

Legislative Assembly of Alberta

Title: Wednesday, June 11, 1997 8:00 p.m.
Date: 97/06/11
 [The Speaker in the Chair]

THE SPEAKER: Please be seated.

head: Government Bills and Orders
head: Second Reading

THE SPEAKER: Before we call on the hon. Provincial Treasurer, the hon. Member for Medicine Hat has caught the attention of the Speaker.

MR. RENNER: Thank you, Mr. Speaker. I was just wondering, in light of the fact that it's June 11 and we intend to have a large number of Bills dealt with and much business to discuss tonight and the temperature outside is rising, hopefully not at the same rate as the temperature inside will rise, if I could seek unanimous consent of the House for the gentlemen to dispense with wearing jackets for the evening even though we will be in second and third reading stage of most of the Bills?

MR. SAPERS: Mr. Speaker, in a spirit of co-operation we would agree, but I wouldn't want to make it gender specific.

THE SPEAKER: Are there other hon. members who want to participate on this point of order, I guess?

Well, Standing Orders are very clear. Under Standing Order 13(1) "the Speaker shall preserve order and decorum and shall decide questions of order," but it does not say that the Speaker shall decide questions of decorum. So recognizing that the hon. Member for Medicine Hat has proposed something, the Speaker will ask if there is unanimous consent of the Assembly this night to permit the gentlemen and ladies to remove their business jackets on this occasion, and it should be recognized that this will not set precedent in this House. Is there unanimous consent for this proposal?

SOME HON. MEMBERS: Agreed.

THE SPEAKER: Opposed?

AN HON. MEMBER: No.

THE SPEAKER: Well, then it fails.
 Provincial Treasurer.

Bill 31 Provincial Agencies Continuation Act

MR. DAY: Mr. Speaker, Bill 31 is the Provincial Agencies Continuation Act. There was a policy decision made by this government some time ago when restructuring was a key item and still is, I hope, on the minds of all legislators. All agencies, boards, and commissions were deemed to become sunsetted as of 1999 unless they were looked at and in fact somebody, probably a minister, stood in the House saying that certain boards, agencies, or commissions should indeed continue.

The purpose of this, Mr. Speaker, was to allow for a full overhaul, as it were, of everything government does and to recognize that sometimes government may get into just continuing things for the sake of continuing them. Empires can be built up

and turf can be established, and there can be, as we've found even in the last few years, certain elements of government operations which continue just because they're there and, in fact, do not get the opportunity to have a thorough analysis. So what the sunset provision does is basically say that all agencies, boards, and commissions become extinct by a certain date, 1999, unless the Legislature itself says that different boards, agencies, or commissions are to continue. That's what this particular Act will do, Mr. Speaker.

In a review that has taken place through a variety of stakeholders – there are a number of ministries that are itemized here of which a review has taken place – the opinion has been suggested that these particular agencies, boards, or commissions listed in this particular Act serve a certain purpose. The people of Alberta are better served with these being in place than if they were not in place and that they should continue. That is the essence of this Act.

The review will continue for the next three years. These are the ones that have been reviewed to date, and I am looking forward to hearing if there is any argument over the ongoing continuation of any of these. It would be fascinating to hear that. These have been consulted on with the stakeholders and the people in Alberta who feel there is a reason for these particular agencies, boards, or commissions to continue. That's why they're here.

I move Bill 31 for second reading.

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

MR. SAPERS: Thank you, Mr. Speaker. I was listening intently to the Provincial Treasurer, trying to determine the rationale for bringing in Bill 31 at this point. The Provincial Agencies Continuation Act is a very interesting piece of legislation, particularly coming at this point in the legislative session. If one goes back to *Hansard* of September 14, 1993, you would find the then Provincial Treasurer saying the following words.

The Financial Review Commission also spoke of the need for all government entities to be reviewed regularly or ensure that they have sunset clauses in their agreements. Well, Mr. Speaker, it's that kind of advice from the Financial Review Commission that has made us think very carefully and the reason why we have spelled out the sunset clause in section 81(2) . . . I think it's another important step that will force the government, force all those agencies to look very carefully over the next five years and few months, to study and be cognizant of the business they in fact are in.

Well, Mr. Speaker, Bill 31 would have us continue close to a couple of dozen boards and agencies and, in my estimation, would have us do so without the kind of review that Mr. Dinning was speaking about in September of '93 or, in fact, the current Provincial Treasurer has just alluded to now. He informs the Assembly that this is the list of agencies under the Financial Administration Act that have in fact been reviewed, but reviewed by whom, Mr. Speaker? Certainly it hasn't been a legislative review. I don't think it's been a standing committee review. Maybe . . .

MR. DAY: Yes, it has.

MR. SAPERS: The Provincial Treasurer is saying yes, so maybe it's been in those standing policy committees, which are only comprised of government members, which go in camera when they choose to, which exclude the public, which exclude members of the opposition. Maybe it's a review that's only happened

because some friend or colleague of the Treasurer or of the government called up and said: "Yes, I think it's a good idea. We ought to get this commission renewed, and we've got this little problem. We've got the Financial Administration Act, and, boy, they're going to sunset us out of business unless we get by stroke of the pen your approval."

That brings me to my next concern about the Bill. The first concern is timing. The second is whether it's even necessary. Mr. Speaker, we've seen this government not be shy at all about using regulation, about doing the business of government by order in council. For a government that does so much of its business by order in council, why would they bring into the Legislature a Bill at the eleventh hour of this sitting and ask us . . .

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

THE SPEAKER: The Provincial Treasurer on a point of order.

Point of Order Relevance

MR. DAY: The stipulations in *Beauchesne* are very clear about second reading. It's fascinating to hear the lack of relevance here. We're talking about agencies, boards, and commissions that should be continued. Is the member opposite going to have the jam to stand up and say which ones he wants to see dissolved? He's quoting from a previous Provincial Treasurer. He's talking about who made a phone call to whom. I would suggest, Mr. Speaker, that his comments are irrelevant, and I'd like him to be forthright enough to say which of these items in this Bill he thinks shouldn't be there. Is he afraid that there'll be some kind of contact made, which there will be, I can assure him, to any of these boards, agencies, or commissions that he thinks shouldn't exist?

Mr. Speaker, I just seek some direction on the point of order: if we can talk about a number of different things or if we should be talking about the Bill itself.

THE SPEAKER: On the point of order.

MR. SAPERS: On the point of order, Mr. Speaker. You know, the Treasurer brings in a Bill called the Provincial Agencies Continuation Act. He talks about how proud he is to continue in the tradition of this government that brought in this notion of sunset so they can review. He talks about some review that nobody else in this Legislative Assembly knows about except himself. Then he has the gall to stand here and say that I'm being irrelevant. Well, the chances are that it's this entire Bill that's irrelevant, and if the Provincial Treasurer wasn't so anxious to stop debate in this Assembly, maybe he should stay tuned and he would understand quickly the relevance of my comments, but of course, Mr. Speaker, I await your ruling on that point.

8:10

THE SPEAKER: Well, hon. members, on just a quick perusal of Bill 31 it certainly does seem that it covers a fair degree of territory within it, but I think that all members should remember that while there is considerable latitude given in debate on second reading, there still has to be some relevance to the Bill. So we will assume that the hon. Opposition House Leader will in fact confine his remarks in that regard, regarding as well the continuation of having some degree of flexibility in it. If there are further points of order with respect to relevancy, the Chair will view this as just an extension and continuation of the debate, and we should stick to the order that we do have.

MR. SAPERS: Thank you, Mr. Speaker. I hope that the Provincial Treasurer will pay attention because he will understand the relevance.

THE SPEAKER: Well, hon. member, the Chair was very gratuitous in trying to find a positive understanding with respect to this. The Bill before us is Bill 31. The point of order has been dealt with.

Proceed.

Debate Continued

MR. SAPERS: Thank you. Now, in Bill 31, as I was saying, the first issue is timing. It makes us suspicious as to why we have seen this Bill, because this government has never been shy about doing its business behind closed doors, either with their standing policy committees or by Executive Council by regulation. Then when I read the Financial Administration Act, which of course Bill 31 flows from, you get to section 81.1(5), and it says clearly in that Act:

Notwithstanding subsections (1) and (3), the Lieutenant Governor in Council may

- (a) before the date on which it would otherwise be discontinued, order that a Provincial agency continue for a period specified in the order.

So it was clearly anticipated by the government at the time they passed the Financial Administration Act that they would continue what agencies and organizations they would choose by executive fiat, by Lieutenant Governor in Council. That makes me scratch my head and wonder: what would the government be up to with Bill 31? Why would a government that does so much of its business by regulation come to the Assembly and bring us a Bill that they don't need to? It could be, of course, that the government has done this because of the persuasive arguments by members of the Official Opposition admonishing the government that they do too much of their business in secret, but, Mr. Speaker, even I'm not sure that I could accept that the government's actually learned from debate in this House. So that probably isn't the answer.

Then you begin looking at the list of the agencies under the various ministries that are to be continued by this legislation. You get to, for example, the Alberta Government Telephones Commission, and you have to wonder, Mr. Speaker: didn't we repeal the AGT Act? Hasn't AGT vanished from the face of the earth? Hasn't it become Telus? Why would this commission now be continued until the year 2003, I believe it is, when we've done everything else in our power to get rid of Alberta Government Telephones? It's being erased from the lexicon of Alberta. It's like some Orwellian thing that's happening from the ministry of truth. We're purging ourselves of all other references to Alberta Government Telephones, except this government, for some mysterious reason, wants to continue the commission until 2003. I don't understand that.

Then even more interestingly, if you get down to N.A. Properties (1994) Limited, you have to wonder why this particular agency would be continued. When you look at public accounts, you notice – now, keep in mind that this is a continuation, Mr. Speaker, until the year 2003, but as of 1998-99 it is proposed that North American Properties, which is this real estate arm which may be responsible for losing – I don't know – some \$2 billion worth of taxpayers money; I'm not sure about that. You'll notice, if you look at public accounts, their income statement, that it's projected that by 1998-99, they'll have zero assets. Nothing. It'll

be a zero. Again, why do we want to continue N.A. Properties to the year 2003. It doesn't make any sense.

When I put these two facts together – one, that the government can continue those boards and agencies which must be continued after a proper, thorough review, which they can do by regulation, and then you see this list where mysteriously organizations appear on the list that don't need to be there, Mr. Speaker – it makes me wonder what Bill 31 is really all about.

Now, the Provincial Treasurer has challenged me to say which one of these agencies or commissions I would not want to see continue, as though I would be afraid to say, for example, that the Social Care Facility Review Committee shouldn't be continued. Well, the Treasurer's argument is really a spurious one because whether I support Bill 31 or not has nothing to do with whether I believe there should be a Social Care Facility Review Committee, for example. In fact, if the government were to continue the Social Care Facility Review Committee by order in council, they would hear not word one from this hon. member because that committee is an important committee. It does deserve to have a review as contemplated in the Financial Administration Act, and then if it still has a purpose – and I believe that it still does – it should be continued. We could go through this list, whether it be the widows' pension appeal panel or whether it be the Métis Settlements Appeal Tribunal or whether it be the Local Authorities Pension Plan Board of Trustees, and we could do the same exercise.

So if the Treasurer thinks he's going to intimidate either this member or any member of the Official Opposition into saying that we don't support this Bill because he's going to try to spin out there in never-never land that we don't support some of these commissions, well, he can try. He can huff, and he can puff, and he can try to blow the House down, but it won't work, Mr. Speaker, because Albertans know that we want this government to be responsible and accountable for their actions.

So I wonder what it is that the government is doing by Bill 31 that's responsible or accountable. Mr. Speaker, what I see is that they're trying to jam something through at the end of the session that really requires some very, very careful scrutiny. Of course, it's hard to give it that kind of scrutiny when the government just tries to dismiss the importance of the Bill and says: well, you know, it's just a little bit of housekeeping really. Well, we've heard that before. This isn't a little bit of housekeeping. There's far more substance to this than that, and I would have the Treasurer reflect on his own words when he suggests which commissions or agencies we wouldn't have continued.

Why isn't this a complete list? Which agencies and commissions would the Treasurer not have continued? What is it that the government is suggesting shouldn't be continued? Now, I will note with some interest that one of the organizations missing from this list is, in fact, the Alberta Research Council. Why isn't ARC on this list? Does the government have some plan where they're not going to continue ARC? It expires at the same time as these others. Why is it absent from this list? Why is ASRA not on this list? Why did the government pick and choose these to do by a statute and obviously some others to do by order in council? And maybe some others they're going to try to let die quietly and hope that nobody will notice.

So, Mr. Speaker, Bill 31 creates a very significant problem for this member and for members of the opposition, because we're not opposed to several of the agencies and organizations being continued. What we are, in fact, opposed to is the way this government continues to do business. They pick and choose what

it is that they would support, and then they try to be dismissive of any critical comment. In fact, they try to shut down debate in terms of critical comment. I don't think that's an appropriate way for a government with such a supposedly comfortable majority to act. Why would they be afraid of the debate? I've never been quite certain about the answer to that.

What I would suggest we do with Bill 31 is in fact send it back to the government and give them a chance to rethink their approach to sunset reviews and to continuation of these agencies. We would have them go back and do an honest appraisal of what it is that the former Provincial Treasurer was thinking of when he uttered his comments in September of '93 and try to live up to the challenge that he set at that time. I don't think that challenge has been met by the current Treasurer, and I don't think it's been met by Bill 31.

So I would like to propose the following amendment at this time to Bill 31, Mr. Speaker. I'll read the amendment, and then I'll take my seat momentarily while it's being distributed.

The motion that I move is as follows:

That the motion for second reading be amended to read that Bill 31, Provincial Agencies Continuation Act, be not now read a second time because the Assembly believes that some of the provincial agencies set out in the schedules may no longer have any assets or be performing any activities by the sunset termination date of December 31, 2003.

8:20

THE SPEAKER: The Assembly has before itself an amendment to Bill 31. [interjections] The members don't want to have it circulated? Question?

Well, hon. member, would you like to close the debate, then, on the amendment?

MS LEIBOVICI: Thank you, Mr. Speaker. I would like to have the amendment circulated because I think that it's important to see exactly what the amendment says. I have never, in the four years that I've been in the House, not had an amendment circulated. So I am sure that we will all be receiving it on our desks so we can consider it more fully.

It's surprising how quickly the government jumps to the conclusion that the amendment is not something that they might well consider. Given the example that we had this afternoon, where the government members decided it was prudent to take a piece of proposed legislation, albeit a private member's Bill, and hoist it for a period of 10 months so that in fact there could be some measured review of this particular Bill and what the implications of that Bill were, obviously the Member for Edmonton-Glenora is suggesting that selfsame measured review of this Bill we have in front of us, which is Bill 31, Provincial Agencies Continuation Act.

Now, the Member for Edmonton-Glenora was, as usual, very eloquent in his explanation of his position with regards to Bill 31. I was waiting to hear the words from the Provincial Treasurer, who we know can be just as eloquent in terms of his explanations either in answer to a question from this side of the House or in reviewing a particular Bill or in explaining a Bill that has his title on it, so that we can fully understand the purposes of the particular piece of legislation that we see in front of us. I did listen to the Provincial Treasurer, and it surprised me that his comments were as short as they were and did not explain the necessity, really, for these particular agencies to be under the auspices of this continuation Act.

As we have heard, there are questions. There are questions with regards to why the Bill is in front of us. There are questions

as to why the recommendations of the Financial Review Commission are not being followed. In fact, Mr. Speaker, over and over again we have sat in this Legislative Assembly and we have heard of the many good ideas that were put forward in the 1993 campaign by the provincial Liberals and that have now become part and parcel of the government's procedures and government policy. Unfortunately, one of the policies we did have dealt with all programs being subject to the sunset principle, because we recognized early on that there were some organizations that might have a limited time span and might have a limited reason for being in existence. In fact, much like human beings organizations are living entities as well that grow, that change, that require being looked at, and that unfortunately, like each one of us, have at times a limited time span on this Earth.

When we look at the organizations that are in this particular Bill, it raises the questions: why these organizations, how were they picked, was there stakeholder involvement with regards to the continuation of these organizations, who was spoken to, at what time were they spoken to, with whom did these consultations take place. I know that my hon. colleagues will have some comments with regards to some of these organizations.

You know, the Provincial Treasurer tried to instill the fear of Liberals being obstructionist. The reality is that the Liberals have never been obstructionist. We have always tried to provide a role of watchdog within this Legislative Assembly. We have always tried to ensure that each piece of legislation is put forward in the best manner that it can be, that it is drafted as properly as it could be. In fact, in one of the miscellaneous statutes there's one article that has a misspelling in it. It says "an" instead of "and." Now, I'd have to check the past *Hansards*, but I know that there have been occasions when I have picked up pieces of legislation and have said: "Look here; there is a typo. Look here; there is a mistake." Yet the government has insisted on not amending that particular clause.

DR. WEST: What's the point?

MS LEIBOVICI: The Minister of Energy says, "What's the point?" Well, the point is that every piece of legislation is a legal document.

THE SPEAKER: Hon. Member for Edmonton-Meadowlark, what we have before us is debate on the amendment, so it's probably not really important or in order to wave the Bill about. Let's deal with the amendment and the wording of the amendment.

MS LEIBOVICI: Thank you, Mr. Speaker. It's hot in here, and that's why I'm waving the Bill.

As the hon. Minister of Energy doesn't seem to quite follow, the point is that when legislation is put forward, it is extremely important that it is put forward in a meticulous manner. There are times when in fact that does not occur, and the role of the Official Opposition is to ensure that these legal documents are drafted in the most appropriate manner and that the principles of those documents are well founded.

