

Legislative Assembly of Alberta

Title: Monday, June 16, 1997 1:30 p.m.
 Date: 97/06/16
 [The Speaker in the Chair]

head: **Prayers**

THE SPEAKER: Good afternoon and welcome. Today's prayer comes to us from the pen of former Speaker Gerard Amerongen. Let us pray.

Our Father, we thank You for Your abundant blessings to our province and ourselves.

We ask You to ensure to us Your guidance and the will to follow it.

Amen.

Please be seated.

head: **Presenting Petitions**

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

MR. DICKSON: Thank you very much, Mr. Speaker. I have three different petitions. The first one is signed by nine Calgarians protesting "the \$25 application fee to access government records . . . under the Freedom of Information and Protection of Privacy Act regulations."

The second one has 19 signatures of Albertans in different parts of the province concerned about access to long-term care. Then I have a further petition signed by 291 Albertans similarly with concerns about access to long-term care and the wish that access be provided "in an equitable manner within the publicly funded system."

Thank you.

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

MRS. GORDON: Thank you, Mr. Speaker. I would like to present a petition on behalf of 3,059 concerned citizens from Lacombe and district wherein they have asked for additional long-term care beds in Lacombe and further state that

this can be accomplished

1. In the short term by opening the beds that are currently closed in the Lacombe Community Health Care Centre.
2. In the long term by proceeding with the 25 bed expansion originally proposed for the Lacombe Long Term Care Facility.

MS BARRETT: Mr. Speaker, I'm pleased to introduce yet another petition asking for the government of Alberta "to introduce legislation that would prevent the use of replacement workers during strike action." They're still coming in. This petition's signed by 60 Albertans.

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

MRS. SLOAN: Thank you, Mr. Speaker. I am pleased to table a petition signed by 24 Calgarians calling on the government of Alberta "to abandon [their] plans to regionalize and privatize Child Welfare Services."

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

MS CARLSON: Thank you, Mr. Speaker. I wish to table four copies of a letter from Danny Kinal, who is appalled that Bill 209,

which supports private education in an elitist way with restricted entry, two-tiered, and not accountable to society as a whole, was introduced.

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

DR. PANNU: Thank you, Mr. Speaker. I am pleased to table a petition signed by 904 Albertans. The petition asks the Assembly to "raise the amount of the Assured Income for the Severely Handicapped grants" – the program's name is AISH, as is well known – to offset the effects of inflation and the goods and services tax, which has been introduced since the last time the AISH amount was adjusted.

head: **Introduction of Bills**

THE SPEAKER: The Government House Leader.

MR. HAVELOCK: Thank you, Mr. Speaker. I request unanimous consent of the Assembly to waive Standing Order 38(1)(d), requiring notice to introduce a Bill.

THE SPEAKER: Is there unanimous consent to waive Standing Order 38(1)(d) in order for the Government House Leader to introduce Bill 34?

HON. MEMBERS: Agreed.

THE SPEAKER: Opposed? Carried.

The hon. Government House Leader.

Bill 34

Miscellaneous Statutes Amendment Act, 1997

MR. HAVELOCK: Thank you, Mr. Speaker, and thank you, members of the House. I request leave to introduce a Bill being the Miscellaneous Statutes Amendment Act, 1997.

[Leave granted; Bill 34 read a first time]

head: **Tabling Returns and Reports**

THE SPEAKER: The hon. Minister of Environmental Protection.

MR. LUND: Thank you, Mr. Speaker. In keeping with this government's accountability and openness, I wish to table with the Assembly four copies of the Alberta Special Waste Management Corporation's annual report for 1996.

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

MR. BONNER: Thank you, Mr. Speaker. I beg leave to table four copies of a letter from the Disenfranchised Widows Action Group, Alberta chapter.

THE SPEAKER: The hon. Member for Edmonton-Castle Downs.

MRS. PAUL: Yes, Mr. Speaker. I wish to table four copies of a petition signed by 784 people who do not wish to see Moonshine provincial park privatized. This park lies west of Fairview. It is an important amenity for the area, and people fear that they will lose access to many of the recreational benefits that they now enjoy in the park.

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

DR. MASSEY: Thank you, Mr. Speaker. I beg leave to table four copies of a report from the Liberal caucus indicating that we had received 51 letters in support of Bill 209 and 734 letters and faxes from citizens opposed to it.

MRS. McCLELLAN: Mr. Speaker, I'm please today to table four copies of a letter I sent this morning to Mayor Al Duerr of Calgary. Much of the focus has been on the Expo 2005 bid, but in this letter I thank the mayor and all Calgarians and other Albertans for the tremendous work they've done to bring the World Police/Fire Games to Calgary. They will be here from June 27 to July 4. Over 8,000 athletes, thousands of volunteers will be attending this event. I'm sure, like everyone in this Assembly, we are congratulating and thanking Calgary for helping make our province the site for a world-class event.

MS BARRETT: Mr. Speaker, I'd like to file with the Assembly four copies of a draft Bill, Labour Relations Code Amendment Act, 1997, the substance of which would be to initiate action to prevent the use of replacement workers during strike action.

MR. DAY: Mr. Speaker, a number of tablings. First, an offering circular for Alberta's Euro medium-term note program, which is filed with the London Stock Exchange, dated December 18, '96.

Secondly, form 18K, filed with the Securities and Exchange Commission for the year ended March 31, '96.

Third, securities registration statement filed with the Japan Ministry of Finance in November '96 to allow the government of Alberta to proceed with its \$30 billion yen debt issue. These documents are provided in both Japanese and English.

Responses to Written Question 8 and to motions for returns 11, 12, 27, 28, 32, 33, and 34; response from the Auditor General regarding the April 23, '97, request to review the policies used and the values reported for the province's outstanding loans, guarantees, and long-term investments; and copies of the '95 and '96 annual reports for the Members of the Legislative Assembly pension plan as required by section 4 of the Members of the Legislative Assembly Pension Plan Act.

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

MRS. SOETAERT: Thank you, Mr. Speaker. I'd like to table four copies of a letter sent by the head of the water operations branch of the Department of Environmental Protection which indicates that the government knew that the dike at Pats Creek had to be fixed before the floodwaters came, before downtown Peace River was flooded, yet this government did nothing.

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

MRS. SLOAN: Thank you, Mr. Speaker. I am pleased to table four copies of a Capital health authority report on admission waiting times for the period of 5:23 a.m., May 9, to 10:17 a.m., May 10.

THE SPEAKER: Hon. members, I am pleased to table with the Assembly four copies of the Legislative Assembly officers' salaries and benefits disclosure information for the year ended March 31, 1997, pursuant to a decision of the Special Standing Committee on Members' Services.

head:

Introduction of Guests

1:40

THE SPEAKER: The Deputy Government House Leader.

MRS. BLACK: Thank you, Mr. Speaker. I am very pleased to be able to introduce to you and to members of the Assembly the chairman of the China Alberta Petroleum Centre, Mr. Shi, and members of the board of directors. The China Alberta Petroleum Centre is a co-ordinated project between the government of Alberta and the China National Petroleum Corporation. The mandate is to enhance the exchange of petroleum science and technology and to promote trade between the China National Petroleum Corporation and Alberta. I would ask that the delegation rise and receive the warm welcome of the Assembly.

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

MS BLAKEMAN: Thank you, Mr. Speaker. I'm very pleased to rise today and introduce to you and through you to members of the Assembly 24 students and their teacher from St. Catherine community school. This is a very diverse and exciting school, and I'm very proud to have it in my constituency. Their teacher is Mr. Terry Machtemes, and I would ask them to please rise and receive the warm and traditional welcome of the Assembly.

MRS. O'NEILL: Mr. Speaker, it gives me pleasure to rise today and introduce to you and through you to members of the Assembly 55 students from Albert Lacombe school in St. Albert. They are here with their teachers Paddi Brown and Steve Mazer and with parent assistants Bonnie Hoyer, Linda Stanley, and Maureen Brennan. I would ask them to stand and receive the warm welcome of the Assembly.

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

MR. BONNER: Thank you, Mr. Speaker. I'd like to introduce to you and through you to members of the Assembly three members of the Disenfranchised Widows Action Group, Alberta chapter, who are seated in the public gallery. They are Carolyn Bérubé, co-chair, Shirley Fry, and Leta Schmaltz, and I would ask them to rise and receive the traditional warm welcome of the House.

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

MR. ZWOZDESKY: Thank you, Mr. Speaker. I rise to introduce three guests, two of them being from the area of Ternopil, Ukraine. They are Halyna Vasylyuk and Taras Hryhorkiv, who are here along with my mother, Anna Hryhor Zwozdesky. They're really here for the purpose of celebrating the 100th anniversary since the Hryhor clan's arrival in Canada. I would ask that they rise and receive the very warm welcome of our House.

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

DR. MASSEY: Thank you, Mr. Speaker. It's my pleasure to introduce to you and through you to members of the Assembly Costas Kastros. Costas is a University of Alberta student who is spending his summer helping out in the Edmonton-Mill Woods constituency office. With your permission, I'd ask Costas to stand and receive the traditional welcome of the Assembly.

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

DR. PANNU: Thank you, Mr. Speaker. I am pleased to introduce to you and through you to the members of this Assembly 17 individuals enrolled in the English language program at the University of Alberta. They are accompanied by their teacher Mr. Murray McMahon. May I ask the visitors to rise and receive the warm welcome of this Assembly.

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

MR. YANKOWSKY: Thank you, Mr. Speaker. I rise to introduce two guests with us this afternoon. They are my constituency office assistant, Viviane Theriault, and our STEP student, Danica Balko, who are visiting with us this afternoon to observe question period. They are seated in the members' gallery, and I'd like to ask them to rise at this time and receive the very warm welcome of this House.

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

MR. CAO: Thank you, Mr. Speaker. I'm very pleased to introduce to you and through you to the Assembly a guest from my constituency, Sandra Wilson. Sandra has been very active in community work, serving as the liaison co-ordinator for the Family Resource Centre in the Millican-Ogden community. Sandra is now working as my constituency office manager. I would like to ask Sandra to rise and receive the warm welcome from the Assembly.

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

MRS. SOETAERT: Thank you, Mr. Speaker. I'd like to introduce to you and through to you to the members of the Assembly a friend in the gallery today. Mr. Raymond Rouault is a very successful farmer in the Villeneuve area, though I think he spends a great deal of time fishing and golfing these days. I would like him to please rise and receive the warm welcome of the Assembly.

head:

Ministerial Statements

Public-sector Pensions

MR. DAY: Mr. Speaker, as Albertans know, this government has enacted laws to ensure that the province's net debt and unfunded pension obligations are eliminated in an orderly fashion. While the net debt is now on track to be eliminated in nine years, our pension obligations are legislated to be paid up over a period of about 45 years. There are nine public pension plans, and the target date for becoming fully funded varies with each plan. Pension liabilities must be re-estimated at least every three years. Our estimate in 1994 projected the liability would grow to \$6.08 billion by March 31, 1997.

