whole host of other organizations and individuals who have also felt that the government has not come through with those particular principles. Some of those have been mentioned earlier: the Alberta Council of Women's Shelters; the Ombudsman in his capacity has stated that he has concerns with regards to the Bill; the Alberta Association of Social Workers, who are at the front line and know what would be required to make this Bill work and who also know what would

be required to allow for community input; the Alberta Union of Public Employees, even though they cannot, due to the gag order that's been placed by the minister, publicly indicate what their responses are. They in fact also have indicated that the process, the time lines, the ability for the principles to actually be enacted, are not possible.

Now, we know there are more than 300 groups that have been working across the province. I give them full marks for spending their valuable time and energy. Even though the minister can't even provide paper for those working groups, I do give them full marks for engaging in the process. But the reality is that these groups have been spending time visioning, have been spending some time looking at community resources, and are looking at the whole situation of protection of children from a viewpoint of an ideal community. The reality is that we live in a society that is far from ideal, that in fact, though it would be nice to think that all families are supportive of their children, there are some families in this society that children need protection from. There is nowhere in this particular Act that I see that the children in this province will get the protection they deserve.

In reality, what I see in this particular Act is a downloading again of responsibility by the government to the private sector, to those wonderful volunteers that the Member for Bow Valley spoke about this afternoon, to those wonderful volunteers who in fact are stretched to their limits. I think it is unrealistic for the government to expect the community to undertake the protection of children. In fact, that is this government's responsibility. In fact, it is the government's responsibility to be accountable for the children in this province. It is obvious, when one looks at the preamble and when one looks at section 8 in the Act, that there is nowhere in this Act where it indicates that the government is responsible. There is nowhere in this Act that indicates that the government will say, yes, I am liable for mistakes that are made with regards to the protection of the children in Alberta.

#### **5:10**

What's even more amazing is that when you look at groups such as the Edmonton Committee on Child Abuse and Neglect, a committee that is a multidisciplinary group of agencies that has over 20 years of advocacy and education experience in issues of child abuse, what they see is that the gaps in provision of services to children is expanding, and even though the government is looking at a new source of service delivery, in fact the old unmet needs of children in this province have not been met. I would put forward to the minister that before you look at some new process that's going to solve any of the problems that have been in the system in the past, you need to address those issues that are still there that are making the protection of our children hard to do. You're seeing that when you look at the high turnover of workers in child protection, when you see the high rate of burnout in child protection, and when you see the low morale that's occurring in family services.

Now, the Association of Social Workers has repeatedly asked the hon. minister to have a meeting, and the hon. minister has repeatedly refused.

**DR. WEST:** How many? Five thousand of them.

**MS LEIBOVICI:** Now, it's interesting that the minister of transportation indicates that there are 5,000 social workers. In fact, there is a fair number of social workers, and if in fact they were to be registered, as is one of their requests, they would be the fourth largest professional body in the province of Alberta.

Now, they take their duty seriously, and the Member for Calgary-McCall, who is a member, I'm sure, of the association, takes his duty seriously.

What the association has indicated is that they would like to have a meeting with the minister and with the Premier to discuss the issues around the children and family authorities Act, and they would like a meeting as soon as possible. Now, on March 28 they sent a letter to the hon. minister. They got a reply from the minister that indicated, well, they had a meeting scheduled for April 10, and the minister wishes to wait until after that meeting to determine if a further meeting was required.

On April 14 the president of the Alberta Association of Social Workers sent another letter to the minister indicating that as planned that particular meeting on April 10 with the deputy minister was only to deal with the matter of mandatory registration, was not to deal with the concerns around child welfare services in this province, and it again asked for a meeting. As late as yesterday it's my understanding that the association has still had no reply from the minister. I think if the minister were seriously concerned about providing protection for children in this province, the minister would in fact meet with the representatives of the frontline workers to understand and fully comprehend what the services are, what the requirements are with regards to ensuring the safety of our children.

I notice that the minister was very proud of an article that featured him in the *Alberta Report* and that he made the front page of the *Alberta Report*. I guess the minister felt good at being the *Alberta Report* poster boy, but the reality is that that does not provide protection for our children, that does not provide the interventions that are required for them as one would think this new Act would do. Now, the minister will say that this is just enabling legislation; it's just to provide for the framework in which child protection services can be given. But within that framework you would think there would be some guidelines; you would think there would be some liability; you would think there would be recognition of the groups that are asking for delays because they are not going to be ready.

Passing this Act before those groups are ready, those 5,000-odd people, the 300-odd groups that have volunteered to look at how to provide services for children in this province, is tantamount to telling those individuals, "We don't really care what you think; on such and such a date we will implement" – I believe it's December of '97 – "whether this particular community is ready or not," much like you did in health care, and look at the chaos we've got in health care. Whether this particular community is ready or not – it doesn't matter how many meetings you've had – we're going to implement this plan in this way: that has been the subtle message that the groups have been getting. It's a form of blackmail in its worst form, because it's using volunteers who are giving of their time and energy. The minister will go ahead and do whatever he wants to do if the Bill is passed in its current form.

It's unfortunate that I have to say to myself: I told you so; this government could not be trusted in the way it is implementing the children and families authorities Act. Just by putting "family" into the wording of the Act, it shows that this government does not recognize that children need protection and that that should be the first priority when dealing with children's services.

[Mr. Clegg in the Chair]

I would hope that the amendments the hon. Member for Edmonton-Highlands-Beverly will be introducing in the Legislative Assembly when we are in Committee of the Whole will be

accepted by this government, because that is the only way – the only way – that this particular Act can be made palatable so that in fact children within this province will get the protection, the services, and the respect that they need.

Thank you very much.

THE ACTING SPEAKER: The hon. Minister of Family and Social Services.

MR. CARDINAL: Thank you very much, Mr. Speaker. In fact, the Member for Edmonton-Meadowlark just mentioned the positive article in relation to children's services. There's another good article today. It says: "Good news on the 'poverty' front. Since the recession, welfare-slashing Alberta has performed best" in Canada.

MR. LUND: Oh, really?

MR. CARDINAL: Yes.

I appreciate a lot of the positive comments that were provided in relation to the legislation, Mr. Speaker, but I'd like to just clarify a couple of issues outside of the issue discussed today. One is: the Member for Edmonton-Meadowlark mentioned the issue of the gag order. There was no gag order ever. It was one issue out of 5,400 employees that had difficulties with our department. I'd like the hon. Member for Edmonton-Meadowlark to wait, because the court decision on that is coming this week. I haven't seen it yet, but I'm just waiting till that report is finalized.

We are just starting to make the changes in restructuring child welfare. As you're aware, Alberta has no doubt the best child welfare programs in North America. We met recently in Victoria with the ministers of family and social services from all jurisdictions in Canada, and they all looked to Alberta for some guidance in how they can make some positive changes. There is no quick answer when you're dealing with child welfare, and the changes we're making are the start, basically, to improving what we have now, and we will only make changes where we can improve the system.

5:20

Because the person sponsoring the Bill, the Member for Calgary-McCall, and also the Member for Edmonton-Highlands-Beverly have been meeting to propose some amendments during committee stage, I will wait at this time and won't make any further comments until I see those amendments. The amendments are quite detailed, and I believe most members will be satisfied with the amendments.

Therefore, I call for the question at this time, Mr. Speaker.

[Motion carried; Bill 26 read a second time]

[At 5:22 p.m. the Assembly adjourned to Monday at 1:30 p.m.]