Now, what we have here is a Provincial Agencies Continuation Act. The principle is not well understood. There does not seem to be any particular rush to have this particular Act here in front of us. In fact, if the Provincial Treasurer had in his opening remarks indicated that he had had discussions with the individuals involved with the Attendance Board, with the Board of Reference, with the School Buildings Board and perhaps had tabled

those discussions and had tabled the requests for the continuation, the review process, the benchmarks that were utilized by this government – and we know that this government loves benchmarks – what the purpose was, whether that purpose had been met, how that purpose had been met, in what manner was it met the most efficiently, then perhaps we would have a measure of comfort on this side of the House.

Because I believe that the minister has not performed that process of stakeholder consultation, we have had the Member for Edmonton-Glenora put forward a reasoned amendment indicating that in the best interests of these agencies, in the best interests of Albertans a time limit be put on this particular Bill, that this particular Bill be held over, and that the opportunity be given to the minister to in fact look at having some of those consultations with the appropriate stakeholders. The other good that would come out of the reasoned amendment and not passing the legislation at this particular point in time would be to perhaps expand the Bill, if required, so that all agencies whose term is up on December 31, 1998, can, if required, be involved under this particular Bill, or if there are some agencies that are here, such as the ones that the Member for Edmonton-Glenora pointed out in terms of the AGT commission and N.A. Properties, that will have a limited lifespan of perhaps two more years, that perhaps should be their lifespan.

8:30

There is nowhere written that I know of, unless the Provincial Treasurer can show us something different, that indicates that these agencies have to be continued to the year 2003. Perhaps in the case of N.A. Properties or AGT the continuation period should only be until the year 2000. I'm not sure that the minister's staff has looked at that. Perhaps they have decided five years is a convenient time period; let's just put everyone under the five-year time span, and it won't be a problem. Well, the reality is that it is a problem. The reality is that I don't think it is our job within this Legislative Assembly to pass without questioning, to pass without attempting to make better a Bill that is not as good as it could be. I think we are shortchanging Albertans if a Bill is not the best that it can be when it's brought into this Legislative Assembly.

If what that means is that the reasoned amendment is passed so that this Bill can be made better, so that there is an assurance that within this Bill there is full accuracy with regards to these agencies, that there are no omissions, that we will not be here within another – well, hopefully we will be here within another few months but we will not have in front of us an oops, as we've had over the last period within this session, where we have seen amendment after amendment after amendment coming on Bills that were too hastily passed in the last legislative session.

So I would urge all members to seriously consider the reasoned amendment that was put forward by the Member for Edmonton-Glenora, unless the Provincial Treasurer can in fact dispel our misgivings with regards to this particular Bill. I do not feel that he has adequately explained the urgency of the Bill, the requirement for some of these agencies to be here and some not to be here, the fact that even though he knows there are some agencies that will only be in existence for two years, if they're given a five-year span to continue, and until he has assured us that the consultation with regards to the continuation of these provincial agencies has occurred in conjunction, again, with the recommendations of the Financial Review Commission, which quite specifically said that there should be sunset clauses – and there are sunset clauses in section 81.1 of the Financial Administration Act.

So again I would urge all members within this Assembly to seriously consider those questions.

If there is any member in this Legislative Assembly that says, "Oh, I'm not sure why these agencies are here, I'm not sure why there isn't another agency here, I do have a question about the utility of XYZ agency and maybe the mandate of that agency should change," if there are any of those questions that any members have, then now is the opportunity to talk to the Provincial Treasurer, to talk to his ministry. In order to do that, the reasoned amendment that has been put forward by the Member for Edmonton-Glenora should then be passed without any difficulty, I would submit.

Thank you very much.

MR. DAY: Mr. Speaker, given that this Bill and the notice of it coming has been in the public domain for years and members opposite have obviously given no thought at all to which agencies, boards, or commissions would have some efficacy and would still deliver good services to the people of Alberta, I'd suggest they take a little time and do this and that we not waste time in the Assembly on something that hasn't even been considered by the opposition. I move that we adjourn debate on the amendment.

THE SPEAKER: Having heard the motion by the hon. Provincial Treasurer for adjournment on the amendment, does the Assembly agree with the motion?

SOME HON. MEMBERS: Agreed.

THE SPEAKER: Opposed?

SOME HON. MEMBERS: No.

THE SPEAKER: Carried.

Bill 32 Public Sector Pension Plans Amendment Act, 1997

MR. DAY: Mr. Speaker, Bill 32 deals with public-sector pension plans, some specific amendments related to items on the Telus/Ed Tel sale and to employees that could be affected were it not for provisions of this Bill. Also, the special forces pension plan needs some provisions to be able to move the dollars around in a way that is accommodating to the members and the managers of that particular plan. These have been conducted. The items to be dealt with have been consulted with all people affected. I would hope that we would see the reasonableness in this and look to speedy passage of the Bill. I now move second reading.

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

MR. ZWOZDESKY: Thank you, Mr. Speaker. I rise to speak about Bill 32 and the government's need to be bringing it forth at this time. In beginning the debate from our side of the House, I just want to go on record again thanking the Provincial Treasurer for arranging for a technical briefing on this Bill. Quite frankly, I wish we could do the business of this House more and more in that fashion, because it really, really sheds a lot of light behind the thinking of a particular Bill: why it was drafted the way it was and why it covers the issues it does and perhaps doesn't cover other issues. So to the Provincial Treasurer and his staff I want to extend our thanks.

As I understand it, the main spirit of the Bill is captured in four

basic points, Mr. Speaker, the first one of which is to help facilitate the exit of Edmonton Telephone employees from the LAPP, which is the local authorities pension plan, as a result of the sale not that long ago of Ed Tel to the Telus Corporation. As I understand it, these individuals used to be part of the LAPP, and technically they still are, but technically they should not be, and the government has extended them this interim period during which time they have still enjoyed the benefits of the LAPP, but since they are now a privatized entity, the employees really do not belong under the LAPP anymore.

So the government has to bring forward some legislation now to divest itself of individuals who are working in the employ of Telus so that they do not in fact come under the LAPP anymore. I believe we're talking about a significant number of employees. According to our research, about 2,000 would now come under their own private-sector pension plan, which Telus has in fact provided to them or will be providing to them shortly.

Before I go to the second one, I just want to say, with regard to that first point concerning the facilitation of the exit, that I see nothing wrong with that at all. It makes sense to allow that aspect to proceed, and the rationale is very clear. The spirit in principle is not something difficult to follow or to support. It's okay.

The second highlight of the Bill actually is the ability within the Bill to provide the authority to commence the withdrawal of other privatized employers from the local authorities pension plan, and I think there is a significantly larger number of individuals involved here. I believe we could be talking as many as about 140,000 people, possibly. I don't know if I've got that number exactly right, Mr. Speaker, but it seems to me it's a very large number of individuals who are in fact dependent on local authority pension plans as prescribed by the government at the moment. The government has been approached by these so-called LAPP groups now to in fact be divested from under the government umbrella. As I understand it, the LAPP groups now still do actually pay the administration costs to the pension corporation, and some feel that they might be able to actually handle that task on their own. So it makes sense to me to allow them to do it on their own. Why not? If it smooths things out and takes the burden off government, and the LAPP groups themselves feel they can administer it on their own, then more power to them.

8:40

The third aspect is with regard to the disclosure of pension information. Specifically, I believe the intent of this Bill is to ensure disclosure of pension information on participants and former participants under provisions within the Freedom of Information and Protection of Privacy Act. I know that my colleague from Calgary-Buffalo will likely elaborate on that a little bit further.

However, I think the intention here – and I hope I've understood it correctly, Mr. Speaker – is really to just bring the legislation in line with freedom of information and privacy so that the government can do basically some of the things the private sector would be doing in a situation like this, and I have no problem with that either. That tends to make sense on first blush.

The final highlight in Bill 32, as I understand it, is to allow for the single payment of benefits to beneficiaries under the basic and indexed funds of the special forces pension plan. At the moment, again, it has been explained that the special forces pension plan is really comprised of two funds, and the intention of Bill 32 is really to look at these two funds and bring them together under one cheque. As was explained, it makes no sense to have to write two cheques when physically it's easier to write one, and this

legislation would in fact allow the government to do that, although I'm given to understand that the special forces pension plan would remain still a responsibility of government. Right? It's not, in other words, involved in the exit, let's say, as the Telus group would be. So that, too, makes a great deal of sense.

Perhaps in my hasty note taking, it's here that we see 140,000 people or so. Or is it the overall LAPP? I'm not sure. I do know, Mr. Speaker, that we're talking about literally billions of dollars in these pension funds, and the administration can be very extensive and very cumbersome, so we have to be very careful as we proceed through this legislation. I think there's a statistic that rolls in all of the LAPP-affected pensioners which would suggest that a very high number – something like one in every 10 Albertans or thereabouts – may be affected directly or indirectly, which would mean that either they are pensionable under the fund directly as employees or perhaps their spouses are somehow involved or affected. In any case, it's a very, very high number of individuals, and as I say, billions of dollars are involved.

I indicated at the beginning that I don't find anything within this legislation, on first passing at least, that is difficult to support, because it's fairly consistent with what we have been saying for at least three or four years in the Assembly, and that is that we respect the need for autonomy of public-sector pension plans in which the government is not the direct employer. As a result, we would see these public-sector pension plans having autonomy through a board of trustees for each plan. I think that is the most appropriate model for the government and for us as their critics to pursue. I want to just comment briefly that in the way I understand public sector pensions, which is the thrust of the Bill here, Mr. Speaker, the Provincial Treasurer actually is responsible for administering the plans that were established under Bill 68, the Public Sector Pension Plans Act – that's about three years old now – which include the local authorities pension plan, the management employees pension plan as well as the public service management pension plan, the public service pension plan, closed membership, and the special forces pension plan along with the universities academic pension plan. So you can see that it's a fairly extensive and fairly broad coverage of pension plans when taken in total.

The administration has been explained to me as being very intensive. Perhaps the government will be smoothing the way for itself here and lessening some of its load and putting more responsibility at the local employer level for all of that administration. It's probably time that this was done.

Now, prior to the passage of Bill 68, that I referred to a few sentences ago, I believe that benefits under the plans had been actually guaranteed by the province. Bill 68 really did change the province's financial and administrative obligations towards those plans. In fact, Mr. Speaker, I think under Bill 68 the province's guarantee was actually replaced by an arrangement whereby employers and employees of the Crown would pay additional contributions or surcharges to retire the unfunded liability that accrued prior to January 1, 1992. The Crown, as I understand it, also still remains responsible only for a portion of the total liabilities of all the plans in its role as an employer and contributor towards retiring the unfunded liabilities of all these plans. So there's still a very important role that the government obviously has to continue to assume, but employees and employers must now ensure that the costs of service accrued in the future are covered by contribution rates. These new funding arrangements, I believe, will be fully phased in sometime during this year.

We have the Provincial Treasurer continuing to hold the assets

and trusts of whichever plans he still has there and basically has been investing those assets. I think most of that has been working quite well. As I understand it, a separate pension plan fund is maintained for each of these pension plans and reported in the public accounts. I don't think we've gotten to that stage of reviewing those yet, but we will be shortly. In any case, just to put a figure to those billions of dollars I had mentioned that were involved here, the public accounts report of March 31, 1996, shows that the combined assets of the pension plans totaled \$10.9 billion and that investments comprised a diversified portfolio that includes everything from bonds and mortgages to domestic and international equities, real estate, short-term equities and so on. They're very complex.

I have some section-by-section analysis which I'd like to get into during the appropriate time, which is not now but during Committee of the Whole. I would therefore just conclude by saying that on the face of it I see this to be a fairly good Bill and one that I feel comfortable supporting. Primarily, most of the questions that we had from the lead critic point of view, if I can put it that way, really were answered in the technical briefing. As a result of that, Mr. Speaker, we've saved the Assembly I think a great deal of time. We can move on.

With that opening, I will take my seat and look forward to additional speakers and their comments. Thank you.

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

8:50

MS BLAKEMAN: Thank you, Mr. Speaker. I'd just like to make a few comments as I speak to the principle of Bill 32, the Public Sector Pension Plans Amendment Act, 1997. I'm grateful for my colleague's comments and for the briefing that he's given me thus.

To begin, I would say that the province of Alberta has not always had a sterling reputation with regard to pensions, so I would tend to take this as a step in the right direction. I know it's caused a great many people some concern that the pension plans were unfunded, and perhaps this Bill goes partway to alleviating that situation.

The one question that really came to mind with me – and I do try and ask the questions that I think the people in Edmonton-Centre would be asking if they were sitting in here. Sometimes they may appear to be the obvious questions, but I think those are the reasonable ones to be asking. If this money is transferred out to the corporations, following the privatized corporations one assumes, what happens if those pension funds go under or there's a problem with them? Will the government assume any liability for the portion that they put into it to begin with, or is the whole thing gone and there's no liability whatsoever and any money contributed to that fund while it was under the auspices of the government, any money that was in that sector of it is totally gone? I would be interested in hearing what the reaction to that is.

I'm also questioning why in section 2 of the Bill there were a number of things that needed to be validated because they were put into effect before they were filed under the Regulations Act. Is this a problem with timing or that we weren't in session? It just strikes me that that's not very good government if we're having to play catch-up and correct things after the fact.

The other thing that concerned me. I know that this is meant to be beneficial to these people that have their money in these pension plans and to assist the government, and recommendations have been put forward by the Liberals in the past and seem to be incorporated into this Bill. For that I congratulate the hon.

members on the other side of the House. I note under section 9.2 that the minister, the relevant board, and employers are all authorized to collect this employment information from the various sources, but in each section it says "any other prescribed body or person." That's a really loose, generous description. I wish I had more detail on exactly what that means, because I think that's one area that leaves us open or exposes us to abuse. It just seems too broad a section to have in there without giving a bit more detail on what it's meant to be covering.

I often find with legislation that the people who passed it seemed to know what they were talking about, but without more detail or more reference in it, 10 years from now people interpret it in a different way. In some instances I can think of, they even interpret it in a different way a few years later. That might cause those individuals a great deal of concern.

There's also information collected by a third party and the way that they choose to collect it. Again, that has me concerned. So a third party decides how they're going to get information about your pension and your employment, and they can get it in any way that they decide to get it. That would have me concerned if I had a pension in this particular group.

The last thing I'm noticing is that there seems to be sole power resting again with the minister to make decisions on this. I'm assuming this is paving the way for privatization of other things like schools and hospitals, but some reassurance there would be nice. I'd appreciate it.

Those are the brief concerns that I had in speaking to the principles of Bill 32. Hopefully, in the enlightened debate that will follow, some of those questions might be explained, and we'll be able to continue on with this.

Thank you.

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

MR. DICKSON: Thank you, Mr. Speaker. I very much appreciate the excellent analysis by my colleagues for Edmonton-Mill Creek and for Edmonton-Centre.

There are two specific areas of questions that I have for the minister. One touches on section 2 and the other one on section 3. The one with respect to section 2 I can tell you I read only with fascination. How is it, I ask myself, that we can have four regulations – three passed in 1996 and one in 1997 – that transfer \$14 million illegally? Mr. Speaker, how can you transfer \$14 million and foul up and offend the Regulations Act? That struck me as being so curious that I went back to look at the Regulations Act to see if I could understand what had happened, because the Provincial Treasurer has not given us in this House any kind of adequate explanation in terms of the \$14 million blunder or error. I think one would expect that we would be treated to at minimum an explanation in terms of how that came about.

The Legislative Assembly has heard many concerns expressed by the opposition before about sloppiness in terms of regulatory lawmaking. If we look at the Regulations Act, it sets out, frankly, some very minimal standards to meet to ensure that this important kind of subordinate lawmaking meets at least some kinds of tests. So it's certainly a concern to me and I think to my constituents that the government cannot even achieve that very minimal standard, that very low bar that is set out in the Regulations Act.

Section 2 requires that the regulation "shall be filed in duplicate with the registrar" of regulations. Now, what I'd like to know is: why was there a late filing here? Presumably it was noncom-

pliance with section 2 of the Regulations Act. The Provincial Treasurer hasn't indicated – and I'd ask him to do that – specifically what the omission was. What was the time lag? I'm thinking: here we are halfway through 1997, and there were three regulations that were passed illegally, improperly, in contravention of the Regulations Act in 1996. If we pass about 500 or 600 regulations a year, that would mean that regulations 182, 183, 184 would have had to have been passed by the Lieutenant Governor in Council likely in the spring of 1996. Some explanation surely ought to be forthcoming in terms of why that time lag.

The other thing that puzzles me considerably is that section 5 under the Regulations Act requires that the registrar of regulations has to provide a monthly report to the Lieutenant Governor in Council. What's even more curious is that sections 5(4) and 5(5) have curative provisions. They actually allow the Lieutenant Governor in Council to remedy a problem with regulations after the fact. Mr. Speaker, one would have to ask then: why is it that the Provincial Treasurer didn't avail himself of those curative provisions in section 5(4) and section 5(5)?

Speaker's Ruling Second Reading Debate

THE SPEAKER: Hon. Member for Calgary-Buffalo, of all the members in the Assembly that the Speaker has had an opportunity to listen to not only in this session but in previous sessions of the Assembly, the Speaker basically has concluded in his mind that the hon. Member for Calgary-Buffalo is a parliamentarian. It's on the point of the parliamentarian that the Speaker has risen to just draw again the attention of the hon. member to *Beauchesne* 659, which says:

The second reading is the most important stage through which the bill is required to pass; for its whole principle is then at issue and is affirmed or denied by a vote of the House. It is not regular on this occasion, however, to discuss in detail the clauses of the bill.