Mr. Speaker, I have the privilege today of announcing that the financing of all public-sector plans has improved markedly beyond our original expectations. I can also advise that the Auditor General's office has concurred with this improvement in actuarial projections. I am pleased to report that the government's pension liability is now expected to be \$4.98 billion at the end of March '97. That means we are \$1.1 billion ahead of where we were

supposed to be based on the estimate included in Budget '94. This better than expected result is due to a number of factors: better than assumed investment performance, lower salary cost projections and numbers of plan members, and sound guidance of the plans by the pension boards.

I should also note that this \$1.1 billion improvement does not include another \$965 million in gains shown in the pension plans' own accounting statements, of which the government's share is just over \$600 million. If this trend continues, we anticipate that two of the largest plans – namely, the local authorities pension plan and the public service pension plan – will likely be fully funded within five years, well ahead of the 45-year schedule originally set. In this event Alberta taxpayers can look forward to cash savings of about \$25 million annually from these two plans alone. Municipal and local authority employers as well as employees in these plans will also directly benefit from the plans' becoming fully funded because they will not be required to make additional contributions. As well, the employees will have the extra security of belonging to a fully funded plan.

Mr. Speaker, to review briefly the history of pension reform, the Alberta government introduced pension reform in 1993 to eliminate the pre '92 unfunded pension liabilities of the public-sector pension plans. This legislation also required all pensionable service after 1991 to be fully funded. The legislation reflects agreements reached after negotiations over two years with the pension stakeholders, representing approximately 210,000 employees and 580 employers. Payments toward the unfunded liabilities are shared among employees, employers, and the government. The unfunded liabilities represent actuarial assessments of the difference between the present value of benefits payable in the future for pre-1992 service and the current value of assets in the pension plan funds.

Mr. Speaker, the government remains committed to pension reform and keeping public-sector pension plans on a sound financial track. All 210,000 employees who participate in Alberta's public pension plans have the security of knowing their plans are being managed responsibly and invested wisely and that our target dates for becoming fully funded are being exceeded well ahead of time.

Thank you, Mr. Speaker.

1:50

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

MR. ZWOZDESKY: Thank you, Mr. Speaker. I am pleased to provide a response to the hon. Provincial Treasurer with regard to the pension reforms that he's mentioned. I want to say at the outset that eliminating Alberta's net debt and eliminating Alberta's gross debt have been two very important planks in an otherwise well-publicized and well-known Alberta Liberal platform over many, many years, so quite obviously we would certainly support and advocate for support for this type of pension reform, which we have been advocating and supporting for quite some time. But, yes, we do agree that it has to be done with a very detailed plan. I understand from the Provincial Treasurer's words that there is a plan forthcoming in that regard, and it does provide for a longer view of pension reform, which we also welcome.

We have current liabilities in the unfunded pension plan of over \$6 billion as part of a gross debt in this province, Mr. Speaker, which rivals something in the neighbourhood of \$27 billion or \$28 billion, so prudence and care must obviously be exercised in any kind of a plan that the government would wish to bring forward at this time. We have long urged the government to bring

forward such a plan and to properly record this unfunded aspect of the debt, this unfunded pension liability, as a part of the province's net debt picture so that individuals could clearly see what it is that's owing, in what amounts, and to whom. Of course, we are happy on this side of the House that the government has now seen this issue from that collective perspective, specifically from the perspective we first advanced, and that they are acknowledging their great responsibility in this regard. I wish them well with that.

To understand the unfunded pension liability, Mr. Speaker, is to realize that this amount is actually an estimate based on future events, so such factors as length of work and salaried days are taken into account as well as the actual length of one's anticipated retirement. Now, the reason it's viewed in this definition as unfunded is of course because the pension in question has not yet been contributed to; in other words, the amount that we acknowledge as being unfunded reflects the actual amount owing if the government had to cut one single cheque today. That \$6 billion, therefore, is properly recorded as net debt owing by the province. This explains why we've always said that this amount is significant and needs fuller discussion and needs to be acted on quickly.

The Treasurer has indicated that we now have better estimates, that we now have set targets, that they have improved the financing for the plan, that they have the blessing of the AG's department regarding actuarial statements, and that the government is in fact ahead of its projections to bring down the debt owing as unfunded within, I believe he said, a period of five years. This is welcomed pension reform. We certainly support it. If the cash savings are going to be \$25 million through this move, Mr. Speaker, imagine what they would have been if we had been able to act a little more quickly and brought this in when it was first introduced five years ago. But I do want to congratulate the Treasurer on bringing it forward at least at this time, as we wrap up this session. The benefits that accrue to employees also accrue to taxpayers, and those benefits are shared by all.

Thank you very much.

THE SPEAKER: Hon. members, prior to proceeding with Oral Question Period, might we revert briefly to Tabling Returns and Reports?

HON. MEMBERS: Agreed.

head: **Tabling Returns and Reports**
(*reversion*)

THE SPEAKER: The hon. Minister of Labour.

MR. SMITH: Mr. Speaker, thank you, and thank you for the indulgence of the House. I wish to table the 1996 year-end annual financial statements of the Workers' Compensation Board of Alberta.

head: **Oral Question Period**
Workers' Compensation Board

MR. MITCHELL: Mr. Speaker, the Workers' Compensation Board maintains a double standard regarding pensions for widows of workers who were killed on the job. The government set an arbitrary date of January 1, 1982. If widows remarried after this date, they continued to receive their widow's pension from the WCB. Widows, however, who remarried before that date have been deemed ineligible to receive their pensions. To the Minister

of Labour: since the Workers' Compensation Board will not change this discriminatory practice unless the minister himself tells them to do so, will he act now to ensure that these disenfranchised widows receive fair and equitable treatment?

MR. SMITH: Mr. Speaker, I thank the Leader of the Opposition for the question. Of course, as he well knows, the Workers' Compensation Board is an employer-funded organization that is represented with a governance model of employers, employees, and injured workers, and I know that they will be eager to respond in detail to this information.

Mr. Speaker, I will say that benefits for dependent spouses are determined by the legislation in effect at the time of the accident and that the benefits have improved significantly over the years.

MR. MITCHELL: Mr. Speaker, let's get to the heart of this. Does the minister think that it is fair for one group of widows to receive this pension while another group doesn't receive it simply because they remarried before an arbitrary date set by government? Government took that initiative, not the WCB and not the employers that they represent or the employees that they represent. Government did that. They set the arbitrary date. Is it fair how it has worked out for widows who aren't receiving their pensions?

MR. SMITH: Mr. Speaker, I think that when you look at the situation of the WCB and how it is funded completely by employers' premiums, not by any taxpayers' dollars, the tremendous progress they have made both in terms of lowering premiums for employers as well as significantly increasing benefits for injured workers and for the other ancillary individuals who are attached to those unfortunate incidents that certainly a fatality causes, the WCB will look, as I say, with interest upon this question. The legislation that has built up over a period of time will be examined to ensure that every individual who is in a position to benefit from the WCB through a very unfortunate circumstance will be examined on its merits.

MR. MITCHELL: Of course, the WCB is not going to do it until the minister tells them to, Mr. Speaker.

How can the minister deny Alberta widows this pension when B.C. widows are now receiving a similar pension because they won a Charter of Rights challenge in the courts on this question of discrimination?

MR. SMITH: Ah, Mr. Speaker, we certainly do not take the lead from events that unfold in British Columbia. I can tell the Leader of the Opposition for the third time that he well knows that the WCB is an employer-funded organization and that the board and the governance model of the board is employers, employees, injured workers. We do know that Alberta legislation treats all widows equally and according to law in effect at a given point of time. The benefits that were in place in Alberta before 1982 reflected the law in effect at the time, and the workers' compensation law will continue to change to meet the laws of society.

I thank the member for bringing this to the attention of this House.

Conflicts of Interest Act

MR. MITCHELL: In December 1995, Mr. Speaker, the Premier called for the Ethics Commissioner to establish an eminent persons committee headed by Dr. Tupper to review the conflicts

of interest guidelines. Amongst other recommendations, the panel recommended that former cabinet ministers be prohibited from using their influence and government contacts in any dealings with government departments and agencies until 12 months after they had left government. To the Minister of Justice: why did the minister reject the proposal to extend this cooling-off period for ministers from six months to 12 months after they leave government?

MR. HAVELOCK: Well, Mr. Speaker, there's nothing like old news. In fact this was disclosed probably four or five months ago when the government announced which recommendations it was accepting. Caucus discussed the recommendation, and it was simply felt that a six-month period was suitable, that a 12-month period was unduly harsh and lengthy. I will say, nevertheless, that we still have confidence in people who leave government on both sides of the House that they will not do anything inappropriate during the six-month period or any time thereafter quite frankly.

MR. MITCHELL: Why, Mr. Speaker, did the minister reject the proposal to include senior public servants and executive assistants to ministers and the Premier under the conflicts of interest guidelines?

2:00

MR. HAVELOCK: The route we decided to take, Mr. Speaker, was strengthening the code of ethics, and in fact a number of the recommendations which were put forward by Tupper are being included in that code.

MR. MITCHELL: To what extent is the government monitoring the six-month cooling-off period for those cabinet ministers who left after the March 1997 election?

MR. HAVELOCK: Well, Mr. Speaker, certainly any former cabinet minister that approaches, for example, the Department of Justice with respect to an issue – we certainly are well aware of when they have left government, and I would expect that all members on the front bench, in fact all members of caucus would do the same. Again, we haven't had any problems whatsoever with respect to this to date.

THE SPEAKER: Third main opposition question, the hon. Member for Calgary-Buffalo.

Alberta Cancer Board

MR. DICKSON: Thank you, Mr. Speaker. The chairman of the Alberta Cancer Board, himself a former Conservative cabinet minister, recently took steps to assist the former MLA for Calgary-Glenmore in her transition from government. The chairman apparently persuaded the Alberta Cancer Board to award a contract for the benefit of Ms Dianne Mirosh, who until March 11, 1997, was the minister of science and research. My initial question would be to the Minister of Health, the minister responsible for the Alberta Cancer Board. What role did this minister's office play in the reported \$100,000 parachute so generously provided from taxpayer dollars for the benefit of Ms Mirosh?

MR. JONSON: Mr. Speaker, as a provincial board any contract or hiring is conducted through the administrative powers of the board and its administration, and I expect that the information or the

checking with respect to any conflict of interest and the requirements of the legislation has been done.

MR. DICKSON: Mr. Speaker, my next question, then, would go to the current minister of science, research, and information technology. Since the Alberta Cancer Board spends \$7.1 million on more than 150 different research projects, what role does his department play in supporting and promoting that kind of research in Alberta?

DR. TAYLOR: Well, Mr. Speaker, we're in the process, as some of the members of the opposition recognize, of amalgamating and co-ordinating research in this province. We are in fact in the process of just doing that. We are meeting with various groups at the present time, and we will be promoting research in all areas.

MR. DICKSON: Mr. Speaker, my final question would go to the deputy Premier. Since Ms Mirosh was engaged in promoting health research just three months ago, how does the deputy Premier defend what appears to be a clear conflict of interest?

MR. DAY: Speaking as the Acting Premier, I can say that there are a number of times when opposition raises issues. There are some of those times when the information is accurate, and there are other times when it is not accurate. To respond assuming total accuracy and, even if it is accurate, that it has some bearing on the legislation, would be presumptuous, so I'd be happy to take it under advisement and respond to him then, Mr. Speaker.

THE SPEAKER: The leader of the ND opposition, followed by the hon. Member for Little Bow.

MS BARRETT: Mr. Speaker, thank you. Thank you in particular for the flowers and letters that you sent to me and my family last week, and thank you to all members of the government caucus – all members of the government caucus – who sent me flowers, cards, and particularly the Provincial Treasurer who sent me the most inspiring handwritten note that I received last week. But I am my mother's daughter, and I am back on the job.

Prescription Drugs

MS BARRETT: I have just discovered a recent study that shows that Alberta allows the highest average dispensing fees for prescriptions and the highest dispensing-fee ceiling of all Canadian provinces. Bringing the average dispensing fee to the average of all Canadian provinces would save Albertans and the government \$25 million a year. My question, therefore, to the Minister of Health is this: how can this government, which just loves to boast about having the lowest tax regime in Canada, justify prescription drug policies that cost provincial taxpayers millions of dollars in excessive fees, fees that are 8 percent higher than the next highest province?

MR. JONSON: Mr. Speaker, if the question is with respect to overall drug costs and that particular area, we have had under way a number of initiatives: the development of the pharmacare research initiative; we've had discussions with respect to cutting down the utilization of drugs in this province. We've made modest progress, I would have to acknowledge, but it is certainly a priority with respect to our overall business plan, and we are making some progress there.

As far as the statement is concerned that we have the highest average dispensing fee, that is correct according to our statistics, Mr. Speaker. It is something that we have been in negotiations with the Pharmaceutical Association over, and in the overall area of drug costs we hope to control them and reduce them in the future.

MS BARRETT: That was sufficiently vague.

Mr. Speaker, precisely what actions are the minister and his department taking? He hasn't told us what steps at all he's doing to get these ridiculously high dispensing fees lowered.

MR. JONSON: Well, Mr. Speaker, the hon. member, above perhaps almost anybody in this Assembly, is an advocate of there being a process where the two parties sit down and negotiate a new agreement. Certainly we want to see a reduction in the overall costs for drugs in this province, and we are working in that particular direction.

MS BARRETT: Well, given that one of the reasons Alberta's average prescription dispensing fee is so high is because the maximum fee allowed on provincially controlled drug plans is also the highest in Canada, will the minister now let us know if he's taking any actions to reduce the dispensing fees charged to seniors, social allowance recipients, government employees, and others covered under provincial drug plans?

MR. JONSON: Well, Mr. Speaker, there is a scale with respect to the amount of the dispensing fee that can be charged. For instance, it is in the area of \$9 for drug orders up to \$75, but even at the present time, the average dispensing fee in the province is \$8.60. So I do not think that we've allowed this to run away, and it certainly hasn't reached the maximums that were provided for.

Thank you.

THE SPEAKER: The hon. Member for Little Bow, followed by the hon. Member for Edmonton-Gold Bar.

Freedom of Information

MR. McFARLAND: Thank you, Mr. Speaker. My question today is to the Minister of Labour, responsible for freedom of information concerns. Mr. Minister, over the past number of years I have received as close to zero as you can get as far as inquiries go on information related to the freedom of information document. What I would like to know is: how many inquiries have there been this past year from the private and public sector over freedom of information issues?

MR. SMITH: Thank you, Mr. Speaker. Actually it's a very good question from the Member for Little Bow, and I thank him for it, because interestingly when people talk about comparisons with rural constituencies and urban constituencies, likewise the constituency of Calgary-Varsity has had zero - zero - calls about freedom of information, the policy, how it works, what's going on. If you take no interest as respect for a job well done, then that in effect could be what's happening.

I can inform the member that for the fiscal year just ended, there were 1,270 requests for information. This is above the 970 requests for information that took place in the six-month period last year. So the growth factor there, unlike the growth of the Alberta economy, is not the same.

MR. McFARLAND: Thank you, Mr. Speaker. The second question, then, to the same minister is: what is the cost and what's the size of this bureaucracy that's required to provide a service which might have been better spent in other areas?

MR. SMITH: Again, a very important question because there are two sides to the discussion. One, there can be no price on freedom, and there can be no price on openness and accountability and access. I think, Mr. Speaker, you see that from this government when at no charge it issues quarterly financial statements, when it has an annual audit, when there are three-year business plans. These are all available to people throughout Alberta, indeed Canada, because I know other governments use our planning process as a benchmark and the good work that all the ministers do in the three-year business plans, as well as a tremendous input by all the private members through the standing policy committees.

2:10

What I can tell you is that although there is no price to freedom, there is a small gratuity for it. In fact, Mr. Speaker, the government of Alberta now spends as a direct cost of administering this legislation \$3.9 million. That is \$3.9 million which handled 1,270 requests for information in the last 12-month period. This cost includes funding the office of the Information and Privacy Commissioner, thankfully a part-time job, about 60 staff. The other side of the equation, the revenue side of the equation: \$30,000, which means the average cost per request, Mr. Member, is \$3,070.

MR. McFARLAND: Thank you, Mr. Speaker. My final question to the minister after I quickly calculate it: if we're spending about \$3,070 per inquiry, what's the benefit to this government and my constituents of blowing this kind of money on information that could properly go into other areas?

MR. SMITH: That is an excellent question, and I'll try to give it an appropriate response. There is value to this service. It will be a service that is continued by the department. There's also a financial responsibility component. One of the reasons why there are 63 members of the governing party, Mr. Speaker, is because of its financial responsibility. We intend to stay with that. We intend to stay with simple reports. We intend to deliver a financial statement, and we want to ensure that the value is there for access to freedom of information and protection of privacy as well but not letting this cost get out of line. We cannot let this happen.

THE SPEAKER: The hon. Member for Edmonton-Gold Bar, followed by the hon. Member for Lac La Biche-St. Paul.

Confidentiality of Registry Information

MR. MacDONALD: Thank you, Mr. Speaker. Recently a constituent in Edmonton-Gold Bar was alarmed to find that personal information had been obtained from a motor vehicles registry office and was being used by an individual to harass him and to stalk his wife. Albertans are concerned about their personal information held in these databases being accessed for commercial or other improper purposes. Vital statistics information about Albertans will soon be available on-line by computer to various private companies under Bill 11. My questions today are to the Minister of Municipal Affairs. What

are you doing to prevent secondary use of private information? By private information I mean that information collected for one purpose must not be used for another purpose without the consent of the individual.

MS EVANS: Mr. Speaker, there are a number of security provisions that are provided not only within the registries themselves but through Municipal Affairs and the agreements we have with registries. They may wish to provide to me the circumstance the hon. member has spoken about so I can pursue that. Moreover, we have a review that is taking place with the Freedom of Information and Protection of Privacy Act, with that review being conducted in terms of those accountability principles and the sale of information starting at the end of the month.

MR. MacDONALD: Thank you, Mr. Speaker. What steps are you taking to ensure that personal, private information does not find its way legally or illegally into the hands of information brokers or unstable individuals such as the one that was harassing my constituents?

MS EVANS: Mr. Speaker, in the first instance, I do not want to take claim or lay blame to anybody in terms of harassment. That is certainly not the intent of the ministry nor the area of retaining information. I am going to tell you that we will be reviewing all of our procedures, and I would be pleased to table in this House those security provisions that do exist and any further things that are discovered. We have had a consultant's review. There has been nothing inordinate that's been drawn to our attention, but in the matter of freedom of information we are looking still further into the scope of that.

MR. MacDONALD: Thank you. Are you going to do a privacy impact assessment under the Privacy Commissioner? Is that what you're planning on doing?

MS EVANS: Mr. Speaker, I do not want to predicate what the Privacy Commissioner is going to say. On two of the successive responses I have indicated that he will have a review. If there is further information to be imparted, I will at that time. I think that what has certainly been conducted by over 200 registry agents in Alberta as well as our department is a most valued service, and it is one which is conducted under the most rigid provisions thus far. If there's further information to be shared, I'll be happy to do that. If the hon. member wants more information about very specific detail, we will also be able to provide that for him in the present circumstance.

THE SPEAKER: The hon. Member for Lac La Biche-St. Paul, followed by the hon. Member for Edmonton-Mill Woods.

Employment Insurance Program Transfer

MR. LANGEVIN: Thank you, Mr. Speaker. Up till now the federal government has been delivering programs and services at UI buildings or employment office buildings throughout this province. Now under the new labour market agreement with the feds, the province is assuming that responsibility. I have a question to the minister responsible for advanced education. I'd like to ask the minister: with the transfer of responsibility to the province, are federal dollars following to pick up the extra cost to this province?

MR. DUNFORD: Mr. Speaker, first of all in the direction of the question to me, I want to point out to the hon. member that I am the Minister of Advanced Education and Career Development. It's very, very important, we think, in terms of the vastly growing economy here in Alberta that we keep that in mind.

Specifically the answer to the question is yes. We've signed an agreement with Human Resources Development Canada. So all of the federal dollars that have been associated with those programs have been transferred to the province. I think taxpayers of Alberta will be interested in knowing that the transfer also includes the resources necessary to administer and support the delivery of these programs and services. Mr. Speaker, the amount for 1996-97, the federal transfer, is \$107 million.

MR. LANGEVIN: Mr. Speaker, again to the same minister: will offices in rural Alberta, like St. Paul and Lac La Biche and others throughout the province, be closed because of this new agreement?

MR. DUNFORD: Well, Mr. Speaker, there are no plans to close any offices at the present time. As the staff and delivery structure from the feds fits in and meshes with our provincial government services that we've been providing, we're going to have to look at each delivery site actually on a case-by-case basis. Our objective, again to the Speaker and to all of the hon. members: we want to maintain and enhance services provided to Albertans because of this change in the program.

THE SPEAKER: The hon. Member for Edmonton-Mill Woods, followed by the hon. Member for Calgary-Fish Creek.

Education Funding

DR. MASSEY: Thank you, Mr. Speaker. The Edmonton public school board's '97-98 budget anticipates schools gathering in \$10.7 million through user fees and fund-raising, an average of about \$140 per student. Amongst schools the difference in funds raised and charged is huge. For instance, a west end elementary school will raise about \$39 per child whereas a south side elementary is planning on revenue of \$252 per child, almost six times as much. My questions are to the Minister of Education. How does the minister claim equitable funding when there are clearly large and growing inequities as a result of school-based fund-raising?

2:20

MR. MAR: Well, Mr. Speaker, there's no doubt that different schools will have different abilities to raise money for the very important things they feel they should be involved in. The question of equity as between and among schools within a school jurisdiction, that responsibility must rest with the school board, because we do provide to school boards the same per capita funding that we provide to all students within the public and separate system. As a result, if a school board sees an inequity as a result of more resources being available at a local level to a certain school, then they have the ability to redirect more money as they see fit to schools that have less opportunity to raise those kinds of moneys.

DR. MASSEY: Thank you, Mr. Speaker. To the minister: what is being done to reduce the further inequities that result from the government's matching funds policy?

MR. MAR: Well, again, Mr. Speaker, when we looked at matching funds, it made a great deal of sense to have matching funds for the area of technology, that we set aside some \$20 million for. When we analyzed the amounts of moneys that were being spent by school boards in the province in the area of technology, it was about that amount of money. This is simply a way of allowing us to get further extension for the dollars that we put into the area of technology.