The Chair has listened very attentively to the hon. Member for Calgary-Buffalo, and he has on at least four or five occasions now specifically referred to clauses of the Bill at this time. Perhaps we might want to deal with the principle, and if it's a detailed clause-by-clause review, there'll be that opportunity provided in committee.

Thank you.

9:00 Debate Continued

MR. DICKSON: Mr. Speaker, thanks very much for the direction. Maybe I should couch it in these terms. Before we get to the committee stage and a section analysis, I wanted to flag some of the concerns that I had in the first part of the Bill. I didn't want to get bogged down in specific sections, but I wanted to be specific enough that the Provincial Treasurer knew the concerns. It seems to me that if our Regulations Act and our system isn't working, we should find that out, and the fact that \$14 million was spent illegally here should, I think, raise some alarm bells with all members.

The other area I had some concerns with would have to be the collection and disclosure of information. What I'd ask the Provincial Treasurer to tell us before we next deal with this Bill is whether it's the Public Sector Pension Plans Act – there's going to be an application under section 5 of the Freedom of Information and Protection of Privacy Act to make that paramount – or whether it's going to be subject to the FOIP Act. If it's subject to the FOIP Act, then that allays some concerns, and certainly the Provincial Treasurer would know that this evening, Mr. Speaker.

If it's the intention of the Provincial Treasurer to make this Act paramount over freedom of information, then I have a whole series of other questions I'd want to raise.

One of the concerns with section 9.2 – actually it's section 3 of Bill 32, the proposed new section 9.2. We have this provision that we're allowing the minister to be able to share information with “any other prescribed body or person.” Mr. Speaker, this was highlighted by the eagle eye of my colleague for Edmonton-Centre. It just strikes me that this is altogether too vague, and I would think: who else would have to have the information other than a specific participant, a former participant or employers of the relevant board?

Now that the Minister of Health has brought in this interesting new statute which is going to create some new privacy protection with health information, what's happening is that the bar is going up all the time, Provincial Treasurer, and I think we want to ensure that in this area the government is able to meet those higher expectations.

The concerns I have with the Regulations Act I'm hopeful will be addressed either in or outside the House before the next stage. My concerns in terms of the collection and disclosure of information provision: I hope that will be addressed also before we get to a vote.

Those are the concerns and comments I wanted to make, Mr. Speaker. Thank you.

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

MR. MacDONALD: Thank you, Mr. Speaker. I have a few words to say this evening on Bill 32, the Public Sector Pension Plans Amendment Act, 1997. From what I can understand, the objectives of Bill 32 are fourfold. They're going to help facilitate the exit of over 2,000 Edmonton Telephones employees from the local authorities pension plan or, as it was referred to earlier, LAPP. This is as a result of the sale of Edmonton Telephones to the Telus Corporation. These 2,000 employees will now fall under a private-sector pension plan established by Telus Corporation in section 14. This Bill 32 will provide for the authority of withdrawal of all privatized employers from the local authorities pension plan as prescribed by the order in council. This is also in section 14. This Bill will also ensure that the disclosure of employment information to participants, former participants, and the relevant employer and board falls under the auspices of the Freedom of Information and Protection of Privacy Act. This will also, Bill 32, allow for the single payment of pension benefits to beneficiaries under the basic and indexed funds of the special forces pension plan by permitting the transfer of funds from the indexed fund to the basic fund.

Now, this public-sector pension plan was first debated in 1993, but the Alberta Liberal Party brought the issue of underfunded pension liabilities and the need for self-governance of public-sector plans to the attention of Albertans as far back as 1986. It took the government nearly seven years to act on some of these recommendations, but under the pension plans' reforms implemented in 1993 and hopefully continued here – this is very, very helpful legislation for the people so that the workers can rely well into the future on a sound, well-managed pension fund for their retirement.

Thank you, Mr. Speaker.

DR. NICOL: Mr. Speaker, I just have one question I would like to ask in relationship to the principle of this Bill 32, and that is:

as the local authorities in terms of some of the smaller pension plans are given the right to administer their own funds, are they going to be large enough to be able to deal with the appropriate investments and investment strategies? As we get into the further stages of the Bill, can we get an answer to that? This is something that would come out as we start dealing especially with the university pension plan, the teachers', some of these. So if the sponsor of the Bill, the Treasurer, could provide that kind of an answer, I'd be pleased.

Thank you.

[Motion carried; Bill 32 read a second time]

Bill 33

Alberta Treasury Branches Act

MR. DAY: Mr. Speaker, there's already been a lot of discussion, certainly in the public arena, related to the Treasury Branches, and I won't go over in great detail everything that's been discussed to date other than to quickly remind members that what is happening here is part of a plan to see the Treasury Branches reconstituted and able to compete on a level playing field with other financial institutions and also to have incumbent upon them certain restrictions which would also cause them to be limited to the same types of provisions that other financial institutions have. Right now Treasury Branches enjoy some measurements of advantage which other financial institutions do not have.

The point, of course, to these amendments is much larger than that and covers a lot more ground. In fact, Mr. Speaker, as has been indicated in considerable discussion leading up to this day, Treasury Branches have come to a time where they need to move, as it were, into the 21st century, having been constituted some 60 years ago with a \$200,000 infusion of cash from the government of the day and put in place to assist Albertans in dealing with the reality of financial institutions, chiefly the charter banks at the time, vacating the provincial arena because of severe economic hard times. Albertans were left, as it were, without provisions of a banking institution, so this particular organization was put into place.

Over the years it has served Albertans well, not just in the '30s but again moving up even to as far as recent memory in the '80s, where once again we appeared to see a vacating of the premises, as it were, by eastern charter banks on many small Alberta businesses, especially those in the oil and gas sector who were facing a time of severe hardship, feeling abandoned because of reasons which we won't go into now. The banks, feeling responsibility to their own shareholders, felt that they had to look strictly at equity provisions related to the bank loans with many, many Alberta businesses, so they began to move out of those loans and moved to reclaim them and, at least in the perception of many Alberta businesses, without a sufficient eye to patience and also to looking at well-intended workout plans.

9:10

Mr. Speaker, over the last decade or so there have been a number of problems identified with the Treasury Branches which have led to, at least in the minds of some, lending practices, investment practices which may have been seen to be less than prudent. Also, the Treasury Branches themselves have felt that they have not been able to maintain at all times the type and the level of managerial expertise which they needed to conduct a proper financial institution. They were losing people, competing for salaries and remuneration in other banking institutions. They

were restricted by the Public Service Act in terms of that remuneration.

Also, Mr. Speaker, it was with some concern that a board was put in place about a year ago, a board of experts in the financial institutions and loan business, and that particular board identified a number of areas in which legislative changes were required so that this particular organization could move to a more secure and sound financial footing and not be in some of the present difficulties in which it finds itself today.

So Bill 33 covers a range of items, Mr. Speaker, which will cause this institution to be seen and in fact in reality to be on an equal basis with other financial institutions and structures and guidelines that are consistent with other financial institutions in the province. The sections that deal with those items are well catalogued here, and I won't go into them, especially in light of the Speaker's earlier reference to not referring section by section to items on the Bill.

The principles involved here are first of all to allow for Treasury Branches to be able to have certain financial services and products that other banks have which tend to be profit making and have not been available to Treasury Branches. There will be some restrictions in place. They cannot move directly into the insurance business, obviously. We've done some consultation there with the Alberta Insurance Council on that, and the provisions there meet both the needs of the Treasury Branches and also satisfy the concerns of the Insurance Council.

Other financial institutions have also said that Treasury Branches have somewhat of an unfair advantage in that of course being a Crown corporation they will have the guarantee of the government behind them. That guarantee, in effect, is a financial advantage, so the Treasury Branches are going to have to pay for that guarantee now. There's going to have to be a cost affixed to that upon analysis, and they will have to pay for that.

Also, other financial institutions have said, and with some degree of accuracy, that Treasury Branches because of the backstopping, as it were, of the government behind them don't have to have the same capital reserve and adequacy requirements as other banks do. So there are going to be provisions laid out in regulation for Alberta Treasury Branches to begin to have to pay into an account, as it were, which will begin to build that capital base as if they were accounting along the lines of other financial institutions.

The same types of provisions that boards of directors face in other financial institutions will be applied to the bank, again making it consistent with what is found in the industry today.

Mr. Speaker, I believe that these changes will actually build stability and give greater confidence not only to depositors and those who are practising business with ATB but in fact to Albertans in general: the very fact that the Bill deals with Treasury Branches having to file annual statements and being subject to the Auditor General, the very fact that it's laid out for them in legislation now what are the actual prudent loan and investment practices that they have to follow. It may sound strange to people to hear that those weren't itemized as succinctly as they are here, but that was, in fact, the case.

Now those provisions are laid out clearly, as are protections for ATB not to be involved in elements of real estate and higher risk investment but in fact be freed up to look more at their roots and where they came from, which is the interest of Albertans, the interest of small business, the agricultural community, the entrepreneurial element, and also, Mr. Speaker, making it clear that ATBs are not a lender of last resort, but they are a lender

that is sensitive to the needs of especially Albertans. I believe that as we get into further committee study, we'll have the opportunity to see in detail the efficacy of these various changes which are going to, I believe, move this institution into the 21st century in a very confident way and make it a very viable operation.

With that, I would move Bill 33 for second reading.

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

MR. ZWOZDESKY: Thank you, Mr. Speaker. Indubitably a pleasure to rise and speak about Bill 33, the new Alberta Treasury Branches Act. I think we're already sufficiently on record as concurring with the majority of what we see in this Bill, because of course it incorporates a lot of suggestions that the Alberta Liberal caucus has made over the years, including some that came to us from the private sector and from elsewhere, as well as suggestions that were in some cases made in tandem with other sources we contacted. The Treasurer has alluded to that.

Just to recap a couple of things, I know that when the Treasury Branches were first established, they came into the province at a time of great need and under different circumstances than they are expected to live with today. As a result, we saw this community banking network develop throughout the province of Alberta, and it benefited thousands and thousands of Albertans and Alberta businesses and Alberta farms and so on during the 60 years of its existence. But, as the expression goes, time does move on, and there's a need to review, update, and take a look at how to improve the various aspects of Treasury Branch operations. So to that extent I was pleased to have had a technical briefing on this Bill, which again explained a lot of what was going on, and thanks to the Treasurer, we were able to get an insight into what the government's thinking was.

Because of the number of suggestions we had made being included in here, it sort of automatically qualifies for our support. There are a few comments that I would like to make, however, of a general nature, Mr. Speaker, which I hope the Treasurer will review with an eye and an ear toward receiving them as constructive criticism, if you will.

As I understand it, basically this Treasury Branch Bill has a handful of highlights, not the least of which will be the Treasury Branches' ability to own and operate subsidiaries that offer some of the ancillary services that have been the subject of debate and questions in this House over the last several weeks and indeed over the last several years. In particular, some of these services lend themselves to the areas of mutual funds, trust services, securities and brokerage services, real property asset management, and investment counseling with the approval of cabinet, and there may be more that will come on. We'll have to wait and see.

Secondly, the Treasury Branches are being taken out of the Department of Treasury, where they now exist as a commercial enterprise, and they are being given Crown corporation status under the federal administration Act, which would give the Treasury Branches the ability to, for example, set their own compensation levels for staff. That will help them attract and/or retain very highly qualified individuals required for these competitive times.

Now, there's a perception here and a very hopeful one that by becoming a Crown corporation, they are in fact distancing themselves as much as possible, at least, from the possibility of political influence or from direct government control, but they still do report to government. Certainly the taxpayers of Alberta are going to be vigilant in any event, because we know that we

the taxpayers of Alberta still are providing the carte blanche backstop, as it were, for all of the Treasury Branch operations.

9:20

The third highlight of the Bill by way of the spirit of the Bill, you might say, is that the Treasury Branches are subject over time to capital adequacy and liquidity requirements. Basically, what's different here is that the Treasury Branches now will be required to have a certain level of capital, if you will, to ensure their operations and/or liquidity requirements, should there be a run on deposits or some other calamity if it were to occur. They would be in much more of a secure financial position to cope with such an eventuality. Although we're hopeful that one wouldn't arise, it's good to know that the protection is going to be there from a financial point of view.

The fourth main point in terms of the principles of the Bill, Mr. Speaker, is that the Treasury Branches would now be required over some period of time to begin paying deposit insurance premiums for the 100 percent guarantee on deposits. I believe the Provincial Treasurer did a good job of explaining that yesterday, both in the House and out in the scrums from what I understand. Up until now the Treasury Branches have really not had to pay the types of fees for those guarantees that other commercial and private banks have had to pay, so the playing field, as it were, was tilted heavily in their favour. Nor have they had to pay taxes, but having had that clarified earlier today by some other officials, I can understand now and I'm reminded of something I once knew and had forgotten. That is that basically Crown-controlled corporations don't pay taxes back to the Crown. That being the case, I can understand why they're not being required to pay it. I don't know if the commercial and private banks will understand that clearly enough, but that is in fact the fact and that is the case.

Nonetheless, these deposit insurance premiums that they're going to be required to pay probably won't come into effect for maybe a year or two or three. I don't know. If I understand the thinking behind that in terms of the Bill, Mr. Speaker, it's really to try and give the Treasury Branches a chance to get a little further upright on their feet here and not hit them with these fees too straightaway. It must be remembered that the privilege that they exist under, that being the full 100 percent guarantee of the taxpayers of Alberta, does come with a bit of a price tag. We'll wait and see how much it will be. I've done some calculations roughly which would tell me that it could be as low as \$14 million to \$18 million a year. I've heard that it could also be as much as \$100 million a year. So we'll just have to wait until the financial statements come out, and we can pursue that issue a little bit further to learn more.

The final highlight as I see it in the Bill, Mr. Speaker, deals with Treasury Branches building a capital base, which can be accomplished by the requirement here for them to take a portion of each year's profits and begin contributing to that capital base. The Speaker will be reminded of some of the questions in earlier debate in the House wherein we talked about the need for a capital base being at a minimum, somewhere between \$500 million and \$600 million. Without that level of capital base funding, the Treasury Branches really wouldn't have a chance to enter into the competitive, dynamic world of banking as a Crown corporation or as any other entity. They simply would eventually not be able to compete as effectively with these banks as they would be required to become somewhat more self-sustaining. So that, too, is a very positive position.

Now, specific to the thrust of the major provisions in the Bill,

we know, on the one hand, that the Treasury Branches' investment powers are expanded on a more level playing field with private-sector financial institutions. On the other hand, there's also an opportunity here for greater accountability to happen along with the greater autonomy from government through the arm's-length reporting mechanisms as established. That's quite commensurate with all Crown corporations.

The specific provision that I just wanted to highlight here is, again, the ability to own these subsidiaries. In the next stage of debate we're going to discuss a little bit further some of the specifics there. I understand that they cannot be on-site, over-the-counter, sold-by-the-tellers services, so to speak, but they can be next door or somewhere else. So we're going to see how it is that the Treasury Branches opt to create these subsidiaries and exactly what types of services they're going to be beginning to offer. It will be those services, Mr. Speaker, that will become the true benchmark for the viability, the effectiveness, and the longevity, or not, of the Treasury Branches. I believe this is a move that is very necessary for them to make, and I wish them well with it.

Another major provision deals with the Treasury Branches being prohibited from acting as a receiver or liquidator, rather acting as an in-house insurer, agent, or adjustor, and preventing them from acting as a financial leasing corporation. There's a number of concerns that individuals in those business already have, because if the Treasury Branches are a Crown-owned corporation and they're getting into some of those competing businesses, the argument would come back that the government is, through the back door, still involved in the business of being in business. That would not wash well with other competing interests in the private sector who are involved in those areas.

Then there's the issue of the board of directors being accountable to shareholders in a much more direct fashion. This, too, is another excellent suggestion that came about over the last four years, and I think my predecessor, Dr. Percy, had enunciated a number of these. Mr. Speaker, you may recall some of them.

I recall the discussion being that Treasury Branches must have two reporting mechanisms. One of them should be directly to the shareholders, the people of Alberta who backstop the operation. That can be done on an annual basis, and I'm very happy to see that it's being done for the first time ever in the history of Treasury Branches, in fact a week less a day from today in Red Deer. I'm really looking forward to that because I think that is the direction the government should be moving in in a number of areas: a little more openness, a little more accountability. It not only sells well, but it's going to be received well. Part of the role, I guess, that we like to play is to press the government into those kinds of decisions.

The second aspect of that reporting and accountability unfortunately is not yet in the Act, but I'm going to put it forward to the Provincial Treasurer for his consideration again, hoping that he will have a chance to review that. Perhaps during the appropriate time, which would be during the committee stage of debate, he would receive it from us as a suggestion and as a friendly amendment. Specifically I'm referring to the chief executive officer or some other top-ranking financial person from Treasury Branches, perhaps the chairman of the board, coming to Public Accounts the same way that people have done from the Alberta Opportunity Company, which is a Crown-controlled corporation, or from the Agriculture Financial Services Corporation people have come. They, too, are a Crown-controlled corporation. So too should the chief executive officer and perhaps chairman come and speak to us in Public Accounts, answer a few questions

relative to a year that's already passed, in other words explain a little more detailedly what took place. As you know, Mr. Speaker, Public Accounts doesn't deal with policy, and neither would the Alberta Treasury Branches be expected to. That should be something that would be included here because it fits the spirit behind this Bill, which is a tremendous move toward greater transparency and greater accountability. So I leave that as a reminder and as another suggestion.