DR. MASSEY: Thank you, Mr. Speaker. Again to the minister: given the links between money and achievement test results, what is the minister doing to level the playing field for all students, rich and poor?

MR. MAR: Mr. Speaker, I don't accept the premise proposed by the hon. member that there is a cause-and-effect relationship between money and quality of education. The hon. member has suggested that because a student comes from a lower socioeconomic area, that somehow provides an excuse that that student shouldn't do as well on achievement tests. There may be a number of different factors that impact upon achievement tests of individual students, but in my strong opinion it is not an excuse to say that because the student comes from a lower socioeconomic area, we shouldn't expect them to do well on tests. As a result, we expect that school boards should put in place programs that will identify what the real needs of that student are and work on the achievement of that student.

THE SPEAKER: The hon. Member for Calgary-Fish Creek, followed by the hon. Member for Edmonton-Castle Downs.

Crown Prosecutors

MRS. FORSYTH: Thank you, Mr. Speaker. My questions today are to the Minister of Justice. The minister has referred to the hiring of additional Crown prosecutors and support staff to address increased workloads in Crown prosecutors' offices. Can the minister provide details as to where these new positions will be allocated?

MR. HAVELOCK: Well, Mr. Speaker, as I've indicated in the House before, we'll be adding 18 Crown prosecutors and five support staff. We've actually just finalized the allocation, and I can advise the member that there will be seven new prosecutors allocated to Calgary, four to Edmonton, and one to each of Wetaskiwin, Lethbridge, Medicine Hat, Fort McMurray, and Vegreville-St. Paul. Also due to some increased workloads we're looking at adding one more to each of special prosecutions and special projects. It should be pointed out that the Crown prosecutors presently within the system will have the opportunity to apply for those positions before we go to an open competition and start to advertise externally.

MRS. FORSYTH: My supplementaries are also to the Minister of Justice, Mr. Speaker. Can the minister explain why Edmonton will still have three more Crown prosecutors than the Calgary Crown office, given the concerns being raised by overworked Crown prosecutors and case backlogs?

MR. HAVELOCK: Well, Mr. Speaker, the decision to allocate these positions was a very difficult one. In fact, the prosecutors responsible for the areas I've outlined in answer to the previous question argued very strenuously on behalf of their areas to have

an additional prosecutor or prosecutors added. A substantial proportion of those resources I just pointed out will be going to Calgary because we recognize that there are some backlog problems there associated with cases.

It should be noted that the Edmonton Crown office has a much larger circuit to cover than Calgary. It includes points such as Athabasca, Fort Saskatchewan, Sherwood Park, Barrhead, Whitecourt, and some others. They are covering a broader area, but as I indicated, Calgary is receiving the majority of the positions, seven out of 18, in recognition of the fact that there are some pressures in that city.

MRS. FORSYTH: Can the minister advise the House as to how quickly these positions can be filled, and will this give the Crown prosecutors adequate resources to effectively carry out their responsibilities?

MR. HAVELOCK: Well, Mr. Speaker, as I indicated earlier, we will be advertising these positions internally. Once those internal transfers have taken place, we will go ahead and advertise on a broad basis. We certainly have an interest in filling the positions as quickly as possible.

It is the department's position that the addition of these prosecutors will take care of the workload problem that is being faced. I will point out that about a week or so ago we indicated that we have spent approximately \$700,000 on hiring outside prosecutors to do some of our criminal work. These additional prosecutors and staff, budgeted at approximately a million dollars, should take care of not only the backlog problem but also should eliminate the necessity of hiring outside counsel to do some of our prosecutions.

THE SPEAKER: The hon. Member for Edmonton-Castle Downs, followed by the hon. Member for West Yellowhead.

Moonshine Lake Provincial Park

MRS. PAUL: Thank you, Mr. Speaker. The people of northern Alberta enjoy the provincial park at Moonshine Lake. The park is filled to capacity in summer and is used extensively in the winter as it's the only park for recreational use in the area. This provincial government benefits from taking out all natural resources, such as timber, oil, and gas, yet puts less and less back in northern Alberta. To the Minister of Environmental Protection, responsible for our parks: will the minister consult with the local people before deciding to privatize this park, or will he just close it if there's no buyer to be found?

MR. LUND: Mr. Speaker, it's not just at Moonshine Lake that Albertans enjoy our parks system. It's all across the province. Our provincial parks are very near and dear to Albertans.

What's going on, Mr. Speaker, is that we are looking at ways of delivering the services to the public at the various parks. We don't believe that this park will be closed. We don't for a minute believe that provincial parks will have difficulty finding facility operators who will operate under our strict guidelines. They'll continue to provide services to the public. Many of them will be operating year-round. It's really a case of delivering a service in a different manner.

MRS. PAUL: My second question to the same minister: will you assure the people of northwest Alberta that the park will be kept open and that families won't be kept out just because they can't

afford to get into the park? This is an issue of quality of life.

MR. LUND: Mr. Speaker, it's only their kissin' cousins in the federal setting that are charging to get into parks. We are not charging to get into provincial parks, unlike the federal government, who are charging to get into national parks.

The costs that are incurred by the people who go and use the park are for services to the public. If we're going to provide a campground and a camp stall, yes, there is a charge. If they're going to use other facilities within the park like firewood, yes, there is charge. But there is no charge to enter a park.

MRS. PAUL: Yes, Mr. Speaker. My third question: after this government has pumped millions of dollars into the parks across this province, why are you turning your backs once again on the people of northern Alberta?

MR. LUND: Mr. Speaker, we are not turning our back on any Albertans. The fact is that the hon. member is absolutely right, we have a massive investment within the parks system in Alberta. As a matter of fact, there is in excess of \$600 million worth of infrastructure within our parks. A lot of this infrastructure needs upgrading. It needs enhancing. For example, many people are asking for larger camping spots. They're asking for electricity at the pad. They're asking for more facilities like washhouses. We can no longer afford to provide those facilities. Some of the facilities need upgrading. So we are going into facility operation agreements with the private sector. The private sector has agreed in many cases to invest capital. In return for that, of course, they have a longer term tenure. We are not turning our backs on Albertans in the parks system.

THE SPEAKER: The hon. Member for West Yellowhead, followed by the hon. Member for Spruce Grove-Sturgeon-St. Albert.

2:30 Highway System

MR. STRANG: Thank you, Mr. Speaker. My questions today are to the hon. Minister of Transportation and Utilities. Albertans and visitors who have traveled around this province for many years regularly comment about our great highways. My constituents of West Yellowhead are concerned that the Minister of Transportation and Utilities may be imposing tolls throughout the province. Can the minister explain to me: what is he doing on this?

MR. PASZKOWSKI: Thank you to the hon. Member for West Yellowhead. At this stage it's certainly not our intention to consider toll roading in Alberta. In 1994 a study was done as to the opportunities that toll roading might present in Alberta using two criteria: one, that an existing road would not be converted to tolls, and tolls could only be implemented as alternative uses to accesses that are already available. With the study that was done, the area that was used was that that was the most intensely traveled and in greatest need of an option. At that time the study clearly indicated that the very best that could be used for tolling in order to make the whole process acceptable was 30 percent. At 30 percent toll, that meant government would still have to support 70 percent. That really would not be an effective way of paying for highway structure.

The federal government committee on transportation had asked that a study be done. That was done by the SCOT report. It

basically paralleled very closely the English system. Of course, you really can't compare England to Canada or to Alberta, so really there are no close comparisons there.

We'll be having our transportation ministers' meeting this week, and certainly the whole area of national highway program will be an issue that will be discussed very thoroughly.

MR. STRANG: Thank you. Mr. Speaker, my first supplemental is: our province is only a small part of Canada. Can the minister advise how much of Canada's road system is in the province of Alberta?

MR. PASZKOWSKI: Though the province is indeed a small part of Canada, we do have a majority of the highway infrastructure in Canada in Alberta. We have just under 14,000 kilometres of primary highway and just under 15,000 kilometres of secondary highway. That extrapolates to somewhere between 24 and 25 percent of all of Canada's highway infrastructure.

MR. STRANG: Thank you. Mr. Speaker, my final supplemental. In light of the extensive road system that we have in Alberta and the amount that the federal government gets from gasoline tax, can the minister advise: how much federal government funding do we receive for the Alberta road system?

MR. PASZKOWSKI: The federal government charges 13 cents per litre tax on the gasoline that's sold in Alberta. This amounts to about \$500 million per year that the federal government receives from the tax structure in Alberta alone. They get about \$4.3 billion from taxes throughout the country. Since 1986 the federal government has put \$50 million into the road infrastructure in Alberta.

DR. TAYLOR: How much?

MR. PASZKOWSKI: Since 1986 the federal government has paid back \$50 million.

DR. TAYLOR: Per year?

MR. PASZKOWSKI: No. Fifty million dollars in total since 1986.

THE SPEAKER: The hon. Member for Spruce Grove-Sturgeon-St. Albert, followed by the hon. Member for Lacombe-Stettler.

Long-term Care

MRS. SOETAERT: Thank you, Mr. Speaker. The saga concerning long-term care continues, and problems arise in two areas. One is the lack of beds, and the second issue deals with accessibility concerns. Recent comments in a community newspaper last week by the Member for St. Albert indicate a third confusion. The confusion that I speak of is not about accessibility or lack of beds but rather confusion about the real policies surrounding long-term care. My questions are to the Minister of Health. The minister says that the boundaries are just administrative, yet the Member for St. Albert says that long-term accessibility is based on where you live. Who should Albertans believe?

THE SPEAKER: Hon. Minister of Health, before proceeding.

Please remember, hon. members, that the purpose of question period is not to verify or disagree with statements found in newspapers, so restrict the comments to the policy side.

MR. JONSON: Mr. Speaker, the responsibility for providing long-term care rests with each regional health authority. They have policies in place in terms of providing home care, providing long-term care. With respect to specific placements or beds in nursing homes, auxiliary hospitals, they are required to have a policy to deal with those people needing that particular type of care. They do set priorities, they do do assessments, and they do accommodate their people needing long-term care.

MRS. SOETAERT: My second question. Does the minister agree with the Member for St. Albert when she says: people within a regional boundary are given priority to a bed because they live in an area, and others cannot come from outside the region and jump the queue? Is that the new policy?

Speaker's Ruling Improper Questions

THE SPEAKER: Hon. member, I don't know the source of your information with respect to this. The purpose of question period is not to ask a minister of the Crown whether or not he or she disagrees with a statement of another member of the House. Please proceed with your third one.

Long-term Care (continued)

MRS. SOETAERT: Okay. I'd like to ask the minister to clarify the policy for all Albertans because there's a great deal of confusion out there. Can anyone access a bed regardless of boundaries, especially when it comes to long-term care?

MR. JONSON: Mr. Speaker, I think that it has been clear and I would be clear once more, and that is to indicate that the regional health authorities are responsible for the residents within their boundaries. They are required to plan and provide the continuum of care for those residents. That seems to me quite logical. There is the ability to have people move into a region from another region for long-term care, but that has to fit in with the plan that the regional health authority is rightly, I think, required to have for their own residents.

THE SPEAKER: The hon. Member for Lacombe-Stettler, followed by the hon. Member for Edmonton-Ellerslie.

MRS. SOETAERT: Mr. Speaker, don't I get a third question?