9:30

The other area that I would comment on has to do with granting the Alberta Treasury Branches Crown corporation status, which would make the Treasury Branches exempt from the Public Service Act and allow them to offer more attractive compensation to managers and staff. The net effect of this is, Mr. Speaker, that they would be allowed to go out there and attract individuals who would necessarily command a higher salary than perhaps government divisions or departments might be paying. But let's remember that when we're talking about government departments and divisions, they aren't in competition with the private sector, or they shouldn't be, but Treasury Branches are or, through this Bill, much more so will be.

As a result, they're going to have to be able to have the flexibility to go out there and basically hire whomever they need to augment the good service they're already providing and to bring in the type of occasional troubleshooters they might need or the types of managers or financial gurus that are required because of the nature of the evolving dynamics, if you will, of the banking industry. Things are happening so quickly in that area, Mr. Speaker, it would make one's head spin. This Bill speaks somewhat to that, and I'm happy to see that. So they will have that flexibility through this Bill, and that's a good thing. I'm not suggesting that they're going to squander money and start paying exorbitant salaries for no reason, but should they have the need to go out there and attract somebody who could otherwise go to work for a competitive bank and earn double the salary and they're not able to hire people for certain positions of the same calibre, that would have been a wrongful position for us to land them in. I'm happy to see that we're not penalizing them that way.

The other aspect is with regard to Treasury Branches being subject over time to the capital adequacy requirements and the other regulatory requirements that are followed by private-sector financial institutions under the Bank Act, the Loan and Trust Corporations Act, the Credit Union Act, the Insurance Act, and the Securities Act and are prescribed by the Lieutenant Governor in Council. I've commented on that at some length. There are some improvements that we should look at here that are not included in the Bill, some omissions, and I don't believe they are found in the spirit of the Bill either. I'll just list them quickly here in the remaining few minutes I have. They're, again, intended as constructive suggestions for the Treasurer and his department to improve the legislation before us.

The first one is that the mission statement and strategies and objectives of the Treasury Branches as contained within its business plan should be incorporated in the Alberta Treasury Branches Act to reflect the commitment of the institution toward serving all Albertans. That is to say, as a true community banking entity that mission statement and strategy should be there.

Secondly, the referral of regulations pertaining to capital adequacy requirements, the level of deposit insurance fees, and the governing, prohibiting, and restricting, the making of investments and loans, and the giving of guarantees should be

referred to the Legislative Assembly for consideration.

Thirdly, requiring Treasury Branch officials or at least one chief executive officer to come to Public Accounts I've spoken about.

[The Deputy Speaker in the Chair]

Fourthly, requiring that all bylaws that are established by the Alberta Treasury Branches as they relate to conflicts of interest or the standards for the making of loans and investments by Treasury Branches to its directors and officers or the management of the business and affairs of the Treasury Branches and the calling and conduct of board meetings and the conduct of the board generally to be tabled in the Legislative Assembly is a positive suggestion that I hope they'll look at as well. That was included in the original Act, I believe, but now it's been removed from Bill 33.

The next suggestion is requiring that the establishment of an asset management company to sell or dispose of assets be prior approved by the Lieutenant Governor in Council.

The final comment is that I think we should add requirements for financial reporting that are similar to what private-sector financial institutions have to do, and those requirements should be spelled out in the legislation rather than being left to regulation.

There are several other suggestions which time unfortunately does not permit right now, because I see the clock is only giving me a few seconds left here. I believe that a lot of these management practices that the Treasury Branches now are complying with, that deal with everything from structure to administration and scrutiny, the credit asset recovery team that has been established, the audit committee that's been established which includes external people, even the calibre of the management, the board of directors itself, speak very, very highly in favour of a very optimistic future for Alberta Treasury Branches. I'm thankful that the government has brought this forward. I did give some criticism that I thought it was a little too long coming, but now that it's here, I'm quite happy with it.

Again, I'll just reiterate that it doesn't quite go far enough, but I will look forward to the suggestions I have to make, the specifics in terms of amendments later, to their being positively received by the Treasurer in the same way that we've received this Bill here now.

Thank you.

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

DR. NICOL: Thank you, Mr. Speaker. It's a real pleasure this evening to stand and speak to Bill 33, the Alberta Treasury Branches Act. This is a Bill that's going to do a lot for the Treasury Branches. They've become an institution in Alberta that has served especially rural Alberta over a number of years since they were first established, and they've provided banking services in a lot of cases where they have not been available through other means. A lot of people are telling us: well, if the Treasury Branches weren't there, somebody else would be. But that's not necessarily the way the communities feel about it.

This Act goes about providing some degree of autonomy for the Treasury Branches from the government mandate under which it was created and the government guidance under which it has been operated in the past. This is kind of a next step that follows on the efforts of the government over the past couple of years to create a board that's operating independently, that's going to have

a position where the chief executive officer would be able to make the decisions and control the operation of the Treasury Branches away from the influence and the mandate of politics, if we might say, Mr. Speaker. I think these are all very good steps along the way to making sure that the Treasury Branches become a full-fledged part of the banking community, a full-fledged, accepted, independent part of the banking community in Alberta.

As we go through the Act and look at how it moves to achieve that independence, it really sets out some very good strategies for the bank. It deals with the decision-making process. It's going to make sure that in order to accomplish that, the bank has the status granted to it of a Crown corporation. This will give it the independence that's necessary to keep it at arm's length from government. It will give it the independence that is necessary for it to create its own identity in the context of its operation. The option now to grant it Crown status will give it this freedom within the constraints of its current financial position as well, because it doesn't have the balance that is necessary for it to function as a separate, fully independent bank operated out in the private sector. So this kind of Crown corporation status will give it the very sound basis to gain the independence it needs to be able to build its own financial value so that it can become a competing part of the financial institutions of the province of Alberta.

I'd like to commend the Treasurer and the group that helped to put this Bill together, because it really phases in a lot of the changes. It phases in some of the requirements that are going to be imposed on the Treasury Branches in a way that really gives the Treasury Branches the option to build the trust and build the equity and build the management that are necessary to make it a viable, stand-alone financial institution. Some of these things that I'm talking about are the phased-in transfer from government guarantee of the deposits over to the 100 percent insured component guarantee on deposits, and there's a provision in here where this will be phased in over time. This is the kind of process that's going to be very effective in getting the Treasury Branches on a sound basis.

9:40

The other option that probably could have been looked at in terms of an alternative to that would have been to take the loan portfolio that the Treasury Branches now hold and look at those loans which are in a position where they are probably not recoverable and deal with them. They should be the political part of the loan portfolio that the Treasury Branches hold, the ones that were done through the direct connection to the government that existed up to the last couple of years when they've had their own board and their own operation. If these loans then could be in essence discounted and bought out of the Treasury Branches' portfolio, this would give them the same kind of capitalization that would be necessary that they now have the option to build through the phased-in option for their guarantee on deposits and also their phased-in ability to take a portion of their cash profit each year and put that into building up their capital base and their deposit requirements that are necessary for them to function under the aspects of the financial Acts that are governing all of the financial institutions of Canada in terms of the proportion of deposits that must be held for security purposes. So this would have given them an option to deal with that.

I also want to look at some of the other operations that are going to be probably really welcomed by a lot of the rural communities as the Treasury Branches or their Treasury Branches agents get to become either direct or indirect offerers of some of

the other financial services that we're now finding being offered in bundles through the private-sector banks, through the institutional banks that we see now. These include things like the mutual fund sales, the trust services, the security and brokerage services. You know, as they move into providing those in some of the smaller towns of Alberta, this is going to really expand the community options in terms of the financial services that are available, and by having the Treasury Branches do that, it will be much more community based. It will make the communities feel that their bank, whether it be Treasury Branches or not, is a full-service bank. We've got to provide that flexibility both to the residents of the community and to the Treasury Branches operation, the Treasury Branches managers and that, who are going to be trying to make the Treasury Branches into the kind of banking system and the kind of bank service area that we want for the province and for the people of Alberta.

So these are the conditions that come out. We wanted to make sure that those were all put in place and that this does go at length toward achieving that arm's-length, private, institutional identity that's necessary for the Treasury Branches to move into the next phase of its existence, the next phase of meeting the financial needs of Albertans, whether they're in the big cities or in the small communities of Alberta.

So these would be the aspects that I'd like address in terms of my comments on the Bill. I don't want to repeat a lot of the comments that have been made already by my colleagues, so I'll just add those few new ones to the perspective that I see in terms of how this new, revised Treasury Branch is going to be able to serve the financial needs of Albertans, especially rural Albertans, and then the couple of comments that I had in terms of concerns that were expressed in the middle of it.

With those comments, Mr. Speaker, I think that would be the end. Thank you.

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

MR. MacDONALD: Thank you, Mr. Speaker. I, too, have a few comments this evening on Bill 33, the Alberta Treasury Branches Act. The Treasury Branches, the ATBs, couldn't continue to operate like they have operated in the past, and I commend the Provincial Treasurer and the government for this Bill. I believe it is a step in the right direction. This new role for the Treasury Branches is certainly, as I said before, a step in the right direction.

One of the key changes for the ATBs will be that Alberta Treasury Branch business is restricted to providing financial services similar to other financial institutions, including the introduction of the sale of mutual funds, insurance services, annuities. The ATB now must pay the province a fee for guaranteeing deposits. Banks and credit unions already pay such fees. This is the playing field that the Member for Edmonton-Mill Creek talked about earlier in his remarks.

This idea that the ATB must use a portion of its annual profits to build a capital base: I have some reservations about that because of the depositors and how they will feel about that.

This new board, the board of directors, has the responsibility to set employment policies and conditions of employment such as salaries and benefits. This is a new idea for the Alberta Treasury Branches.

There are 277 branches throughout the province. They serve some of the more remote communities, and their service is well

respected by the residents of some of these remote communities. Total deposits, I'm told, exceed \$8.2 billion – and that's a significant sum of money – with a loan portfolio that's over \$7.4 billion, Mr. Speaker. The financing that the ATB provides to 24,000 small and medium-sized businesses in Alberta is necessary. Also, we cannot ignore the fact that it is a leading farm lender, with agricultural loans exceeding \$1 billion. The new role for the Treasury Branches that's provided in this Bill is very, very important to the agricultural sector. The agricultural sector is vital for the economic prosperity of this province.

Now, getting back to the object of Bill 33, we want to, I understand, give the Alberta Treasury Branches expanded investment powers. What the Member for Edmonton-Mill Creek had to say about the more level playing field with private-sector financial institutions and enhancing accountability – and this is the big word: accountability. We know that in the past Alberta Treasury Branches have had problems. The taxpayers have had to incur a lot of losses, losses to Ski-Free Marine, to Alberta Pacific Terminals. Nanton Spring Water is another one that springs to mind, and I could go on. But this, hopefully, is behind us. With this Bill 33, this is now going to be in the history books. This role for the Alberta Treasury Branches, first started by the Social Credit government to create a source of financing for Albertans, will continue, but it will continue in another form.

With those words, Mr. Speaker, I thank you.

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

9:50

MR. DICKSON: Mr. Speaker, thank you very much. In looking at Bill 33, I have two specific concerns or issues that I hope I can get clarified.

The first one. When I looked at Bill 33, I looked to see whether there was an object or a purpose clause – and I'll explain why in a moment – something that's always helpful in understanding the scope of an Act. There isn't one. I looked to what was said the other day when the Provincial Treasurer introduced the Bill, because at first reading sometimes the minister will indicate that there's a particular purpose for the Bill. There was no comment other than the hon. Provincial Treasurer saying that this was a money Bill. He said nothing else about the Bill. Now, the reason this is significant, Mr. Speaker, is that if you look at section 34(l), this is the broadest regulation-making power that one could conceive of. It says in this case that “the Lieutenant Governor in Council may make regulations . . . generally for the purposes of this Act.”

Now, if you don't have a purpose or an object clause, if the Provincial Treasurer doesn't share with us when he introduces the Bill what he understands the purpose to be, what boundaries, what possible parameters are there in terms of ensuring that a regulation is a measured, necessary, essential part of subordinate lawmaking? I can imagine some objects might be to support small business in the province of Alberta. Another objective might be to foster economic expansion in rural Alberta. But when we think about it, this shows how sloppy we have become in this province in terms of subordinate lawmaking. We just put in this incredibly expansive, virtually unlimited power. We give no guidance to any minister in determining what's an appropriate regulation or what isn't.

Now, the Provincial Treasurer may have some reason in terms of why such an incredibly broad regulatory power would be in there. It's even more curious when you look at how broad the

other regulations are in the balance of the regulation section. You know, even before you get to the final subsection (l) in section 34, I daresay everything that one could conceive of or think of would have been covered. So, Mr. Minister, if there's some reason why such unfettered discretion should be given to the cabinet, please share that with us, because it's not apparent to me, and it just strikes me as being dangerous.

The other section – and this is a section that's not in there. There's a bit of a sleeper provision in the Freedom of Information and Protection of Privacy Act that contemplates expressly that the Treasury Branch in some cases will be making non arm's-length transactions. In other words, at some point the Treasury Branch becomes the agency or the vehicle through which the provincial cabinet invests, lends money to private corporations, not on a solid financial banking basis but as an arm of provincial government policy. So what I'd ask the hon. minister to do is look at the freedom of information Act, section 4(1)(m). He'd see there:

A record in the custody or control of a treasury branch other than a record that relates to a non-arm's length transaction between the Government of Alberta and another party.

Now, that's one of the items to which the Act does not apply. So we have this provision where it's contemplated.

Then, further, what is a non arm's-length transaction? Well, that's been defined in section 4(3) of the Freedom of Information and Protection of Privacy Act, where it says:

For the purposes of subsection 1(m) and (n), a non-arm's length transaction is any transaction that has been approved

- (a) by the Executive Council or any of its committees,
- (b) by the Treasury Board or any of its committees, or
- (c) by a member of the Executive Council.

So we've got this provision in Alberta legislation that says that at some times, in some cases the Treasury Branch is acting as an arm of the provincial cabinet or as the arm or agent of a cabinet minister, not on the basis of sound banking practice but as an arm of government policy, and we have a definition in the FOIP Act in terms of what non arm's length means.

My question to the Provincial Treasurer would be: that doesn't sound to me like it's something that fits very well with this whole new regime of trying to distance the province of Alberta Treasury Branches and give them a sound, businesslike framework and mandate. I'm curious in terms of how the Provincial Treasurer is going to bridge that, how he's going to reconcile the two. If we're going to leave in the provision for the Treasury Branch to act as an arm of the provincial government or the arm of Executive Council or a minister and support things on a nonbusiness basis, then one would expect, Mr. Speaker, that there should be some provision for that in Bill 33. I'm not sure how the minister plans on dealing with that or how he would do it, but I think it has to be dealt with. We have on the face of it something of a curious conflict between Bill 33 and the Freedom of Information and Protection of Privacy Act.

Those are the particular issues that came to my attention when I read through it. I've got some specific questions in terms of the responsibility and liability of directors – these would be sections 24 through 29 – but I'll take those up at the committee stage, when more appropriately we deal with the detail.

The two concerns I've raised stand. With respect to the first concern, I'd also remind the Provincial Treasurer and point out that under section 8 the board has the power to make by-laws in terms of “the management of the business and affairs” of the Treasury Branch and “the calling and conduct of board meetings.” The by-laws are not subject to the Regulations Act. So it just seems to me that we don't need the full range of regulatory law-

making power that the government has given itself in Bill 33 in the section I identified a moment ago. I'd sure encourage the Provincial Treasurer to make some revision to that before we get to the next stage. I was referring, of course, to section 34(1).

Those are the comments that I wanted to make at this stage, Mr. Speaker. Thank you.

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

DR. PANNU: Thank you, Mr. Speaker. It's a late hour, and I'll try to be brief. I ask my hon. colleagues to stay awake for the next 10 minutes also.

Mr. Speaker, I rise to speak to Bill 33. It's a very important Bill. I know that the hon. Treasurer and the government have been seized of the urgency with which they realize they must deal with the Alberta Treasury Branches, a financial organization that has been in crisis. Obviously it needs to be rescued as soon as possible. I do want to express some concern about the late stage in the session at which this Bill has been introduced, that being the fact that it's a very significant Bill. It will have a very, very significant impact.

AN HON. MEMBER: It's early. It's only day 32.

DR. PANNU: Surely. You're right; 32, 31, and the comments that we're sort of rushing through them.

Nevertheless, I want to express in general my own support for the Bill, as does my colleague the leader of the ND opposition, the hon. Member for Edmonton-Highlands.

10:00

I see the Bill recognizes at last, I guess, that even this government sees that government does have a role in the marketplace. Financial markets don't necessarily treat small investors, farmers, small communities in the same way that they treat larger communities, stronger groups, bigger entities. ATB has been historically a very, very important financial organization in the lives of small-town Albertans, small businesses, consumers. Its presence is to be noted when one travels through the countryside to small villages and hamlets of this province. No wonder the people of Alberta continue to insist that this important institution continue to function to serve them and their business and other daily needs.

The fact that the Bill proposes to change the status of this corporation to a Crown corporation is, again, I think a direction that I support strongly. It's one instance where the government has turned away from the magic solution of privatization of whatever organizations they found fit to get rid of. This institution, at least, has escaped that fate. I think it's a good decision on the part of the government, and it deserves our support.