THE SPEAKER: No. I interjected twice, and I ruled you out of order on the second one.

The hon. Member for Lacombe-Stettler, followed by the hon. Member for Edmonton-Ellerslie.

MRS. GORDON: Thank you, Mr. Speaker. My questions, too, are to the Minister of Health. Earlier today I presented a petition on behalf of 3,059 concerned citizens from Lacombe and area who believe there is an urgent need for additional long-term care beds in Lacombe. Lacombe and District Seniors Advocacy Group report that the David Thompson health region currently has 828 long-term beds, short 115 beds by provincial standards. To the minister: if in fact this is true, how can I assure these concerned citizens that this need will be assessed and the situation rectified?

MR. JONSON: Mr. Speaker, I have noted the Member for Lacombe-Stettler's introduction to her question, and certainly I will

undertake to check the numbers that she has referred to me that were put forward, as I understand it, by an advocacy group.

The other thing, though, that I think we should keep in mind – and I think the regional health authority of the David Thompson region is one of many that work in this regard – is that when we look at the overall area of long-term care services, we should not always think specifically in terms of beds, although those are extremely important, but also the degree of home care support, the overall support that is available there to seniors in their communities.

2:40

MRS. GORDON: If the average wait time for a long-term care bed in the David Thompson region is 30 days, why are those waiting for beds in Lacombe having to wait an average of 184 days? Obviously, Mr. Minister, there is a need. Could you please tell me why Lacombe has to wait so much longer than the rest of the region?

MR. JONSON: Well, Mr. Speaker, I would certainly look at the overall waiting list. If the hon. member is indicating that across regional health authority No. 6, the David Thompson region, the average number of waiting days is in the neighbourhood of 30 days, I think that is fairly reasonable, although it would be nice to have it much shorter. What I would want to clarify with the hon. member is this meaning that people in the Lacombe area do not have access to accommodation until 184 days have passed. I somewhat doubt it, but I will certainly check into it.

MRS. GORDON: Did the David Thompson health region receive additional dollars last fall that could have been used to alleviate this long-standing long-term care bed crisis, particularly in Lacombe, or did the money go to something else?

MR. JONSON: Mr. Speaker, as I think perhaps the hon. member knows, all regional health authorities in the province – and the David Thompson region was one of them – received at least a 4 percent increase in funding in terms of their global budget, and if I recall correctly, the David Thompson region was also a beneficiary of the new funding formula. Again if I remember the statistics correctly, I believe they received something in the neighbourhood of a plus 6 percent increase in funding overall, which was because the formula does specifically give additional weighting or additional funding for a higher percentage of the provincial average of senior citizens.

THE SPEAKER: The hon. Member for Edmonton-Ellerslie, followed by the hon. Member for St. Albert.

Northern River Basins Study

MS CARLSON: Thank you, Mr. Speaker. Recently when I questioned the Minister of Environmental Protection on reducing pollution as recommended by the northern river basins study report, he blamed the federal government for delays. However, the federal government has already adopted a national policy of pollution prevention. Will that same minister tell us when he is going to formally adopt the recommendations of the northern river basins study with respect to pollution prevention? Now would be a good time.

MR. LUND: Mr. Speaker, unfortunately, the federal government has not completed all of their assessment and given us the

answers, so we are continuing to work on the recommendations. This is a very extensive report. A lot of scientific data went into it, but we also must admit that there was some emotion that went into it. We have to go through the entire report. We don't just pick and choose individual ones, or we don't start with number one and work our way through. Some of the recommendations have been adopted, and we will continue to work through the whole report.

MS CARLSON: Mr. Speaker, it's been a year. Will the minister at least ensure that no major new developments or expansions are allowed in the northern river basins until a pollution prevention policy has been formally adopted by your government? It's been a year. Do it now.

MR. LUND: Mr. Speaker, that report was some four years in developing, cost some \$12 million, very, very extensive and expensive work. It was interesting to note that in fact the pollution that was entering the river was worse 15 years ago. It's going down, and with the new technology that is coming on, in fact we're going to see some more reductions.

I'm sure what the hon. member is aiming at is the whole situation of the possibility of more development at Grande Prairie. The proponents there are working on a closed loop system, and the city of Grande Prairie is doing a lot of work on their municipal effluent as well. It could very well be that if in fact the project goes ahead with Grande Alberta Paper, we will have less effluent in the river than we have today.

MS CARLSON: There are many more regions than just Grande Prairie affected by this study, Mr. Speaker.

My final question is to the Minister of Health. What has happened to the human health study that was associated with the northern river basins study and was supposed to be completed by March of this year? When are we going to see it, Mr. Minister?

MR. JONSON: Mr. Speaker, we'll certainly be dealing with it when we receive it and when we have time to analyze it.

THE SPEAKER: The time for Oral Question Period has now left us.

Privilege

Private Members' Public Bills

THE SPEAKER: Hon. members, the Chair would like to rule on a purported question of privilege raised on Wednesday, June 4, 1997, by the leader of the New Democratic opposition concerning the introduction of a private member's Bill. The hon. member provided the Speaker's office with notice more than two hours before the opening of the House that day, so the requirements of Standing Order 15(2) were met.

The Chair has real difficulty with determining how the question raised by the hon. leader of the third party is one of privilege. In speaking to the question of privilege, the hon. leader did not cite any privileges per se that were being violated. While the Chair does not find that there is a prima facie question of privilege, this is an opportunity to review for all members the process for private members' Bills.

As members are aware, there is a draw for positions for private members' Bills. For this session the draw was held on March 27, 1997. A March 21, 1997, memo from Speaker Schumacher to all members outlined the procedure for the draw and for drafting private members' Bills. As the hon. leader indicated in speaking to her question of privilege, the Bill draw has existed for some

time. The draw took on a different character following the 1993 changes to the Standing Orders. The Chair was intimately involved in those changes, which allowed for full and comprehensive consideration of private members' Bills. Prior to 1993 private members' Bills, if debated at all, received one hour's debate and fell to the bottom of the Order Paper. Now, of course, there are time limits for second and third readings and committee consideration. Since the 1993 changes there have been 12 private members' Bills passed by the Assembly, three of which during this session. These changes have given private members in the Legislative Assembly a unique opportunity to have their Bills considered.

Due to the serious consideration given private members' Bills, it is important that they be drafted in the order of the draw to ensure fairness. Bills 211 to 221 have just been introduced in the House. As the Chair indicated last Tuesday, June 10, 1997, prior to introduction of these Bills, Parliamentary Counsel has requested Bill proposals for Bills 222 to 231. Given the hon. leader's tabling today, it's clear that a proposal was submitted to Parliamentary Counsel. The Chair would remind members of Standing Order 69, which requires that private members' public Bills be perused by the Speaker and Parliamentary Counsel prior to introduction. Parliamentary Counsel assists members with the drafting of private members' Bills but must act in accordance with the draw.

When members submit their Bills to Parliamentary Counsel, a version of the Bill with "draft" across it will be returned to the members. It is the Chair's understanding that members have sent out draft Bills for public review with the written proviso on them that they are for discussion purposes only. A member could, if he or she wished, table the draft version in the Assembly, as was done by the hon. leader of the New Democrats today.

Since the 1993 changes to the Standing Orders, private members' public Bills have been introduced together. There has been one exception to this practice. In the fall of 1995 the Leader of the Official Opposition introduced Bill 232 out of order. Even if a member introduced his or her Bill out of order, it would not affect the order in which it was considered. For instance, although Bill 222 may not be introduced until after Bill 228, it could still be considered by the House before Bill 228. To do otherwise would be inconsistent with the purpose and rationale of the draw, which in the Chair's view works on a fair and equitable basis for all members.

Prior to moving to Orders of the Day, might we revert briefly to Introduction of Guests?

HON. MEMBERS: Agreed.

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

MS BARRETT: Mr. Speaker, I'm pleased to introduce to members of the Assembly today Doug Crawford, who is the chair of the Citizens for Choice in Health Care. He's accompanied by Dr. Soriano from Calgary – he's visiting specially for today – Merle Schnee, and a whole number of other people who are here to listen to the debate around Bill 29. I'd ask them to rise and receive the warm welcome of the Assembly.

2:50

head:

Orders of the Day

head: **Government Bills and Orders**
head: **Second Reading**

THE SPEAKER: Government House Leader.

MR. HAVELOCK: Yes. Thank you, Mr. Speaker. I request unanimous consent of the Assembly to waive Standing Order 73(1) to allow for second reading consideration of Bill 34.

THE SPEAKER: Is there unanimous consent to waive Standing Order 73(1) in order to proceed with second reading of Bill 34, Miscellaneous Statutes Amendment Act, 1997?

HON. MEMBERS: Agreed.

THE SPEAKER: Opposed? Carried.

Bill 34

Miscellaneous Statutes Amendment Act, 1997

MR. HAVELOCK: Yes. Thank you, Mr. Speaker. I would like to move second reading of Bill 34.

THE SPEAKER: The hon. Government House Leader to close debate.

MR. HAVELOCK: No. Thank you.

[Motion carried; Bill 34 read a second time]

head: **Government Bills and Orders**

head: **Committee of the Whole**

[Mr. Tannas in the Chair]

THE CHAIRMAN: I'd like to call the committee to order. For the benefit of those in the gallery this is the informal session of the Legislature. It's called committee. The regular rules of procedure are changed somewhat. People are allowed to speak a number of times at this stage, and as you can see, it's more relaxed in terms of dress.

Bill 34

Miscellaneous Statutes Amendment Act, 1997

THE CHAIRMAN: Are there any comments, questions, amendments to be offered with respect to this Bill?

MR. DICKSON: Just two observations I wanted to make, Mr. Chairman. The first one is that this is a system that always does work in terms of the government coming along and giving the opposition the opportunity to review the proposed amendments, and if they have issues, they're removed.

The one concern I'd want to stress is that I thought this year we were going to try and get the miscellaneous statutes amendment Bill to the opposition at the top of the spring session, not at the back end. I understand we had an intervening election and that makes for some extraordinary circumstances, but I think it's important to say that to allow the most expeditious treatment of a miscellaneous statutes amendment Act, it works a whole lot better for the opposition to get it as quickly as possible at the beginning of the session, because we're changing, typically, as many as 30 or 40 different statutes. They're always presented as innocuous, but sometimes what you find is something in there that's maybe even a little more mischievous, perhaps, than the government or the minister intended. So we're happy to continue to support the process of a miscellaneous statutes amendment Act, but it is important that the opposition get it at an earlier stage than we did in this spring session.

The only other thing is that we've seen a tendency in the last while for the government to move to more substantive change in a miscellaneous statutes Act. We've seen some omnibus Bills. The point should be reinforced again: the Bill and the Bill title become part of the public education process. The Bill and Bill title become part of the way that people are able to understand what's going on in this Assembly, what sort of consequences or impact there may be in their lives and to their families. So it is important that the government exercise some particular discretion in terms of the contents.

Those are the observations I wanted to make, Mr. Chairman. Thank you.

MS BARRETT: Mr. Chairman, I'd just like to say ditto. I think that's the shortest speech I've ever given.

[The clauses of Bill 34 agreed to]

[Title and preamble agreed to]

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

HON. MEMBERS: Agreed.