One concern I have about this Bill is that the framework it sets up for this important organization, a financial institution, requires it to become both profitable and, I assume, remain dedicated to the provision of services to small communities in which large banks have no interest or do not want to serve. Clearly, the absence of large banks in small villages and towns of this province suggests that perhaps, in the judgment of large banks, going into business in small communities is not as profitable as it is to do so in big communities and big cities. In other words, one can infer from this that doing financial business in small communities in Alberta is more expensive regardless of which institution moves in there, whether it's ATB, whether it's the Royal Bank, the Toronto-Dominion Bank, or whatnot.

Now, for ATB to become profitable and at the same time remain dedicated to providing services in small communities across Alberta, that does cause some concern to me. If the crunch comes, if the survival of this organization depends on it being profitable, but it must provide services which may cause it to either accept lower levels of profit or even risk incurring losses, then the small communities are the ones that are likely to lose.

The absence of a clear statement of purpose or mission for ATBs is something that concerns me here. Because given the fact that the board of directors will be charged to ensure that the ATB remains profitable might mean that the board, in its wisdom, will have to decide if remaining in small communities means being not profitable, then they might decide to withdraw. I think it needs to be stated somewhere clearly enough that one of the mandates, one of the responsibilities of this organization as a Crown corporation is, in fact, to ensure that those services are provided by it regardless of whether, in the judgment of its investors or managers, providing such services is a profitable venture or not. It's because the service is seen as indispensable by those who reside in small communities, those who do their business in small villages and whatnot that they support this organization, that they have expressed support for ATB. Therefore I would hope that the hon. Treasurer would take note of this and make sure this purpose is stated more clearly somewhere in the Bill. Hopefully, in the next stage of consideration of the Bill this matter can be dealt with.

The only other observation I want to make in looking through the news release and the backgrounder. I want to commend of course the Treasurer and his staff for answering some questions which I think have been anticipated rightly. They're important questions; for example, the status of present ATB workers who will be transferred to the new Crown corporation and their rights for collective bargaining. Certainly the backgrounder mentioned that they will be protected, that the Alberta Union of Provincial Employees would be able to apply to the Labour Relations Board to continue representing their members. I think that's an excellent public statement made by the Treasurer to assure current employees that their bargaining rights will be secure. As I go through the backgrounder, several important questions are addressed, and the explanations given are quite explicit, are quite acceptable to me at this moment.

With those comments, Mr. Speaker, I thank you and my colleagues in the House.

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

MS LEBOVICI: Thank you, Mr. Speaker. I, too, rise to speak to Bill 33, the Alberta Treasury Branches Act. I also found it interesting that the Act was introduced at this point in the lifespan of this particular session within the Legislature at this late date, and I also found it interesting that the Treasury Branches are going to be granted Crown corporation status. Knowing the history of this particular government, it is not in the pattern, especially over the last three to four years, to establish Crown corporations. If anything, the pattern of this particular government is to privatize everything and anything it can. It privatizes. It outsources. It contracts out. It nakedizes, as the Minister of Energy is wont to put forward.

In looking at Bill 33, as was indicated earlier, there is no particular object. There's no overriding statement that indicates

what this particular Act is about. I put forward within this Legislative Assembly that this is just one step and probably the final step before the privatization of ATB by this government. Again, all one has to do is look at the history when it comes to Crown corporations or even boards. Look at what happened to the Alberta liquor board. Look at AGT. It used to be a Crown corporation; now it's Telus. Now it's private. We even have before us some Bills to do with the pension plan of the former AGT employees.

10:10

It doesn't take a big stretch of the imagination to recognize why this is being done and why it's being done at this current point in time. Because, quite frankly, the Treasury Branches have had a checkered history within this province. They have been the government's bank, which has meant that the ATB has had losses and has had to take on loans and to finance ventures of this government that have put it into a position where it is not profitable.

MR. DUNFORD: Earth to Karen.

MS LEIBOVICI: Just some of the areas that loans were given to because it was the government's bank: Ski-Free Marine Inc., \$2.9 million write-down; Alberta-Pacific Terminals, \$7.13 million write-down; Willowglen Systems Ltd., \$3.970 million write-down; General Composites Canada Ltd., \$3.9 million write-down.

I hear from the far left corner, from the minister of advanced education . . .

MR. DUNFORD: Far right corner. Far right corner.

MS LEIBOVICI: Left to my side.

. . . the Member for Lethbridge-West, "Earth to Karen." Well, the reality is that if the minister can't see what the purpose of this Bill is, then I would suggest the minister get off his platform and come down to Earth and land in this province and look at what's happened in this province over the last three to four years. This government does not have Crown corporations. This government and that caucus do not believe in bringing things under the auspices of government. What you have stood for over the last four years is the divestment of responsibilities to the private sector. So this is the step that will ensure that the Alberta Treasury Branches will in fact be in a position where it will be attractive enough in the next four to eight years so that there will be the ability to privatize Alberta Treasury Branches. I'm not wont to say I told you so, but over the next eight years, maybe 10 years, maybe less than that, I think I will be in a position within this province to pick up the phone to the minister of advanced education and say: I told you so.

The reality is, as I indicated, that the Alberta Treasury Branches unfortunately, because of the government's inclination to interfere with its loan portfolio, did not have the successes that similar types of banks, such as the *caisse populaire* in Quebec, have had, and that is unfortunate. But what is interesting when you look at what's been left out of this particular Bill and you put it in the context of a step towards privatization, it then all makes sense. If this were to be set up truly as a Crown corporation, if this were to be set up truly as other institutions within this province have been set up, there would be certain requirements in this legislation that are not there.

Those are requirements such as the fact that there is no provision in this Act that Treasury Branches table their bylaws in this Legislative Assembly. Transparency and accountability are

not there. There's no commitment to have the chief executive office, as he or she is to be called, appear before the Standing Committee on Public Accounts. If this is truly a Crown corporation and there is no intent to privatize, then why would you not have the CEO stand in front of the Standing Committee on Public Accounts much like other Crown agencies? There is no commitment to have an annual report to the stakeholders prior to the stakeholders' meeting. There are various other areas that are not within this piece of legislation.

THE DEPUTY SPEAKER: Hon. member, I was so rapt with the debate that I'll now invite the Government House Leader to make his point of order.

Point of Order Second Reading Debate

MR. HAVELOCK: Sorry for interrupting you, Mr. Speaker, but I would like to remind the member, based on the ruling by the Speaker earlier this evening, that we are in second reading, and therefore we should be discussing the principles of the Bill and not getting into a lot of the detail, which we're hearing at this time.

MS LEIBOVICI: Thank you, Mr. Speaker. I was illustrating the principle that the reason the Bill is here today is because it is a move towards the privatization of ATB. Within the next two to three years if the hon. Minister of Energy is put in charge of ATB, we will know that I can say I told you so to the minister of advanced education.

MR. HAVELOCK: What does that mean?

MS LEIBOVICI: The Minister of Energy? Who privatizes everything that his hands . . .

THE DEPUTY SPEAKER: I think the point is that we're dealing with the Bill as it exists, not some imagined purpose that may be served in eight or 10 years that's not found within the confines of the Bill. At least, I can't find any place where it mentions the privatization of it, even though I diligently looked.

Hon. member, if we could deal in second reading with the main point of the Bill.

Debate Continued

MS LEIBOVICI: Thank you, Mr. Speaker. In terms of the Alberta Treasury Branches becoming a Crown corporation, I think one of the things that is important to see is the position that Alberta Treasury Branches are in right now when we look at some of the results and compare ATB to the private sector. One of the stated reasons for Alberta Treasury Branches becoming a Crown corporation is to ensure that it is profitable and viable in the long term. I think that Alberta Treasury Branches are going to be in a rough situation, to say the least. When we look at profitability of the ATB return on assets, we see that it was ranked last amongst other chartered banks. When we look at profitability, the Treasury Branches were the lowest among chartered banks. Productivity: now, the Treasury Branches noninterest expenses were the highest amongst banks examined. In other words, on every indicator one would look at to see the viability of this Crown corporation that is being established, the reality is that it's going to be very difficult for ATB to manage in the so-called private sector as a Crown corporation.

[Mrs. Laing in the Chair]

Now, I would address another concern that I have within the legislation, and that has to do with the lack of consideration, if I may use that term, for the employees of ATB. I notice there are no successor rights that are in this particular Act. It is indicated that AUPE may make application for employees to be covered within that collective agreement, but in fact my argument would be that there should be successor rights.

The other concern that I have is the salary of the chief executive officer as well as the senior executives. We know that salaries for these executives in the private-sector banks, in the chartered banks, are in the, well, six-digit figures. I would like to know from the Provincial Treasurer whether a salary of a million plus is acceptable for a CEO of a Crown corporation, whether that is an acceptable salary within this province for whoever will be the CEO.

I have some other concerns as well. Given the questionable viability of ATB in its competition with the private sector, are there in fact any commitments the Provincial Treasurer can make to ensure that ATB will remain within those communities that have come to depend upon ATB branches being within their particular communities? If not, what provisions has the Treasurer made? I have not seen within this particular Act what provisions and guarantees the Provincial Treasurer will make that the Alberta Treasury Branches, which the Treasurer and the members of the front bench have indicated are very near and dear to their hearts – what guarantees will these members make to ensure that Alberta Treasury Branches will remain in those smaller communities that do not in fact turn a profit?

10:20

Those are some of the comments I have with regards to this particular Bill. I am sure that within the legislation itself – that was part of the technical overview the Provincial Treasurer and/or his staff provided to our member on this side of the House – all the i's have been dotted and all the t's have been crossed. But when one looks at the intent of the Bill, when one looks at the potential for ATB being unable to compete with the private sector or having difficulty in terms of its adjustment to the private sector and again the potential for privatization, then there are some questions that I think need to be addressed.

I don't know if this is something the Provincial Treasurer is planning to do, but I would have liked to have seen the citizens of the province of Alberta, especially those in the smaller communities that many of the private members represent in the areas outside of Edmonton, Red Deer, Calgary, Lethbridge, and Fort McMurray, in those smaller areas like Blackie, like Vulcan, like some of those areas – I would in particular like to know what those constituents' comments are to their members. I think this is important. When a government is looking at setting up a Crown agency, this is not something to be taken lightly. This is not something that happens every day. This is something that requires consultation, that requires consideration, and that requires input from all those that are involved. This is especially important in this day and age when what governments are doing is stripping themselves of their Crown corporations. If we are looking at setting up a Crown corporation, then I think it's very important to look at: was that the best mechanism with which to do what the Provincial Treasurer has put forward, that needs to be done with regards to making ATB profitable? Is that the only mechanism, or are there some other mechanisms that would have worked just as well?

So I urge members of the Assembly to take out a dictionary, look at parliamentary books on what it means to set up a Crown

corporation, and then decide whether this is really the route that is needed with regards to ATB. I also urge the members to look at the fact that unless it is the hidden agenda that ATB will be privatized once it is a Crown corporation – it becomes a very neat package that can be put on the selling block to the highest bidder as soon as ATB gets some of these untidy loans and write-offs and things under control.

With those words, I again urge the members to take a good look at the underlying issues that are in Bill 33, the Alberta Treasury Branches Act.

Thank you.

[Motion carried; Bill 33 read a second time]

head: Private Bills head: Third Reading

[The members indicated below moved that the following Bills be read a third time, and the motions were carried]

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| Pr. 1 | TD Trust Company and Central Guaranty Trust Company Act | Graham (for Burgener) |
| Pr. 2 | The Bank of Nova Scotia Trust Company, Montreal Trust Company of Canada and Montreal Trust Company Act | Graham (for Jacques) |
| Pr. 3 | Trans Global Insurance Company Act | Graham (for Tarchuk) |
| Pr. 4 | Trans Global Life Insurance Company Act | Graham (for Tarchuk) |
| Pr. 5 | Kenneth Garnet McKay Adoption Termination Act | Graham (for Mitchell) |
| Pr. 6 | Canadian Union College Amendment Act, 1997 | Graham (for Gordon) |
| Pr. 7 | Altasure Insurance Company Act | Kryczka |

[The Deputy Speaker in the Chair]

head: Government Bills and Orders head: Third Reading

10:30

Bill 18 Natural Resources Conservation Board Amendment Act, 1997

THE DEPUTY SPEAKER: The hon. Government House Leader.

MR. HAVELOCK: Yes. Thank you. I move third reading of Bill 18.

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

DR. NICOL: Thank you, Mr. Speaker. Just some final comments on Bill 18 before it is voted on. This, again, is a Bill that's going to provide the Natural Resources Conservation Board with, I guess, increased powers or different powers, a different scope of power in the sense that it provides them with the power to amend one of their approvals through a series of schedules where, first of all, if they want to make a change, they get permission from the minister. If the minister feels that the required change is sufficiently large, then they have the option to move into a situation where they go to Executive Council to have Executive Council review the process, the rationale behind the change.

Mr. Speaker, I have some real concerns with this process. The NRCB has a very good reputation in Alberta for bringing together the issues of getting public input, getting public groups outside when we're dealing with processes that need a review of the impact, whether it be environmental, social, or economic, from natural resource development projects. We want to make sure that kind of confidence that's in the community for this process remains. If we provide too many outs in terms of the ability of the NRCB to re-evaluate change and redirect their reports and their recommendations, we're going to reduce the confidence that the people of Alberta have in what has been a process that they're now beginning to appreciate, both its objectivity and its flexibility.

What I would have liked to have seen in the Bill are some options for public input before we went back and had the amendments approved and put in place. The idea that we want to make sure that the public has the option to have input to these amendments isn't provided through the process with the amendments that we're seeing in Bill 18, and this is why I think we needed to look at it. I'm sorry that the legislative process didn't recognize that potential. I still think it's something that we should be looking at and reviewing.

The other options were some of the minor changes in how we deal with defining projects that were going to require reviews. The basic change now has it triggering off of environmental impact assessments and doesn't deal with some of the other aspects in terms of social/cultural heritage issues that may come up, that we might want to look at a resource development project in terms of how that would impact on the people of Alberta and the communities without giving any options for the NRCB to be triggered. I think what we wanted to do was have a process put in place as well where a community could come out and, through its own actions, trigger or initiate or instigate a process that would allow us to have the NRCB process put in place, but this Bill doesn't go into that area. It's one of the areas that I think we could have looked at. We made suggestions on it, and it would have been nice to have seen amendments accepted that would have allowed that kind of community-based trigger for an NRCB review. That's kind of the concerns that we had with the Bill.

The issues that were raised early concerning the structure of the board and the size of the board and the impact that it would have on decision-making and the validity of how this was going to work into an effective board were addressed very well by the minister, and the feedback that we got in committee and those concerns were overcome. That part of the Bill now appears to be very sound in terms of the ability to get the kind of participation, the kind of responsibility, and the kind of breadth involved in the board so that on a particular project we're going to have people there who can handle the issues, who can deal with the breadth of the concerns, and deal with the full scope of any of the special interest groups or the community groups that want to bring forth their views on the issues being raised in terms of a project that's undergoing in NRCB.

Mr. Speaker, with those two still concerns and the one – I'm glad we got that one settled – I'll conclude my remarks on third reading and hope that at a future date we can have another Bill back that will address the issues that we still see as a concern in connection with the NRCB process, and we'll deal with those at the time. With that, I'll take my seat.

THE DEPUTY SPEAKER: Before recognizing Edmonton-Gold Bar, just again a reminder that in third reading we're confined to the Bill and to the amendments to the Bill.

The hon. Member for Edmonton-Gold Bar.

MR. MacDONALD: Thank you, Mr. Speaker. I tonight have a few words to say on Bill 18, the Natural Resources Conservation Board Amendment Act, 1997. This Bill, from what I can gather, has one main objective, and that is to give the board power to amend an approval. There are some other secondary amendments in this. They want to change the definition of a forestry project and a water management project for which a review is required.

Now, the forest industry is vital to the economic well-being of this province, but from what I can understand, there's a certain tonnage involved, you know, the output in tonnes of a forestry project. If it's below a ceiling, it can be under a different set of rules. The larger projects have one set of rules; the smaller projects may have another. Now, some of the projects that can be reviewed by the board include the expansion of the Alberta special waste treatment plant at Swan Hills, and then you can go to something like a golf course down in the Kananaskis Country or out by Canmore.

That's a wide range, Mr. Speaker, that the natural resources board can decide. Those are two different enterprises, yet they can make these decisions. Now, if we're going to have decisions made regarding industrial projects and recreational projects – there's no dollar limit on the recreational projects, but there appears to be on industrial projects. This is unusual.

With those words, Mr. Speaker, I thank you.

[Motion carried; Bill 18 read a third time]

10:40

Bill 25

Alberta Corporate Tax Amendment Act, 1997

MR. DAY: Mr. Speaker, I move Bill 25 for third reading.

THE DEPUTY SPEAKER: The hon. Member for Edmonton-Mill Creek.

MR. ZWOZDESKY: Thank you, Mr. Speaker. I believe I have spoken at the previous two stages and put in *Hansard* pretty well all of the comments that I had in regard to those two Bills. In the interest of moving along this evening, I would simply ask if there are any other colleagues who might wish to speak to this Bill. This would be the appropriate time to do so.

With those closing comments, I will take my place. Thank you.

[Motion carried; Bill 25 read a third time]

Bill 27

Child Welfare Amendment Act, 1997

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

MRS. FORSYTH: I move third reading of Bill 27, the Child Welfare Amendment Act, 1997.

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

MS LEIBOVICI: Thank you, Mr. Speaker. Bill 27 is the Child Welfare Amendment Act, and it covers a couple of issues. One is dealing with prostitution; the other is dealing with international adoptions. We've had a fair amount of discussion on those two issues.

With regards to prostitution this is a Bill that has been long awaited, and in our discussions with individuals in the area of policing, in the area of enforcement, in the area of sentencing, in the area of dealing with prostitution on a daily basis, the reality is that this Bill does not go far enough. The question still remains: why hasn't this gone any further with regards to dealing with child prostitution? This is something that should not be tolerated within this province in any form, and there should be resources put in place to deal with this issue. Legislation alone cannot deal with the issue of child prostitution, but the need to have the support, as the Member for . . .

AN HON. MEMBER: Calgary-Currie.

MS LEIBOVICI: No, it was not the Member for Calgary-Currie or the Member for Calgary-Fish Creek. It was the Member for Calgary-McCall, giving his experience in the area of child welfare, who indicated that there is a lack of resources within the department of social services to deal with children who are in need of protection within this province. Though this Bill does provide the definition of sexual abuse and includes that under prostitution-related activities, the reality is that it may be just as difficult to apprehend and to keep children away from individuals who would do harm to them.

With regards to the international adoption issue, once again, this is legislation that is late in coming. It is good that it is here, but again it is legislation that has been delayed due to the obstinacy of this government in acknowledging that children do have rights and in acknowledging the Hague convention on the rights of the child. We have gone around on that particular issue as well. Whether this particular Bill deals with the Hague convention or not, I know that the government is very sensitive whenever the rights of the child are mentioned within this . . . [interjections] There we go. As I said, very sensitive.

THE DEPUTY SPEAKER: A point of order, hon. Member for Calgary-Fish Creek?

**Point of Order
Third Reading Debate**

MRS. FORSYTH: Mr. Speaker, just a clarification. We have to stay on the Bill. We're in third reading. We're not talking about the rights of the child. We're talking about the Hague convention. The member's been here since 1993. She knows that. Let's get on the subject.

THE DEPUTY SPEAKER: Hon. member, I did remind members that third reading is a narrower view than either second reading or whatever. We're on the contents of the Bills and perhaps the amendments that actually passed, not a whole lot of other things.

So if the hon. member could continue in her speech but confined to the rules of the House.

MS LEIBOVICI: Of course, Mr. Speaker. I promise not to mention the rights of the child with regards to this Bill again in this sitting. But as I indicated, whenever those words are mentioned, it appears that the government is very sensitive to that particular issue.

Perhaps that is why we have seen that piece of legislation in front of us . . .

THE DEPUTY SPEAKER: Order. The Chair is not particularly

concerned about the sensitivity of the government. The Chair is concerned about the procedure, and that is to stick to the contents of the Bill in third reading.

MS LEIBOVICI: Definitely, Mr. Speaker.

Debate Continued

MS LEIBOVICI: That is why this particular Bill is, I think, as confined as it is in its form within this Legislative Assembly. Bill 33 is very confined when it comes to looking at children and prostitution. I think that when you look at the needs of children within this province and you look at the fact that there are children who are 11, 12, 13, and older who are engaged in prostitution within this province, there is the right of those children to be assured that they will be protected in legislation and in statutes within the province of Alberta and at the federal level.

As I indicated, given the amount of work and the number of stakeholders who were consulted in the preparation of this Bill, given the fact that it has taken at least a year if not longer for this Bill to be brought before us because there was a committee under the stewardship of the Member for Calgary-Fish Creek that was looking at the requirements to ensure that children in this province would be safe with regards to prostitution, it is unfortunate that in fact this Bill has not gone further. I would have liked to see a commitment from the government that there will be a furtherance of that particular committee, if that's what needs to happen, or some other mechanism whereby the issue of prostitution within this province amongst children is not considered to be a dead issue because we have passed Bill 27.

It is still ongoing. There are requirements that need to be enacted to ensure, with regards to legislation as well as with regards to support services for children, that prostitution amongst children will be wiped out. That should be our ultimate goal. Our goal should not be some figure – and I don't know if there is one – that it's okay if 5 percent of children prostitute, that it's okay if it's 3 percent. Our goal should be nil prostitution, whether it's achievable or not. Our goal should be nil prostitution amongst children, and that should be the bottom line when we're looking at enacting legislation in this province. This Bill will not do that; it is unfortunate. It is a small step. It could have been a bigger step, and I think all the members within this Assembly recognize that.

10:50

So I would hope, given that the election is over, we don't need to worry about hot-button issues that will perhaps gain us votes during an election and that in fact this issue will continue to receive attention on an ongoing basis. And I challenge the Member for Calgary-Fish Creek that if she wants to invite me to be a member of that committee, I and other individuals on this side of the Assembly are more than pleased to provide her with the expertise that we have. We have a former police officer who can tell you what it is like to be on the streets every day and watch children prostituting. That is more than the Member for Calgary-Fish Creek can ever say. She can say she stood in a committee and listened to people, she can say she has sat and ridden in a police car, but she has not spent, on a daily basis, time watching children prostitute. So if you want expertise . . .

THE DEPUTY SPEAKER: Hon. member, for one last time, I wonder if we could return to third reading of Bill 27 and not to these invidious comparisons.

MS LEIBOVICI: Thank you, Mr. Speaker.

As I indicated, the Child Welfare Act is not broad enough, and perhaps the reason for it not being able to address all the incidences of child welfare within this province is because in fact all the people that have the expertise have not been appropriately consulted.

With those words I will conclude my remarks. I do hope that the laughter that's coming from the government side of the Legislative Assembly does not in fact indicate that this government thinks this is an issue that is not important and will continue to look at the issue of child prostitution as important and will make it a priority of its agenda over the next four years.

Thank you very much.

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

MS BLAKEMAN: Thank you, Mr. Speaker. I'd like to rise in support of this Bill. Congratulations on it. I'd just like to say a few words as a helpful bon voyage to the Bill in moving through.

From my experience working in the women's community, the issue of prostitution comes up a great deal. Somewhat following on the comments of my colleague, I would encourage the Member for Calgary-Fish Creek and also members of this Assembly that this not be the end of this issue. I think a number of things have been touched on in this Bill that need to be expanded on: in particular, follow-up. The one section that has brought this under the Child Welfare Act is wonderful, but we've missed all the other support systems that go with it.

There have been a number of studies and task forces which have been either directly on this issue or surrounding it, touching on it occasionally. To a certain extent it's been studied to death, and the community looks for action. There are certainly the experts out there, and I'm sure the Member for Calgary-Fish Creek has consulted with them all. This is really a case where the expertise is in the community, although the firmly held opinions and the widely shared horror, I'm sure, at the situation is amongst members here.

I think most important is to look at the underlying reasons why we have this – once again, to be looking at poverty, to be looking at abuse, situations that put young women and young men into seeking prostitution as a way to take them away from poverty or abuse – and the programs that would be helpful to support this process: both programs so that people are not in this cycle to begin with, do not go into the cycle of prostitution, and programs that are necessary to move them off the cycle of prostitution. I think when we as a society finally do latch onto an issue and decide we're going to do something with it, we tend to take one concrete step and then dump it and hope that someone else will pick it up or some other agency will pick it up or that the whole thing will simply go away. It's really critical that we follow through on this and not just leave it for the grassroots agencies to complete.

So those are just a few points that I wanted to raise. Once again, I think it's critical that we all keep in mind what brings people into this cycle and . . . [interjections] I hope that is not amusement at the idea.

. . . what we as a society and what we as members in this Legislature could be doing in very constructive legislation and programs to set the stage for people to get out of this cycle. I think it's incumbent upon us to be working on this. This is a useful function that we can serve: to take concrete leadership in

these issues and not be following behind with more studies and task forces. We have the knowledge, and it's certainly there in the community for us by way of advice. Let's keep going on this, and let's do it right.

Thank you very much, and congratulations.

SOME HON. MEMBERS: Order. Order.

THE DEPUTY SPEAKER: Hon. members are reminded that we are in Assembly.

The hon. Member for Calgary-*Buffalo*.

MR. DICKSON: Mr. Speaker, my colleague probably thought I was going to stand up and run out of things to say and wanted to make sure I had a statute handy.

Mr. Speaker, I wanted to congratulate not only the Member for Calgary-Fish Creek but indeed all members of the Assembly for taking this very small and modest step in terms of dealing with . . .

SOME HON. MEMBERS: Order.

Speaker's Ruling Decorum

THE DEPUTY SPEAKER: All hon. members are reminded that in Assembly you just can't wander around the place. If you seek something, then one of the security people will act as a page if necessary. Otherwise, you're primarily confined to going in and out during Assembly. It's only during that happy time known as committee that you're allowed to wander around a little more freely.

So without further ado we'd like to hear from Calgary-*Buffalo* in his brief comments.

MR. DICKSON: Thanks very much, Mr. Speaker. Probably the urge of restlessness overtakes us all at this time of the night.

Debate Continued

MR. DICKSON: What I wanted to say was this. There may be 21 constituencies in Calgary, but I think virtually all of the prostitution strolls in Calgary but one are located roughly within my constituency or immediately adjacent to it. This is an issue that is of considerable interest to my constituents, to the community leaders, and to both the police and a number of agencies that work with adolescents and indeed adult prostitutes on the street.

I guess my hope would be along the lines of the suggestion by my colleague for Edmonton-Centre that this not be seen as completion of the task but simply a very positive but nonetheless a very small part of a much bigger puzzle. The hope is that if we've now at least been able to do what Dr. Sue McIntyre and Exit and Street Teams and all of those groups in Calgary and Edmonton and so on have been lobbying for for a long time, we can use this as a bit of an impetus to also commit the kinds of dollars and provide the kind of support to back it up.

Legislation never solves a problem like this. It may, among other things, help to heighten public attention, put a somewhat greater public focus on a blight on what otherwise should be seen as civilized community in a civilized province.

11:00

The kinds of things that would be an ideal complement to this amendment to the Child Welfare Act would be – since most teen

prostitutes make three or four attempts to leave the street before they're successful in breaking loose – ensuring that we have an adequate number of safe places for them to go to take refuge from the street, ensuring that we have a type of modest witness protection program. Until we're able to allow these young women a sense of security and safety to be able testify in court, we're not going to be able to adequately prosecute johns, customers, or pimps. Until we're able to deal with some of the problems related, whether it's drug and alcohol abuse, school dropout, young people who end up being attracted to the street culture for a host of reasons – all of those things we have to address as a community. Maybe we can take this very modest change in terms of dealing with juvenile prostitution and make that simply part of a much bigger strategy that involves the Minister of Justice and the Minister of Family and Social Services to make those kinds of changes.

The other recommendations have been made many times over, certainly in the task force chaired by the Member for Calgary-Fish Creek but also in many other reports and many other studies.

The challenge for all of us is to take the kind of consequential action that's going to make a difference. This is not the end of the road. It's simply a modest beginning, nonetheless a very positive one. Let's salute the work and the tenacity of the Member for Calgary-Fish Creek. She succeeded in doing what has been talked about in this Assembly in the five years I've been here without any demonstrable action, any concrete action. We've got some action now, and let's proceed to follow through in a positive way.

Mr. Speaker, those are the comments I wanted to make. Thanks very much.

[Motion carried; Bill 27 read a third time]

Bill 19
Livestock and Livestock Products
Amendment Act, 1997

MR. STELMACH: Mr. Speaker, I move Bill 19, Livestock and Livestock Products Amendment Act, 1997, for third reading.

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

DR. NICOL: Thank you, Mr. Speaker. Just a couple of brief remarks again on Bill 19. I want to just congratulate the minister on the willingness that he showed when we wanted to talk about some of the issues and get some of the concerns that we had clarified. This made it very easy for us to accept this Bill and understand fully what it was doing and how it was going to work within the context of transferring the livestock patron's fund out into the power of the livestock claims review tribunal. This is, as I said in the previous readings, a Bill that's bringing forth legislation which will accommodate the needs both of the producers and the dealers in the livestock sector. So I just wanted to have that final thank you to the minister.

Thank you.

[Motion carried; Bill 19 read a third time]

Bill 13
Trespass to Premises Act

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

MR. HAVELOCK: Yes. Thank you, Mr. Speaker. I'd like to move for third reading Bill 13, Trespass to Premises Act.

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

DR. MASSEY: Thank you, Mr. Speaker. Just a few comments at third reading on Bill 13 and one, I guess, apology to the minister. When he introduced the Bill, I missed the remarks he made at that time in terms of the application of the existing Petty Trespass Act and didn't realize that it had limited application to agriculture, land, lawns, gardens, and not to premises, and it was something that I was having trouble understanding, why there was another Act being introduced when I thought that that Act applied. So I apologize. It was an error.

My constituency office is located in a large shopping mall, and the need for some way of dealing with people who are being a nuisance, who are in the mall for purposes other than shopping I think is abundantly clear to those of us who live in that kind of an environment. I've talked about the Act to some of the security people in the mall, and they of course are enthusiastic about the Bill. They think it's needed.

I have at the same time some concerns about 5(1) and how the apprehension of some of the trespassers is going to be handled. I say that with all respect, but given the forces that are sometimes employed to monitor mall activity, I have some questions about the wisdom of the some of the decisions that are being made. It's going to be interesting to see how this plays out in practice in terms of authorized representatives, of the owner actually apprehending people who are trespassing and then trying to hold them until a peace officer is available or can be contacted. I think it's still going to be a problem area for us, even with the Act as it is, but it's a move in the right direction, and I'm pleased that it's here.

Thanks, Mr. Speaker.

[Motion carried; Bill 13 read a third time]

Bill 23
Agricultural Service Board Amendment Act, 1997

THE DEPUTY SPEAKER: The hon. Member for Olds-Didsbury-Three Hills.

MR. MARZ: Thank you, Mr. Speaker. I move third reading of Bill 23, the Agricultural Service Board Amendment Act, 1997.

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

DR. NICOL: Thank you, Mr. Speaker. Again I'd like to wrap this Bill up with a comment in terms of how pleased I was with the support that we got in discussions with the Member for Olds-Didsbury-Three Hills and the minister of agriculture in connection with some concerns that we had in terms of the Bill's direction as to how we put the expenditure accountability into the ag service board relationships, the way it was defined in the Act. The member did bring forward an amendment that would allow us to clarify the revenues that were being used to support the activities of the ag service board. Members on that board as they traveled, as they conducted their business were authorizable and accountable back to the people who were both appointing the board and collecting those dollars rather than having it in a situation where

revenues collected through the provincial government would then be allocated and authorized at a different level. This really clarified the Act, brought out into the open the intention of the Bill, the intention of the minister and the ag service boards in terms of their operation. So just with that again, I'd like to thank them for their co-operation in clarifying the Bill.

[Motion carried; Bill 23 read a third time]

11:10 **Bill 24**
Tobacco Tax Amendment Act, 1997

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

MR. STRANG: Thank you, Mr. Speaker. At this time I move third reading of the Tobacco Tax Amendment Act, 1997.

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

MR. DICKSON: Thank you, Mr. Speaker. I'm speaking in support of this Bill at third reading, acknowledging that Bill 24 in fact is an initial step in the development of a more comprehensive and what we hope will be an effective strategy for tobacco control in this province. We do believe that strong reporting and enforcement measures are one of the arrows in the quiver to control interprovincial tobacco smuggling and preserve the integrity of the provincial tobacco tax base, hopefully all of this with the effect of reducing the instance of tobacco consumption, particularly among Alberta youth.

The specific changes in terms of increasing the power to enforce debts owed by a person under the Act by requiring payment from associated third parties we think will make a difference. We think making directors of corporations liable for payment in the event of a failure of the corporation to remit may be positive, and assessment of refund overpayments by the Crown to retailers in a four-year period is also likely to have a positive effect.

So for all of those reasons, and certainly on behalf of my caucus, Mr. Speaker, we'll be voting in favour of Bill 24.

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

DR. NICOL: Thank you, Mr. Speaker. I concur with the Member for Calgary-Buffalo on many of the issues he raised, except I have one concern that I wanted to point out a little different perspective on. I guess I wasn't quite as optimistic or I didn't feel quite as strongly about changing the tobacco Act to give more power to the government to deal with third party collection of debts and making a third party responsible for the debts or the obligations of a person owing money to the government under this Act. I see that as kind of passing the buck a little bit. Other than that, I think this Bill does go a long way toward strengthening and making the collection of the revenues that are payable under the tobacco tax more equitable and more easily enforced. With that one caution and that one concern, this is something that I see happening in a lot of our government collection, where all of a sudden third parties are becoming involved in the collection of debt and the responsibility for payment obligations of third parties that they do not have necessarily a direct relationship to. So this was a caution that I

wanted to raise with this Bill. Other than that, I think it's a Bill well worth supporting.

[Motion carried; Bill 24 read a third time]

head: **Government Motions**
Adjournment of Session

22. Mr. Havelock moved:

Be it resolved that when the Assembly adjourns to recess the current sitting of the First Session of the 24th Legislature, it shall stand adjourned until a time and date as determined by the Speaker after consultation with the Lieutenant Governor in Council.

[Debate adjourned June 10]

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

MS LEIBOVICI: Thank you, Mr. Speaker. I rise to speak to Government Motion 22. What this motion in fact does is sets the stage for the adjournment of this Legislative Assembly and the nonreconvening of the Assembly in the fall sitting. This is a travesty of the democratic process with regards to ensuring that the best interests of Albertans are looked after.