THE CHAIRMAN: Opposed? Carried.

Bill 22

Environmental Protection and Enhancement Amendment Act, 1997

THE CHAIRMAN: Are there any comments, questions, or amendments to be offered with respect to this Bill? The hon. leader of the ND opposition.

MS BARRETT: Thank you, Mr. Chairman. In my absence I know that the Member for Edmonton-Strathcona spoke in favour of a number of amendments that were sponsored by the Official Opposition. I'd just like to be on record in support of the Member for Edmonton-Strathcona in his endeavours to have this Bill changed. It should be changed. It is obvious that the government is not going to. Therefore, we will be voting against this Bill.

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

MR. DICKSON: Thanks very much, Mr. Chairman. A point that should be made is that the Alberta Liberal opposition caucus had looked at a number of amendments to try and address what we thought were some of the most serious problems and flaws with Bill 22. The advice we received from Parliamentary Counsel was that since many of the amendments in effect were negating key elements of the Bill, rather than putting the amendments forward – they would likely not come forward with the sanction or the approval of Parliamentary Counsel – we could achieve the same purpose by voting against the Bill.

I'd just make the observation that I'm mindful of representations made by the Environmental Resource Centre on June 5, 1997, to the Premier. The Environmental Resource Centre described this as, quote, an antidemocratic Act, close quote. It talks about and lists the concern with privatizing a very important and essential government service, which is protecting the environment in this province. That continues to be a concern. I think Bill 22 does not serve Albertans nor the Alberta environment well.

We continue to emasculate, constrict, reduce the role of the provincial government and the Department of Environmental Protection in terms of ensuring that the pristine wilderness parts of this province, which continue to shrink, will continue to be left for future generations. This continues to be a problem. This notion that in some fashion we can simply trust the privatized friends of the government to do the job is frankly bogus, Mr. Chairman. It doesn't work. We know it doesn't work, and this Bill simply hastens the further privatization of environmental protection.

3:00

I'd hark back to one of the comments raised at second reading, which is the enormous power that we have now given this delegated authority to do the things that only a minister can do now. I went through the list at second reading and won't repeat it, but there are things that are preposterous, like having this unelected, largely unaccountable delegated authority going to federal/provincial conferences on behalf of the Minister of Environmental Protection. This amounts to just a substantial further erosion of parliamentary accountability, a further dilution of parliamentary accountability, and can only, I think, be responded to or addressed by a negative vote at each stage of this particular Bill.

Those are the observations I wanted to make on behalf of my constituents and the 770,000-odd Calgarians who interestingly, for a larger centre, have an enormous focus and preoccupation with the environment around them. I think there'll be much disappointment as people understand what's in this Bill and the scope and the impact of the changes.

Thanks very much, Mr. Chairman.

THE CHAIRMAN: The hon. Minister of Environmental Protection.

MR. LUND: Thank you, Mr. Chairman. I just wanted to make a few comments about these simple amendments that we're making. The fact is that everything the hon. members on the opposite side have raised about the Bill, fears that we can somehow turn over all the regulatory business to a regulatory body – anything they have raised we could do already. As a matter of fact, the only thing that we're asking for by these amendments is simply to be able to move a program, and this is similar to what was done with the Wildlife Act last spring in order to create the conservation DAO. In this case we are anxious to create a designated administrative authority to handle the FRIP, because currently if we are going to spend money that is in that trust for the forest improvement program, it has to come through the Department of Environmental Protection, has to come through that budget, and of course with consolidated budgeting we would have to find an equivalent number of dollars in some other part of the department in order to allow this money to be spent on that research. So it's important that we have the ability to move the program out.

Now, let's not forget that the DAO is still the responsibility of the Minister of Environmental Protection. In other words, if in fact they were to start doing something that was not acceptable, then the government has the ability to rein them in. The government will still be writing the regulations. So it's the ability to operate a program.

Ever since 1993 all of the things the hon. members on the other side of the House have commented on that they are afraid are going to happen could have happened. If it was the government's

intention to move those kinds of things out to the private sector, it could have happened, because right today it's only the minister's authority that we're, by these changes, allowing to delegate, and that simply means operating a program.

That's what these simple amendments are about. We did it last spring in the Wildlife Act. I would urge the hon. members to read it carefully, and I think they will find that it is acceptable.

MR. WHITE: Mr. Chairman, I thank the minister for his attempt at clarification, but the facts speak for themselves. It's what is in the Bill, not what the minister says. He's quite right that two years ago a Bill was passed, the Delegated Administration Act, Bill 57, that gave sweeping powers to members of the executive to delegate their authority away. Yes, the authority is given, and a common theory in delegation is that once you delegate the authority, to usurp that authority is to take back the authority. So once the authority is delegated and decisions are made, any minister would be reticent to contradict or to change the recommendations or those acts that have taken place by the delegated authority, simply because then he disrupts his whole department and how the management of the department is conducted.

Being the opposition, we are charged with the responsibility of examining every single Act, what it can do. It is our considered opinion that Bill 57, combined with this Bill that amends the Environmental Protection and Enhancement Act to the extent that the authority can be further amended and displaced from the ministers, the political body that is answerable in this House to those that are assembled – it is removed. It is taken over and put somewhere else.

Now, FRIP, which the minister has mentioned, is a relatively important program. I believe the fund is currently around \$25 million. Yes, the money brought into the department and expended from the department is gathered by the forestry industry for the forestry industry, but there is a place in that for government. Companies can gather funds all they wish to expend on a particular area, but is that in the best interests of the company? Or is that in the best interests of the population in general? Who's to know? Certainly not anyone in this House, because those reports won't be coming here until well, well after two years after the fact, if they ever get here. With the recent difficulties of obtaining information from the department, either through asking the department for some information about something, any piece of business, and/or using the freedom of information Act, which costs a great deal of money and takes a good deal of time, neither of which is very successful, how is one in the public to know that, yes, the interest of the public is cared for? There is no possible way.

Here we are with a piece of legislation that is moving responsibility away from this Legislature, out of the people's eyes. So for those who wish to read in *Hansard* or find out what is transpiring in the forest industry, in particular about what has happened in the research and various areas of this fund, can you find it? No. Sir, I submit to you that this borders on being a draconian piece of legislation for those libertarians that really, truly want to know what is happening in this province. In particular, it is certainly undemocratic if democratic means that the information is open to all the people all the time.

You'll note that there's no sunset clause in this piece of legislation, so this just goes on ad infinitum. The government hopes that next week, when people are golfing and doing the things they do in the summertime – and some will be working, too, I'm sure. [interjection] The Minister of Energy assures the

House that he will be working very hard for the population. Aside from he, there'll be others that the government hopes will forget about this delegated authority, and it'll just go away so they can go about their merry business doing the things they want to do and won't have to be answerable in this House for those actions.

You notice that conveniently now under this Act freedom of information will be removed. A DOA will not be subject to the same rigours of freedom of information as a government department. So another element is removed from the public information.

3:10

You'll notice also that by going to these delegated authorities or DAOs, there is the opening for a great deal of patronage. Now, I'm not the one to say that patronage is good or bad, but friends of the government that are appointed are not about to go out of their way to embarrass the government by way of information being leaked here or there on some things that are not quite right.

We're speaking of one of the most fundamental elements of being an Albertan. That's care and custody of the land, the water, and the air. I don't think anything is more important than deliverance to those who come after us of a land that is better, a water quality that is better, an air quality that is better than it is now. And here we are just taking this authority and saying: okay; a certain number of government friends are appointed and delegated to do it. Now, I don't think that's right.

I can't see that any of these amendments further the end of allowing the people of Alberta the knowledge of what is transpiring. I can't see anything good in it at all, particularly when you say that there's no accountability other than we find out after the fact and then can ask the minister about it, and he may or may not know at the time. The answers in the House we often get are dip and dive. "Oh, that authority is delegated." I can't see any redeeming quality in this Bill at all. For that reason, any amendment would be contrary to the amendments in this Act. Therefore, I'm forced to say that unlike most Bills in this House – three-quarters of the Bills that are introduced in this House are passed by this caucus and certainly agreed to by this caucus – this one is a very, very bad Bill, certainly not in the interest of the public. Therefore, this member and hopefully many others will not be supporting this Bill.

Mr. Chairman, thank you very kindly for the time.

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

MRS. SLOAN: Thank you, Mr. Chairman. It gives me great pleasure to rise and speak to this Bill to reinforce the statements made by my colleagues with respect to the government's responsibility to protect our environment. I would also agree that this Bill does not assume those responsibilities in a fashion that is acceptable to me or acceptable to Albertans in general.

I have a number of questions in terms of not being a member of the Assembly when the previous Bills were introduced. It seems to me that the Environmental Protection and Enhancement Amendment Act still leaves a number of very serious gaps with respect to the assumption of responsibilities. I find it of interest, again being a new member of the Assembly, to contrast the different Bills that have been brought by different departments to the Assembly and to look at the different requirements that are required, whether it's for boards or whether it's delegated authorities.

Of interest was one of the ones we debated recently, the

developmental disabilities Act, a process again of abdicating. Some might call it abdicating; some might call it an assumption of authority by facility, community, and a provincial board. There were a number of requirements within that Act and a number of amendments made to encompass requirements for those boards to submit audited financial statements and annual reports. So the public had the opportunity to scrutinize, Mr. Chairman, whether or not these appointed boards were in fact being accountable and assuming their responsibilities.

I do not see in the body of this Bill that delegated authorities would have to do that. So how is the public to judge whether or not they are in fact assuming the responsibilities for the minister? I would ask the minister if that is an oversight on my part, or will those delegated authorities have to provide an audited financial statement and an annual report to this Assembly? If not, where's the public scrutiny? It's our land; it's our water, our environment to share. If we're entrusting it to people, I think at the very least we need to ensure that they're accountable.

One of the other areas that is also not addressed is a public appeal mechanism. If there is a problem, the Bill provides no mechanism whereby the public can bring forward a complaint or an issue. Apparently the cabinet, I would submit, may make regulations to govern appeals, but again it's not in the body of the legislation, and if it's in regulation, it can be subject to amendment by order in council.

I think we should make the environment a priority in this province. Certainly the steps we have seen this government take not only in this session but in previous sessions have reflected that it's not a priority, and that's very concerning to my constituents. It's very concerning to me as an Albertan. I had many people raise the environment to me at the doors during the election, saying that they were extremely concerned about the directions that were either being taken or not being taken in this province to protect the environment.

I guess that leads to my next point: where was the public consultation about these amendments? I would ask, I would request a summary of the consultations that were undertaken by the minister and his department to provide the basis for these amendments. If it's accessible, I would appreciate it if he would make it known to me as to where that consultation summary is. But to this point in time, Mr. Chairman, I do not have anything to substantiate that there was any public consultation on giving the government a mandate or a directive to establish delegated authorities. Was there? Is that what Albertans really want, or is it just a way for you to off-load your responsibilities?

The other question I have that falls along the line of not having any appeal mechanism and no public consultation is: will the delegated authorities fall under the jurisdiction of the provincial Ombudsman and the Auditor General? I don't know. If they're not providing or are not required to provide audited financial statements and an annual report to the minister, my assumption would be that mostly likely even the Auditor General wouldn't be able to accurately scrutinize and report on their activities. I think it's a travesty. It's a travesty and it's an extremely frightening precedent to see a government hand over the future of our environment to a delegated authority that, based on the merits of this Bill, has no accountability to the Legislature, the Auditor General, or the people of this province.