Now, we have a government who has indicated by many actions that it holds the process and the Legislative Assembly with disrespect and in fact finds it an inconvenience. The unfortunate thing is – and perhaps it's not unfortunate; perhaps that's the way the system is meant to work. A democracy can in fact be cumbersome. A democracy can in fact be slow. A democracy can in fact require time spent to look at issues and to discuss issues in depth. A democracy can in fact mean that there will not be unanimity within the House and that in fact there will be disagreement. A democracy means that there may be times when it will be frustrating for those individuals who are engaged in producing legislation and ensuring that that legislation is in the best interests, as I'd indicated earlier, of Albertans.

Is that such a bad thing? Is it such a bad thing that we have a system in place that has been around for many hundreds of years, that has evolved over many hundreds of years, and that we live and abide by the rules of that particular system? I know that there are some members who would indicate that, yes, that is a bad thing, that in fact it is too cumbersome, that in fact it is unfortunate that things such as Bills need to be brought to the Legislative Assembly to be discussed, to be looked at, to have input provided. In fact I know that there are certain members, such as the minister of science and technology, who has indicated that he would be more than pleased if the Legislative Assembly were to meet only once every two years. It's interesting that that is an example in the past that the member has used, because I was at a meeting this afternoon where Mr. Horsman was present. He indicated that he had visited Montana, which is a state that has just that: they meet six weeks once every two years. And he said that he'd never seen such a mess in his life.

AN HON. MEMBER: Oh, he did; did he?

MS LEIBOVICI: And you, I'm sure, are much closer to him than I am. I just happened to be at a meeting that he was at, and he said that it was a shambles, that the lobbyists were falling all over each other to try and speak to the legislators, that it was

next to impossible to do any government business. Now, is that what we want in this province? Is that exactly what we want? Do we want to have a province that is known for its closedness, a province that is known for its lack of accountability, a province that is known for curtailing debate? The only reason I can think of that someone would want to curtail debate is because it's inconvenient. There may be another reason. [interjection] Or there may be another reason.

THE DEPUTY SPEAKER: Hon. minister, we'll put you down on the list to speak on Motion 22 as soon as the hon. Member for Edmonton-Meadowlark concludes her comments.

MS LEIBOVICI: Thank you, Mr. Speaker. I just hope that some of the comments from the minister of advanced education are in fact in *Hansard*.

The reality is that there is no reason not to have informed debate within this Legislative Assembly other than as I indicated, one, perhaps the inconvenience or, two, perhaps the fear that questions will be put and that answers will have to be made. That gives people a little bit of uncomfortableness at times. That may give the ministers a little bit of uncomfortableness. I know that the ministers are uncomfortable at times when it comes to question period. I know that there has been some talk of it being much like a minister being in a shooting gallery: you never know when you're going to get hit; you never know when you're going to be asked a question that perhaps you don't have the answer for.

11:20

I'm sure it cannot be a comfortable feeling to be on the hot spot, but the reality is that that is what democracy is about and that is what this Legislative Assembly enshrines. Each of us who is here, that has been elected here through that democratic process, has a responsibility to those individuals we represent. Whether they voted for us or not, we have a responsibility to all of our constituents to ensure that the Legislative Assembly is a functioning place that ensures that democracy will continue within this province.

Now, I am not going to say that there do not need to be changes made to the system that we have in place. I have spoken on an individual basis to members on both sides of the House, and I have also spoken in *Hansard* publicly. I think there can be changes made. I do not know that we need to sit here every night till midnight. I think that if there were an avenue, as there are in some Legislative Assemblies and in Parliaments, where you could look at Bills prior to first reading or a stage perhaps between first reading and second reading where in fact you could have both parties or three parties look at whether or not that Bill could be improved before it is brought to the floor of the Legislative Assembly, that could curtail debate. There are numerous ways that we can improve the way we work within this Legislative Assembly.

For the new members the times that you see right now – 1:30 to 5:30, 8 p.m. to whatever time it is at night – are times that were negotiated in 1993. There were different times, for those who are not aware of it, prior to 1993, and I'm sure that if one were to look at the records, one would find that there have been different attempts to improve the actual workings of this Legislative Assembly. Why would we stop wanting to do that? Why would we not want to continue the process of democratic renewal? There are other larger ways, whether that's fixed election dates, recall, proportional representation, that I think we should be talking about in this Legislative Assembly. We may

come to agreement on some issues, we may not on others, but why wouldn't we debate it to make our system work better? That's the ultimate goal. I know that would be my ultimate goal: to try and make the system work better. The system does not work when in fact over the last three years, four years, we've had closure in this Assembly 20 times. If there's no other stronger indication that the system is not providing for informed debate on both sides of the Legislative Assembly, that should be a key indicator.

You know, this government likes benchmarks. They like performance measures. I know the Minister of Energy is one that really enjoys putting up what the requirements are, what needs to happen, and then looking at whether or not in fact you've met your goals. Well, why don't we use some of that within this Legislative Assembly? Why don't we put ourselves to the test? Are we being efficient? Are we being effective? If not – and the minister for advanced education says no – then why aren't we making ourselves more effective? How can we make ourselves more effective if the only answer is closure? How do we make ourselves effective when we refuse to sit down and talk about things like the standing policy committees? Sure those have a political element, but they have a nonpolitical element as well that can include members of the opposition and can make debate here more informed perhaps and maybe shorter. How can we say that we can't be more effective? Why can't we be more effective?

Why do we have to have a motion on the floor right now that we are debating that indicates that we will not come back for a fall session? There has been no real consultation on this side of the Legislative Assembly. If we're not back for a fall session, there may well be Bills that are left to die on the Order Paper that this government would like to have. I know that there are some ministers who would have liked to have had Bills put forward in this session and have not been able to because of the short time period. Why is it necessary to have that inefficiency built into the workings of this Legislative Assembly? There's no reason for that other than perhaps stubbornness, other than perhaps fear that there may be a giving up of control and power. There is no reason to be fearful of giving up power. You have 63 seats. Get real.

If you are not willing to make this system work more efficiently, then perhaps there is no buy-in – and I refuse to believe that – by the front bench or the private members into the ideals and the principles of democracy. If each and every one of you did not believe in being democratic, believe in the democratic process, I don't believe that you could have put your name forward and run to represent your constituents. You would have had to have that basic belief in the democratic process. If you do not, well, we don't have a lot to talk about. If you do not believe in the basic democratic process, then there's not much point; is there? If what you believe in is control, power, ensuring that only your ideas and your policies are the ones that are heard and the ones that are enacted, then we do not live in a democracy anymore. There has to be input and there has to be room for give and take.

When we see a motion such as this, which in fact may well leave some Bills on the Order Paper that I assume are required, otherwise they would not be here, when I see a motion that indicates that there will be no fall session and there is no need for the Legislative Assembly to meet, that the government, the members on the front bench, and the private members are to be entrusted with running the province until the next time we meet, which may be a year hence, then I submit that we are no longer living within the parameters of what we would consider to be a democracy. If that is the case, it is a shame. If that is the case,

I think we should shed a tear now. If that is the case, I think it will only be a matter of time until people recognize that they do not want to live in a dictatorship in this province but that they do and that they wish to uphold the democratic principles that we have all been elected under.

Now, I know there is a lot of restlessness on the benches opposite me. I see a lot of jittering and comments and nattering and nattering and smiles. I hope that as members go home, they will think about these words. Especially if they're having trouble falling asleep, I think it might be worth while to run through the words that I have spoken in the last 10 minutes or so. I'm sure that those words will provide a basis for members to come back the next morning refreshed and inspired to continue to fight for what many people die for across the world.

11:30

Now, the Member for Calgary-Buffalo has suggested that I make tapes of this. I'm not sure if *Hansard* is in the practice of doing that, but I'm sure that there may be some way of accommodating. If the Member for Calgary-Egmont ever wishes to have an ongoing discussion with me on this or is ever having trouble falling asleep at night, just give me a call, and we can continue the discussion.

This is a motion that I know is administrative partially in nature, but given the timing of this motion, given the fact that we may well not have a fall session, it is a motion that I think is one that needs to be debated at length and is a motion that in fact would be a lot more palatable if a member were to bring in perhaps an amendment to that motion, if that is possible, that indicates that the Assembly adjourns to recess the current sitting of the session until October 1. I think that if that was in the motion, it would be a lot more palatable to this side of the House.

We know that there are some Bills that require more discussion, like the No Tax Increase Bill that's been put forward. As indicated by the Provincial Treasurer, there is a need for further public discussion and consultation, and I agree wholeheartedly with the minister that that needs to occur. I think that that is very clear when those kinds of Bills are put forward, but there are perhaps other Bills, like the Miscellaneous Statutes Amendment Act, that have yet to be put forward within this Legislative Assembly that may well not see the light of day if we adjourn on Thursday.

Again, why have all those departments, all those ministers put forward a Bill that in fact will die on the Order Paper? Why do all that work? Why put in all that energy? Why have this loathing, as it were, that some of the members do have for this institution? This is an institution we should be proud of, that we should be proud to be part of. I know that when I came in those doors the first time – and I'm sure every member in this Legislative Assembly has felt that same way – there was a pride, a feeling of having been entrusted by constituents to be within these halls. That is not something we should take lightly. So why is there a loathing, as it seems, by some members for this building and for what it represents?

Again, I go back to my theory that I think there is a fear of lack of control and loss of power. That is not something that needs to be feared.

Thank you.

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

MR. MacDONALD: Thank you, Mr. Speaker. Before I say a

few comments on Motion 22, I would like to formally apologize to the Chair for wandering around. I was born on an island, and I guess people who are born on islands are born to wander.

I'm also wondering about the hon. colleague of mine and her speaking techniques. The hon. colleague of mine from Edmonton-Meadowlark has finally put someone to sleep.

Government Motion 22 to adjourn this session. In the future when I remember this session, I will remember the questions. The hon. members from across the way, the ones in the backbenches, use the word "question," and I want them to question this Motion 22. The government can't wait to get out of here because this is the place where they have to answer to all Albertans. This Assembly offers the process and structure for us to consult the electors, consult our constituents, and bring issues forward here so that we can develop legislation for them. I want you to question the motives of this Motion 22.

Usually a spring session of this Legislative Assembly will last three months, but this one is going to last two months. This spring session demonstrates the arrogance the government has. It is determined to shut down the democratic process after eight weeks.

We have in the last few years invoked closure 20 times. Previous governments used closure six times. I think closure is going to mean that sometime you'd like to close the whole government down, that \$15,000 a day is too much of a price to pay for democracy. You should question that, Mr. Speaker.

The opposition over here is concerned about democracy and promoting sound ideas. This government wants to have short sessions so that they can govern with stuff like Bill 41. Bill 41, we all know, allows government through the back door, not through this door. This Assembly is the only place where all Albertans are represented, not Progressive Conservatives but all Albertans, and the sooner you close it, the sooner you do not hear from all Albertans, just your own self-interest.

Many government Executive Council members are often not in this House for us to question. They can duck and weave and travel abroad and do this and do that and avoid our questions. This is not healthy for the democratic process, Mr. Speaker. This, as my colleague from Edmonton-Centre said, is an erosion of democracy, this short, short session and no fall session. I don't know what sort of proposals, what sort of ideas – we know that privatization and deregulation have not worked. I don't know what you're trying to hide from us. But this is an erosion of democracy. There is a lot of business that goes on behind closed doors, and this is once again concerning Bill 41.

Last summer there was a decree – it was almost like it was from a czar – to have looser liquor laws, from what I can understand. This was never discussed in this Assembly, but it was discussed in the media on the front pages of the paper, all newspapers across the province, and the idea was scuttled.

There is much work to be done in this Assembly, Mr. Speaker. There's Bill 218. There's health reform. There's debate over the Growth Summit.

MR. DAY: Then let us do it.

11:40

MR. MacDONALD: Well, perhaps we should. Perhaps you should forget about this Motion 22, and we'll talk for a couple of weeks about the Growth Summit. Maybe that's a good idea. That's a very sound idea.

You should question the Provincial Treasurer, you members at the back. Question him. Ask him: what's going to go on with

this Growth Summit? Why are we shutting down this Assembly? Fifteen thousand dollars. We have VLT . . .

Speaker's Ruling Decorum

THE DEPUTY SPEAKER: Hon. members, in spite of it nearing the witching hour, we would like to hear the summation of the hon. Member for Edmonton-Gold Bar and his comments, and he doesn't need all of the suggestions to extend his speech any longer. So if all hon. members would pay attention, we would be able to hear it all the more quickly.

MR. MacDONALD: Thank you, Mr. Speaker. I'm pleased to see that none of the government members are falling asleep.

Debate Continued

MR. MacDONALD: We have the VLT issue. We have freedom of information. There are many, many issues to be discussed, Mr. Speaker.

Freedom of information. I have heard my esteemed colleague from Calgary-*Buffalo* talk about this issue all spring, and he has done an eloquent job of voicing the concerns of Albertans regarding FOIP. I had no idea that this government was using FOIP legislation to prevent ordinary – what do they call them? – severely normal Albertans from finding out what is going on.

MR. SAPERS: Normal doesn't live here anymore.

MR. MacDONALD: Normal doesn't live here anymore.

This is not the Alberta advantage, where people are not aware of the information that they're entitled to. They have to dig into their pocket, get money out to get information that they own themselves. This is what FOIP is. This is what the Member for Calgary-*Buffalo* has been demonstrating so well, and this is what the public is going to remember.

Gradually over a period of time this Assembly, if it does not answer to the people, will answer to the people in the only place that I think they understand, and that's the ballot box.

Thank you, Mr. Speaker.

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

DR. MASSEY: Thank you, Mr. Speaker. A few comments about Motion 22. As we all know, this motion is really an enabling one, and the session could continue for quite some time, as it has in the past.

What the motion does, appearing as it does at this time, is take us back to April 15, a Tuesday, when we all gathered here to hear the Speech from the Throne. At that time the government outlined what plans it had for the coming session. So as we think of the session ending, I think it makes sense if we could go back to that speech and see exactly how much of that program that they outlined there has been accomplished and has been covered thus far and how far we are along the road to meeting the kind of vision that they set out for the province.

If you look back to that document, there were a number of promises made. The issue of "salaries in the public sector" was mentioned, and there was no promise to deal with those salaries except through the Growth Summit. I think that's unfortunate, because if we look at what's happening in education across the province, certainly salaries are becoming a problem, to say the

least, in many of the jurisdictions, and they're going to have to be dealt with. The Legislature hasn't addressed how those salaries in the public service and municipalities are going to be handled other than to say that local authorities have to look after them. I don't think that's a solution.

I look at the promises in education talking about programs and program changes, "establishing curriculum standards in technology." I don't believe we have those standards or that those standards have been shared with the Legislature. The problems that parents in Calgary in particular but certainly parents across the province have been very vocal about of parent fund-raising, of class size, of how boards are going to meet the demands to provide local education – I don't think we've addressed those problems in the Legislature. I don't believe that if we were to leave here tonight, Albertans would be any the wiser or feel any more comfortable that those problems that many communities are starting to face have been addressed or will be addressed in the future.

I was interested to think that we might leave the Legislature, were this motion passed and acted on this evening, with never having received our answers to the questions we posed in budget estimates in Education. The answers for Advanced Education and Career Development were just tabled today in the House, but we still don't have the K to 12 answers to those questions that we posed. It seems to me to be very unfortunate that we would think of concluding a session where we had spent the amount of time, the amount of hours that we had, scrutinizing budgets and raising questions about programs and raising questions about what the government had envisioned in the Speech from the Throne, and never have answers to those questions. They really are the proof of how successful the government has been in a number of these areas.

There were questions about the access fund, I know, that we've been waiting to learn about and the whole handling of research. We posed a number of questions about those, and I'll look forward with interest to the answers that the minister of advanced education has provided today.

If you look at the health care system and what the government promised Albertans in April, they promised "a review of long-term care services for seniors," and one of the things that has dogged us through question period has been that issue of long-term care for seniors. It's causing tremendous problems across the province, and the solution, that review that was promised in this Speech from the Throne – we don't see it or we don't see the results of it.

My friend from Calgary-*Buffalo*, who is so interested in freedom of information, would be interested that back in April there was going to be "legislation to protect the privacy of information about Albertans' personal health." Are we happy? Are we assured that we have that legislation and those regulations in place that make that a reality rather than a promise in the Speech from the Throne?

Another promise is that there would be "a health standards framework to ensure Albertans have access to and receive quality health services." Again, that remains a promise.

There was a promise of "improved systems of health-related information and technology for more informed decision-making." To my knowledge, Mr. Speaker, they have not been debated in this Assembly or information presented on them.

In Social Services, probably one of the areas that we have focused on, again, in question period and still haven't received satisfactory answers, there was a promise that there would be "a

co-ordinated national strategy to help needy children,” and unless I missed it – and I think I was here for most days of the session, Mr. Speaker – that plan has yet to materialize. I think that Albertans heard about it in the Speech from the Throne and deserve it.

There was a promise that “legislation to co-ordinate the delivery of services at the community level to persons with developmental disabilities” would be introduced. Just how good is that? We've debated some of that legislation, but as far as it being a part of the government program, I don't think that's true.

The Justice department promised that they would recognize the “importance of keeping our communities safe [and] the government [would] focus on further reducing serious and violent crime.” Yet again I hear my colleague who is the critic in Justice asking day after day, week after week, for specific actions. What exactly has been done?

11:50

If you look at the local efforts, there was a promise that we would “establish community lottery boards to set priorities and to determine how to spend lottery funds.” Again, to my mind, I haven't heard of those boards being established or how they should be established.