To summarize, I would like to use an old Cree prophecy. Only after the last tree has been cut down, only after the last river has been poisoned, only after the last fish have been caught, only then will you find that money cannot be eaten. With that, Mr. Chairman, I would conclude my comments on this Bill.

Thank you.

[The clauses of Bill 22 agreed to]

[Title and preamble agreed to]

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

SOME HON. MEMBERS: Agreed.

THE CHAIRMAN: Opposed?

SOME HON. MEMBERS: No.

THE CHAIRMAN: Carried.

3:20

**Bill 28
Fuel Tax Amendment Act, 1997**

THE CHAIRMAN: Are there any comments, questions, or amendments to be offered with respect to this Bill? The hon. Member for Edmonton-Mill Creek.

MR. ZWOZDESKY: Yes, Mr. Chairman. Thank you. I'm pleased to rise here to speak briefly on Bill 28 at this stage. The bulk of the comments with regard to this Bill have already been made during the second reading stage, so I'll just in one minute or less highlight a couple of those concerns and then move directly to one amendment, which I have here. It might be advantageous, in fact, if I give you the amendment now for distribution, and then I'll formally move it later. Is that acceptable?

THE CHAIRMAN: Yes.

MR. ZWOZDESKY: So if I could get some help here.

Just before we move to the amendment, I want to just highlight that we're basically in favour of this Bill, Bill 28, which provides for some amendments to the fuel tax regulations and results in the reduction of aviation fuel tax from 5 cents per litre to 1.5 cents per litre, which is necessitated because this in fact occurred back in January of this year. So we're really doing a perfunctory stage here, but by enshrining it in legislation, we're formalizing it and making it legal, as it were.

The second aspect here is with regard to the sharing of responsibilities and perhaps I would say the clarification of responsibilities over fuel tax and fuel in general in relation to what the Minister of Agriculture, Food and Rural Development would be responsible for versus the responsibilities of the Provincial Treasurer surrounding the administration of some of the allowances and forgivenesses pursuant to the fuel legislation.

The final point of highlight here is with regard to the additional enforcement mechanisms, which I've spoken about at second reading.

As I say, we know that fuel is an extremely important commodity in our province, not just from the standpoint of us generating it but also from the standpoint of us consuming it. Anything that we can do to keep the costs a little lower and a little more in line will certainly benefit all Albertans, not just our friends in the rural areas but also throughout the urban sector as well.

The other area of concern is specifically with regard to aviation fuel tax, and that particular aspect I want to address through this amendment. I wonder if I could just ask, Mr. Chairman, if that amendment has now been distributed and if it's in everybody's hands.

THE CHAIRMAN: The amendment has been circulated, hon. member. This amendment will be known as amendment A1.

So Edmonton-Mill Creek on the amendment. Are you about to move it?

MR. ZWOZDESKY: Yes. I don't believe there are any other speakers to the committee stage as such on the Bill in general or to any of the specific sections of the Bill. So with your permission I would like to move amendment A1, which has been distributed in my name to all members of the House. Shall I address it now?

THE CHAIRMAN: You can explain the amendment now.

MR. ZWOZDESKY: If I could just briefly explain what the purpose of this is, it'll only take a couple of minutes. I indicated earlier that we understand very, very clearly how competitive the aviation industry is and in particular international flights which come and go to various points in Canada. Here we have an opportunity, Mr. Chairman, by accepting this amendment to substantially lower the aviation fuel tax by in fact reducing it to zero. The net effect of that would mean that the international flights which are using Edmonton and/or Calgary airports would be more enticed to touching down here and gassing up here. If we provide them with that bit of an incentive of no aviation fuel tax whatsoever, then we're hoping to make up what would otherwise be looked at as a revenue loss by increased volume sales. We'd still make a nice profit or a markup on the sale of fuel even without the additional fuel tax.

The net effect of this amendment before members today is to place Alberta's international airports on a much more competitive playing field with our counterparts, particularly to the south. We know that many of the northwestern United States and in fact the United States' federal government don't charge aviation fuel tax on international flights. They're getting flights to touch down there, to fuel up, and this amounts to millions of litres of fuel per year. So the competitive edge for Canadian cities, particularly Alberta cities, would be, I think, quite a welcome measure. I would urge members, therefore, to consider these couple of amendments that are brought in under A1 that would result in fact in the consumers of aviation fuel tax not having to pay any tax to provincial Treasury for the usage thereof.

Just in concluding, I want to again go on record, Mr. Chairman, as telling the government that I'm well aware of the impact this would have in terms of negatively impacting our revenue side. In the long run it's a very good move, but I would understand if they're not able to support it at this stage. I could understand that, but at least if they would give us an undertaking to examine it further - perhaps in the future budget that will be coming forward in spring of '98 or somewhere shortly thereafter, if they could include this particular issue for discussion and let this member know that that in fact is happening, then I think we can proceed with the rest of the Bill posthaste.

So with those closing comments, I would take my seat and see if there's anyone else who wishes to speak to this amendment before us.

THE CHAIRMAN: The hon. leader of the ND opposition.

MS BARRETT: Thank you, Mr. Chairman. The intent of this amendment is probably good and worthy. My observation, however, is that it falls into a very Conservative-minded trap of

going quickly in the race to the bottom when it comes to letting some people off the hook with paying taxes and then expecting the consumers to essentially pick up the difference.

I like the amendment insofar as I do believe it would be an incentive for airlines to frequent Alberta, to make it a more attractive place for them to do business. However, if you look at the history of this government, you will see that it has had a trickle-down theory firmly in place for more than 20 years. The assumption is that if you give the corporate sector a free ride, they will do you well and create business, create jobs. What has been demonstrated, in fact, is that giving the corporate sector a free ride results in more taxes being borne by the average consumer, in particular taxes that are now known as user fees. We have hundreds of them in Alberta, and the costs associated with them have gone up, in my opinion, uncontrollably in the last four years. In the last five years health care premiums have more than doubled, Mr. Chairman, and let me tell you what the government's plan with respect to those is.

Originally health care premiums were to offset the costs of physicians seeing individual patients, not anything to do with the hospital system. Now their plan, which they silently changed two years ago unbeknownst to most of the public – I say alas – is to have health care premiums actually move to the point where they cover 50 percent of all health care costs in Alberta. That does not speak well for the people who are already paying taxes, now paying twice the tax to have a basic fundamental service such as health care.

This kind of amendment just works in exactly the same way this government thinks, and that is that if you give your corporate buddies, who are never, by the way, declared to be a special interest group, as opposed to teachers or parents or children or nurses or anybody else that's been named – women, in fact, have been named by this government as a special interest group. Well, these are the people who end up picking up the tab every time the corporate sector gets off the hook. That has been the trend for the last 20 years. It's been frighteningly so for the last four years.

Having said all that, Mr. Chairman, because of the nature of this industry and because of the deregulation by the Mulroney Conservatives and the failure of the Chrétien Liberals to reregulate the airline industry, we have no choice but to support this amendment.

3:30

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

MR. WHITE: Thank you, Mr. Chairman. It's good to speak on a Bill in the affirmative and on the amendment in particular in the affirmative. I compliment the government on recognizing something that has been a problem in the past for Albertans.

Alberta is a landlocked province. The ports that we deliver our goods and services to around the world in this increasingly global market are our airports, by large measure, and are becoming increasingly so as time moves on. This particular amendment adds to that which the government has proposed. Moving the fuel tax from 5 cents a litre down to 1.5 cents a litre will hopefully, in the words of the government and in the words of this member too, increase aviation activity a great deal, to the net benefit of all. Providing that little bit of extra incentive for companies that rely on aviation to locate in Alberta and to do business in Alberta will in fact make all of us that much more prosperous.

In a land that has natural resources such as this province does, one must use those natural resources to best advantage. If you ask

the average Albertan what the advantages of living in Alberta are, they don't speak of tax; they don't speak of the wonderful climate. They do speak of the wonderful land and how much it grows, and they also speak of the people. But they also speak of the heritage that's below the surface, which is the oil and natural gas. This is a Bill that actually does use that to the advantage of all Albertans for a long time.

The amendment speaks solely and completely to international flights. It effectively moves that tax from international flights down to zero. Now, if you take the premise of the Bill entirely, which says: look; we'll reduce the tax so as to encourage businesses to do more business here – and businesses are in the habit of beating the bottom line. That increases the bottom line. If you accept that premise, the premise of international flights and the jobs they import to the province of Alberta, how can you say that this is not particularly advantageous? In this amendment it speaks directly to Alberta as an international player, not just a player amongst other provincial players but an international player. If we can have the flights from Seattle going right over top of our province and over the pole to the other side of the world stop here, passengers and loading the bellies with all that freight we have coming and going, if we can do that and have them on a regular scheduled basis such that they stop here primarily to fuel but also to pick up passengers and freight, then we've done a wonderful service to the citizens that come after us, because it builds over time.

I see nothing in this Bill that would be anything but cost-effective. Again, since the theorists have said that, yes, we're going to gain more in the long term on the basis of the fundamental premise of the Bill, I'd say to you, the government and the members on this side, that this is an amendment well worth implementation. If it is not to be done this time in the amendment of the Act, then it certainly must be reviewed and reviewed again and again until it is implemented by this government.

Mr. Chairman, I would thank you kindly for the time and will take my seat.

THE CHAIRMAN: The hon. Member for Leduc.

MR. KLAPSTEIN: Thank you, Mr. Chairman. The suggestion put forward by the Member for Edmonton-Mill Creek is an interesting one. However, we are unable to support it at this time because of the revenue consequences, as he did mention. It would have consequences for the commitments made in the three-year plan, but we would certainly be willing to have a look at it in the future.

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

MR. SAPERS: Well, I'm heartened by that, Mr. Chairman. Thank you very much, and thanks to the Member for Leduc for making the commitment to review this at the end of the three-year plan. That fits in very well with some comments I just heard made by the Provincial Treasurer, talking about how the government has these three-year plans, so Albertans should have some confidence that we know in fact the direction in which the government is going. Admittedly, those comments were uttered in reference to whether or not there'd be a fall sitting in this Chamber, not in reference to Bill 28. You know, I don't want things to get too far out of hand here.

The fact is that what we have is a proposal from the Official Opposition that would get the government off the backs of and out

of the faces of certain Albertans, those Albertans who are involved in providing services to or have a business that benefits from international air transportation in this province. I know – because I've heard him say it – that the Provincial Treasurer is very interested in government being off the backs of and out of the faces of Albertans. You would expect that this proposal would get very ready government approval because it would seem to be consistent with their agenda.

Now, it could be that the contradiction, if it doesn't get government approval, Mr. Chairman, is because government doesn't really care very much about getting off the backs of or out of the faces of Albertans when it gets in the government's way to implement its own one-sided agenda, with the government deciding which taxes would be the most fair and which taxes wouldn't be and the government deciding what's best for all people of this province instead of allowing the people, through free debate in this Assembly, to develop a joint consensus about what might be best.