I go back to the promises for open government. This one will interest the Member for Calgary-Buffalo because the statement in the Speech from the Throne is that

our government will phase in the application of freedom of information and protection of privacy legislation to local . . . bodies like municipal governments, school boards, and regional health authorities.

That hasn't happened. We still don't know when those authorities are going to come under the freedom of information and privacy legislation.

The promise of “defining a common vision and a conservation strategy for Alberta's forests,” again an unfulfilled promise.

So, Mr. Speaker, as we look at Motion 22 and we look at the promises that were made and we look at what we've accomplished, I think it raises a question of whether or not it is premature.

Thank you, Mr. Speaker.

MR. GIBBONS: For everybody here, for the people that have fallen asleep tonight, Mr. Speaker, my family, my friends can't believe that I haven't been there first.

I stand, Mr. Speaker, to speak tonight on Motion 22. For everybody who's been listening to me for the last few weeks, I'm not a long speaker, so it won't be a long time. [interjection] That's right.

Being a rookie, my perception of what the government is to do and to govern has – I've really been disillusioned over the last few weeks, because I felt that we were elected and came here to debate with a give and take. If I give an amendment, shut me down, but give me one or two. When I tell people I'm zero for 20, it's kind of tough.

MR. DAY: Sounds impotent.

MR. GIBBONS: Right.

MR. DAY: Patience. You gotta have patience.

MR. GIBBONS: Patience, yes.

My experience here in the last few weeks is really more on the

fact that I feel that we have to have a give and take, and I really feel that we have to have a government that we come here in the fall and bring forward some more Bills. Maybe I'll be four for 20 then.

I offered yesterday to the hon. Member for Red Deer-South, as I was walking back from here: “Let's go golfing. Let's go and hit some golf balls around, come back when we're not so frustrated and tired, and bring other items here. Let's be less grumpy.” A fall session is the correct and responsible thing for us to do as elected members. Is that too much to ask? The Assembly is the only place where all Albertans are represented. The Assembly is one place where the government is held accountable, where I as a backbencher or those on the other side as backbenchers can ask questions to our ministers. I really feel that questions are items that can be brought out. It shouldn't be only a television show that we stand up there and try to get out to our electors.

I'm not going to take any more time because I think it's just about 12. Let's look forward to a fall session. Let's look forward to bringing more Bills back in.

AN HON. MEMBER: Yeah.

MR. GIBBONS: Hon. member, I'd like to see you bring a lot more in.

Thank you.

THE DEPUTY SPEAKER: The hon. Member for Lethbridge-East in the moments remaining.

DR. NICOL: Thank you, Mr. Speaker. Just a few short comments. [interjection] Four minutes? All right.

This is the end of it. We'll be dealing with Motion 22. We wanted to basically bring a couple of issues to the front in terms that motions that come in to adjourn the Legislature kind of set the stage for the end of the term, the end of the discussions on Bills. What we want to do is deal with the issue of how that process gets put in place. By bringing forth motions before the time, we still have a number of Bills on the Order Paper. We still have a number of issues to address in terms of getting the agenda completed. We heard a number of references earlier this evening to issues that were brought out in the Speech from the Throne that haven't been completed yet, that haven't been fulfilled as part of this term's mandate, this year's mandate, and we wanted to see when those pieces of legislation are coming forward. If we adjourn now, what we're going to be doing is looking at the possibility of having these issues addressed in other methods, either through nonlegislative channels or through just basic executive order, default. So we want to make sure that as we consider the passage of this motion, we're in a position to have all of the agenda of the government in the open, on the floor, in debate, and covered by essentially terminating the discussions that are going on in the legislative process.

We have to then rely on other mechanisms to have our legislative options, our policy changes, the directions for Alberta altered through those mechanisms. Mr. Speaker, that's shortchanging the people of Alberta, because we want to make sure that they get the responsibility that comes from being here, their voice being able to take back to them the debate, being able to take back to them the decision process that was implemented to bring about the changes in the agenda, in their legislative wishes. From doing that, I think it's important that we end up

with the broad spectrums that are allowed by having the Legislature sitting where these debates can be held.

For those reasons I think it would be immature to bring this forth at this time and to vote it passed so that we can then bring closure to the session.

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

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

MR. RENNER: Thank you, Mr. Speaker. I rose earlier this evening to seek unanimous consent to waive Standing Orders. I'm going to try it one more time.

Mr. Speaker, I would like to seek unanimous consent that should the division bells ring this evening, the time between the bells be reduced to one minute.

THE DEPUTY SPEAKER: Having heard the motion by the hon. Member for Medicine Hat, all those in support, please say aye.

HON. MEMBERS: Aye.

THE DEPUTY SPEAKER: Those opposed, please say no. You have your consent.

Edmonton-Glenora.

MR. SAPERS: Thanks, Mr. Speaker. I've debated with myself whether I was going to enter into debate on this motion. I reviewed *Hansard* for the comments of my colleagues, and with my entering debate at this time, I think that the record will show that every member of the Official Opposition has been involved in debate on Motion 22. I raise that issue here, and I want it on the record now for a very important reason. This will be an unusual comment for me.

The Progressive Conservative Party of Alberta won the last election, and they elected 63 honourable men and women to represent Albertans in this Legislature. That was the outcome of democracy. It may not have been my choice or my wish, but that was the judgment that was rendered on election day. At the same time that those 63 honourable men and women, rookies and old-timers alike, were elected and sent to this Legislature by their constituents to do the best they could do for the people of Alberta, the same day that that happened, Mr. Speaker, 20 other men and women were elected as well. Eighteen of those represent the party that I'm proud to represent, the Alberta Liberal Party.

Now, I understand that decision. I understand what that democratic judgment meant. It meant that I will serve out my term as a private member in opposition to the government. I will do that to the best of my ability, and the way I can do that to the best of my ability is to look over the shoulder of the government every day in every way and make sure that they don't take advantage of their majority, that they don't take advantage of their power.

12:00

In fact, Mr. Speaker, one of the hallmarks of democracy is that a government that's in power maintains its accountability and its humility by making itself open to the public through debate, through recording decisions in *Hansard*, and by publishing votes and proceedings. It's one of the features that we all must hold dear to our hearts, because we all ran, we all chose to participate in that. It's a high standard. Each and every one of us, even though we might be combatants on this particular killing floor, can walk out the door at the end of the day absolutely equal in

the task that we have, and that is to represent this institution to our constituents, to the people of Alberta. We have to represent this Assembly as the highest standard of democracy and the hallmark of everything that is right and correct and proper about our system of government. That's the challenge that all of us have. It doesn't matter whether you're a backbencher in the third party or you are a returned cabinet minister on the front bench; that's the challenge that we all have.

What happens, Mr. Speaker, is that when you're faced with something like an adjournment motion that we in the opposition think is out of sequence, it brings out sort of the worst fears and paranoia in the opposition, and that is that the government is using their majority as a club to beat back free speech, to beat back debate, to beat back accountability. The government is concerned that the opposition is only trying to be ornery, that the opposition is only trying to block progress, that the opposition only sees their role as being cantankerous and trying to drag out debate. You hear all too often government members, government ministers, the Government House Leader and others use the word "filibuster," as though that in itself is a pejorative term. I for one don't think it is. Too quickly you see them leap to the conclusion: "Oh, it must be a filibuster. The opposition have something to say about this."

Well, Mr. Speaker, the government should be the first to acknowledge that they don't have a monopoly on good ideas. In fact, so much of the legislation we've seen in this sitting so far is amending legislation. Take a look at the list of Bills: amending Justice statutes, amending Municipal Affairs statutes, amending registry statutes, amending this, amending that. It's almost all amending statutes, which means that maybe they've made some mistakes along the way. And you know what? Many of the things that this government is correcting today are issues that were raised in debate in this Assembly yesterday and the day before and the day before that. If they had only listened instead of trying to block it out, instead of trying to pretend with some arrogance that they have divined all truth and justice on their side of the House only. If they had only listened. If they had only seen this as actually the Chamber of debate where we can do the best possible, all of us coming together on behalf of all of our constituents, maybe we wouldn't be dealing with all of this amending, correcting legislation. Maybe we wouldn't. Take a look at the Treasury Branch Bill. The Treasurer moved it and, in moving it, acknowledged the input from the opposition, but that input came in debate. Maybe it could have been accepted before. Maybe.

All I'm saying, Mr. Speaker, is that this is not just a contest to see who is strongest. You know, this isn't just rolling-up-your-sleeve time and doing an arm wrestle. This is supposed to be a melding of ideas. This is supposed to be that place, that Chamber where that happens. So all we ask from the opposition side is that the government just settle down, just be comfortable with their governing. They've got their majority. Take a deep breath and listen to what's being said. Don't see it all as just being politics being played out for some imaginary audience. Take it at face value. Imagine, just for a minute, that what goes on in this Assembly actually makes a difference. If you imagine that, then maybe the members of the government could have open minds about the nature of debate, and maybe we wouldn't see drafting mistakes in Bills about 'trusspass' or drafting mistakes in Bills about agricultural issues. Maybe we wouldn't see all of these amending Bills. Maybe – just maybe – the people of Alberta would be better served.

Mr. Speaker, when I look at this adjournment motion – and it's

very unusual that we would spend this much time debating really a notice of motion that at some point we're going to adjourn, because obviously at some point we're going to adjourn – let's put this into context. Let's put this into the context of a session that started off on the low point of having to actually debate the nature of free votes. Let's put this into the context of a session that started off with the suggestion that there was no reason for a fall sitting, because the government may not have an agenda. The government confuses the role of the Legislature with its own agenda. The role of the Legislature is to hold the government accountable; the role of the Legislature isn't just to advance the government's agenda. They need to get that clearly in mind. Put it in the context of a huge budget that we were asked to pass. Put it in the context of a big budget surplus and a pending Growth Summit. Put it in the context of almost three dozen pieces of legislation. You can understand the frustration on this side of the House about rushing to conclude the session.

We know, Mr. Speaker, that no matter how much we enjoy this, it's going to come to an end. We're not opposed to having a responsible period of debate and then ending it, but we are opposed to an artificial use of force to shut down democracy. We are opposed to an arrogance that suggests that we don't need to discuss these issues. It's not enough for the government to be content that just because they discussed it in their caucus, it all must be okay. People need to take that extra leap of faith and not just trust their own caucus and their own front bench. They need to take that extra leap of faith that they ran to be a Member of this Legislative Assembly, and they have to trust the decisions and the wisdom of this Legislative Assembly, not just their own side of the House.

That's why we've engaged in this debate, Mr. Speaker. That's why we've made the comments that we've made. I hope in some small way some of the things that we've said will ring a bell, some of the things we've said will take root. Maybe the next time we do get together – and I hope it's in the fall, because I believe the people of Alberta need a fall sitting. I believe this government needs to be held accountable. I mean, they pass legislation to keep themselves honest. I think the least we can do is come into this Legislative Assembly to help the government achieve that honesty. I hope that the next time we get together, maybe some of these thoughts will be reflected on, we'll have a better experience in this Chamber, we'll pass better laws for the people of Alberta, and ultimately we'll all be better parliamentarians.

With that, Mr. Speaker, I will conclude my comments. If I could do it all by myself, I would call for a recorded vote, but I'll have to wait until somebody over there yells “question,” which has been their sole contribution to this debate so far. Then my colleagues will do what they have to do to get that recorded vote.

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

MR. PHAM: Thank you, Mr. Speaker. After listening to the Liberals making the same speech 18 times, I think that it's time for me to join in and explain to them the reason why we need this motion. Yesterday the Leader of the Opposition started the debate by saying that this motion would very likely lead to the closing of a Legislative session shorter than any other spring session in history. I keep asking myself: what is wrong with that? Since when does longer have to be better? Not everything in life has to be like that. That's very important.

Speaker after speaker said that \$15,000 is too much for

democracy. I say: \$15,000 is not too much for democracy, but \$15,000 will be too much for filibustering. The perfect example is the speech on this motion. Eighteen of them made almost exactly the same speech. I cannot tell you how frustrating it is for us to sit back here and listen to all this garbage.

THE DEPUTY SPEAKER: The Member for Edmonton-Meadowlark is rising on a point of order.

Point of Order Inflammatory Language

MS LEIBOVICI: Section 23(h), (i), and (j), inflammatory language, imputing motives. The reality is that if it takes 18 speeches for it to sink into the member's head, what we are saying, then maybe there needs to be 18 speeches. The reality is that it is not garbage. The reality is that there are rights that citizens of the province have. This is a democracy that we live in. And if the member feels that two months is an adequate time period, then maybe it should be one day in this Legislative Assembly. Maybe it should be two days. The reality is that there should be no time limit or cost to democracy within this Legislative Assembly, and I request that the member . . .

12:10

THE DEPUTY SPEAKER: I think the hon. member has made her point, which seems to be even longer than the speech that prompted it.

Calgary-Montrose to the point of order, please.

MR. PHAM: Mr. Speaker, I wish I could use some other word different than “garbage.” It is very difficult for me to find another word different than that. If the hon. member can come up with some other word to help me out, then I will be more than happy to take it.

THE DEPUTY SPEAKER: The Chair would observe that the hon. member has referred in an unparliamentary way to the speeches made by other members of the House, and I think it would be appropriate to withdraw those remarks.

MR. PHAM: Thank you, Mr. Speaker. Then I will withdraw it, but then focus on the other point that was made during the debate.

THE DEPUTY SPEAKER: That's the first part. The objection of the hon. member was – the hon. Member for Calgary-Montrose is referring in an unparliamentary fashion to the speeches that others have made. I think that's the point. Now, you've withdrawn the offensive term. If you would continue but without offending parliamentary practice.

Debate Continued

MR. PHAM: Thank you, Mr. Speaker. Then the members from the opposition went on saying that we abused democracy by bringing this motion in. I think that nothing is further from the truth than that, because the worst enemy of democracy and the worst enemy of debate is filibuster. If you have something important to say, say it shortly, concisely, then sit down. You don't have to go on for 20 minutes, one person after another making exactly the same point. Then they went even further to second-guess the minister's intention and ask why the minister needs to bring in a Bill for debate and then not have a fall session.

Number one, nobody's saying that we won't have a fall session.

We may or may not have it. If it is the case, if the minister feels that they don't need to have a fall session to pass the legislation, that means that the legislation may not be needed. That's fine. I can live without that legislation. If they feel that the legislation is needed and is important, they will do their job to convince us to come back to the House and pass that legislation. The reason that we tabled the legislation today is because we need the public input, we need Albertans' input on it. There is nothing wrong with asking Albertans what they want the government to do.

It's very important to remind the hon. members from the opposition side that we have just gone through an election where we asked Albertans what kind of government they wanted to choose, and they would like to choose a government that stays out of people's lives. They don't want a government that brings in tonnes and tonnes of legislation. They don't want a government to spend months and months in this building.

Then they went even further. They said that the only place where we have to answer to Albertans is in this House. That is not correct. Nothing is further from the truth than that. We have to answer to Albertans every day, everywhere, in every corner of the province.

Mr. Speaker, I see the stop sign from my member on the other side, so I will sit down and then I will call the question.

THE DEPUTY SPEAKER: The hon. Government House Leader to close debate on Motion 22.

MR. HAVELOCK: Mr. Speaker, I'll be very brief.

AN HON. MEMBER: Oh, no. Don't be brief. Make them sweat for a while.

MR. HAVELOCK: Make them sweat? Well, I'm sweating more than they are.

Nevertheless, Mr. Speaker, I will be very brief. Despite what we've heard during the past couple of days from the opposition, I do believe this has been a very productive session. We've passed a good deal of legislation. I think most of it's very positive. In fact, this evening we had good support from the opposition to bring in some legislation.

The adjournment motion that's been debated certainly does not mean that tomorrow we'll be adjourning. From what I understand, actually it's typical to bring the adjournment motion in at the beginning of session as opposed to leaving it to the end, and we may consider doing that next time to avoid this type of debate. Nevertheless, I would like to simply indicate that I think this has

been a positive experience for this House. We've done a lot of work this session. We have a few more days to go. Let's not lose sight of the fact that if we can accomplish business over the next few days like we did tonight, then I think Albertans will be well served.

Thank you.

THE DEPUTY SPEAKER: Having heard the motion by the hon. Government House Leader, all those in favour of this motion, Motion 22, please say aye.

SOME HON. MEMBERS: Aye.

THE DEPUTY SPEAKER: Those opposed, please say no.

SOME HON. MEMBERS: No.

THE DEPUTY SPEAKER: Carried.

[Several members rose calling for a division. The division bell was rung at 12:18 a.m.]

[One minute having elapsed, the Assembly divided]

[The Deputy Speaker in the Chair]

For the motion:

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|----------|------------|-----------|
| Amery | Havelock | Pham |
| Broda | Herard | Renner |
| Burgener | Jonson | Severtson |
| Cao | Klapstein | Shariff |
| Coutts | Kryczka | Smith |
| Day | Laing | Stelmach |
| Ducharme | Magnus | Stevens |
| Dunford | Marz | Strang |
| Forsyth | Melchin | West |
| Graham | Paszkowski | Yankowsky |

Against the motion:

| | | |
|----------|-----------|--------|
| Blakeman | Leibovici | Nicol |
| Dickson | MacDonald | Sapers |
| Gibbons | Massey | |

| | | |
|---------|----------|-------------|
| Totals: | For - 30 | Against - 8 |
|---------|----------|-------------|

[At 12:20 a.m. on Thursday the Assembly adjourned to 1:30 p.m.]