I will be watching very, very closely for the debate and then the vote on this amendment, because if the government accepts this amendment, then I will feel so much more comfortable in taking the government at their word about getting out of the faces of and off the backs of Albertans and wanting to ensure that there is in fact only minimum government and tax collection. If the government doesn't support this amendment, then it will give me concern that maybe we can't take the government at its word when it makes those kinds of protestations.

So I certainly am supporting this amendment to Bill 28. I know that other jurisdictions have benefited from eliminating the tax collection on fuel provided for international flights, and I would like to see Alberta business and Alberta tourism be given the same benefit as some other jurisdictions.

Thank you.

THE CHAIRMAN: Before calling the question, the Chair needs information from the hon. Member for Edmonton-Mill Creek. Is this being moved in your name, or are you moving it on behalf of the hon. Member for Edmonton-Ellerslie?

MR. ZWOZDESKY: Yes. Thank you, Mr. Chairman, for noting that. I had neglected to mention that I was moving it on behalf of my colleague the hon. Member for Edmonton-Ellerslie.

[Motion on amendment A1 lost]

[The clauses of Bill 28 agreed to]

[Title and preamble agreed to]

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

HON. MEMBERS: Agreed.

THE CHAIRMAN: Opposed? Carried.

3:40

Bill 32

Public Sector Pension Plans Amendment Act, 1997

THE CHAIRMAN: Are there any comments, questions, or amendments to be offered with respect to this Bill?

The hon. Member for Calgary-*Buffalo*.

MR. DICKSON: Thank you, Mr. Chairman. At second reading

on Bill 32 on June 11, 1997, page 1215 in *Hansard*, I raised concerns with two elements of Bill 32. The first one had to do with section 2. Since the time of raising those concerns, I've still received no satisfactory explanation, indeed no explanation from the Provincial Treasurer.

Just to set the stage, here's what's happened. We had three regulations passed in 1996; it looks like in the first part in the spring of 1996. Then one passed in 1997 that transferred . . .

THE CHAIRMAN: Hon. members of the committee, we have a standing rule that we only have one member standing and talking at the same time, if we could observe that courtesy.

The hon. Member for Calgary-*Buffalo*.

MR. DICKSON: Thanks very much, Mr. Chairman. What we have, if we look at section 2 of Bill 32, is \$13.9 million being the subject of an illegal regulation, in fact four illegal regulations. Now, one would have thought the Provincial Treasurer, who is usually absolutely fastidious about offering explanations for what he does in this House in terms of legislation, either in advance or through the courtesy of briefing the opposition critic or in debate at second reading, in introducing the Bill, or at some point before committee stage – normally he would share with us the explanation, but what we've got here is \$13.9 million.

In a moment, Mr. Chairman, I'm going to be passing out an amendment which is going to deal with it, but I wanted to set the stage first. Our problem is this. We have these four regulations that have been passed in breach of the Regulations Act. Now, it appears, if you look at the Regulations Act, that section 2 is the provision that requires that a regulation or a certified copy has to be filed with the registrar. Then subsection (3) says, "Unless expressly provided to the contrary in another Act, a regulation that is not filed as herein provided has no effect."

So what we've got is this. We have regulations that were made in contravention and violation of what is arguably one of the lowest standards for the passage of regulations anywhere in Canada. That's the frustrating part. We have one of the few jurisdictions where there's no all-party oversight committee that actually looks at regulations before they become law. What we have in this province is a host of regulations moving \$13.9 million around, and the regulations haven't even been filed with the registrar of regulations. I think that's still Mr. Peter Pagano in the Department of Justice. He's not a tough guy to get ahold of, not a difficult fellow to get along with. Well, I would ask why in 1996 they wouldn't be able to get in and file the regulations in a timely way.

Now, here's what's really interesting, Mr. Chairman. I'd invited the Provincial Treasurer last time to tell us why in the Regulations Act there are curative provisions. Section 5(2) and (3) of the Regulations Act in fact provide a means of remedying a regulation that's improper on its face. Why has the government in this case not availed itself of those saving provisions in section 5(4) and (5)? The fact that the government hasn't suggests to me that the regulations were ultra vires. In other words, the regulations were outside the jurisdiction of the provincial government to pass. So it wasn't that they simply broke the Regulations Act; I have a suspicion that the regulations also exceeded the enabling legislation.

So what we've got is \$13.9 million being moved around with not only the Regulations Act being breached but likely also the principal statute, the original Public Sector Pension Plans Act. It just seems to me that this begs an explanation. You can't make

a mistake with \$14 million and not come into the Assembly and at least offer an explanation. That's what we asked for at second reading, it's what we continue to ask for in the committee stage, and until we get it, I don't know how members are going to be in a position to vote on Bill 32. It just doesn't make good sense, Mr. Chairman.

I'd ask the Provincial Treasurer again or maybe even the Minister of Justice to enlighten us and tell us how it is that in this jurisdiction we pass regulations illegally, that we've exceeded our jurisdiction and we have to come in a year later to try and after the fact pass a law to retroactively enable the government to do what they tried to do a year ago. Maybe the Minister of Justice can illuminate this mystery, the Minister of Justice who understands that you can't make subordinate laws unless you follow the enabling statute. So how is it we have a \$13.9 million mistake here? And how can you have a \$13.9 million mistake that lasts from the spring of 1996 and that we're now trying to patch up a full year later? Albertans at minimum are entitled to an explanation. Until we get it, it's extremely tough to support a Bill which on the face of it appears to have some other very helpful provisions for those employees who have a particular interest in public service pension plans. One wonders whether the government tucked in the offending section 2 with the other parts to make it more difficult to vote against the remedial part in section 2.

The other problem again has to do with the expansive regulatory lawmaking power in the new section 9.2, which is exceedingly broad.

I know there are a couple of other members who wanted to speak generally on the Bill before I introduce a specific amendment to address and remedy the one problem I see, so I'll take my seat for a moment, Mr. Chairman.

THE CHAIRMAN: Before I recognize Edmonton-Glenora, Calgary-Buffalo, could we have the pages hand it out now so that we don't have a lag, and then we'll deal with that issue. Okay? The pages may just hand the amendments out.

Edmonton-Glenora on Bill 32.

MR. SAPERS: Thank you very much, Mr. Chairman. I wanted to make a couple of general remarks prior to the amendment because my remarks at this point in proceedings really are about the whole Bill.

Mr. Chairman, let's make no mistake about it. The biggest reason why Bill 32 exists is not because of some change with the status of the pension for employees of Telus, but the biggest reason for Bill 32 is to cover the tracks of a government that made a series of mistakes. Bill 32 is an argument for why this Legislature must sit and must sit as often as is necessary to look over the shoulders of this government, which in its rush will continue to make error after error. So many have already been illuminated in this session: the \$29 million in the budget document, the drafting problems in so many Bills that have come before this House, and now the fact that this government without authority has mishandled pension funds that are being held in trust on behalf of the people of Alberta. [interjections]

I hear the government members making mock stage noises as though they are feigning surprise or even horror. I would suggest that if their constituents were here right now, Mr. Chairman, these would not be mock stage whisper expressions of horror and dismay. They would be very real because their constituents would ensure that they would be properly chastised.

Just in case it's been lost on anybody, Mr. Chairman, let me

read from the Bill just a couple of quick excerpts from the sections in the Bill. Section 7.1(1):

Alberta Regulations numbered AR 182/96, AR 183/96 and AR 184/96 is validated notwithstanding that, by virtue of section 4 of the Regulation in question, that section 3 purported to come into force before the Regulation was filed.

If you go down to 7.1(3), Mr. Chairman, quoting in part that section I read:

. . . [the] Board's authorization, in an aggregate amount of \$13 902 939.41 and \$23 210.80 of interest, are hereby validated, notwithstanding the lack of authorization by any regulation under section 4(1)(k) of Schedule 4 to conduct the transactions at the time they were done.

This government acted outside of its jurisdiction, outside of its authority, and mishandled the pension funds of the people of this province.

3:50

Now, I wonder what this government would say if some private-sector operator had mishandled \$13.9 million of government funds. Would they have that person in court? Would they have that operator in court? Would they be going after them to recover civil damages? What about the \$23,000 and change in interest money that could have been lost or squandered or gone? I'll note, Mr. Chairman, that that is interest money that was going to the indexing fund – this is the hard-fought-for fund to make adjustments for cost-of-living differences – where this money was most at risk, that would have denied or cheated Albertans of access to that money.

So here we have a government that in its arrogance pretends that it has all the answers, that it has a monopoly on all the good ideas, that it can do whatever it pleases, that debate in this Legislative Assembly is really just something that is inconvenient, and meanwhile they think that behind closed doors, by getting together around a small table with their business partners, they can make all the regulations they want. Even when they do that, Mr. Chairman, they mess it up. They don't just make little mistakes; they make \$13 million mistakes that deal with people's pension plans. Then it takes them a year to find it. Then they have the audacity to say to the people of Alberta: "We don't need two sessions of the Legislature; we don't need to come back. Democracy doesn't require it. We want to get out of the face of Albertans."

Well, Albertans want a little bit of accountability, and that little bit of accountability happens in this Chamber through these debates. The Treasurer shouldn't be afraid of that. None of the front bench should be afraid of that. Maybe we would have stopped and prevented this kind of mistake from happening. Just maybe this multimillion dollar mistake and so many others that we have seen as a result of this government's arrogant and cavalier attitude toward accountability would have been saved, would have been stopped if we'd had the agreement of the government to be as open and accountable as they pretend to be and to actually have the debate in this Assembly.

Mr. Chairman, this is really quite a shocking indictment of how this government does its business. It couldn't have come at a better time, because right now the press are outside these walls talking to the people of Alberta about the fact that the session may be adjourning soon, maybe today, maybe tomorrow. The session might be over soon, and the government and the opposition are being asked for their assessment of whether we think this has been a productive session or not. Well, certainly, if we can correct \$13 million errors, I suppose you'd have to say that that's been some accomplishment. But it's a sad comment on a government.

It's a sad comment indeed when we are brought back to debate at this late hour. This Bill was only just introduced in the Assembly; it's had very little time for study. A year after the money was misspent, we're being asked to correct a \$13 million, almost \$14 million error, and that really is quite an indictment of a government that is now saying, "Well, gee, maybe we don't need a fall session, because we don't have a legislative agenda."

I've said it before and I'll say it again: the role of the Legislature is not to deal with the government's agenda; it's to allow the people of Alberta to hold their government accountable for what it does and what it doesn't do. It is absolutely necessary that every taxpayer in this province understand fully what this government is trying to get away with by suppressing debate, by not having another sitting. What they're trying to get away with is more errors like this, these few thin pages that represent almost \$14 million, particularly those interest dollars that would have been lost to the indexing fund of people's pension plans if we had not caught this regulatory problem and then had to fix it long after the fact by legislation.

Mr. Chairman, I am hoping that the amendments that are about to be proposed by my colleagues will in some way address this for the long term so that this government can't again put people's pension investments at risk, like they have, that they can't spend outside of their authority, and that we will be able to have yet another strong argument for a fall session.

Thanks, Mr. Chairman. I look forward to the amendments.

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

MR. DICKSON: Thanks, Mr. Chairman. I know some members are sitting there asking themselves: so what are regulations 182/96, 183/96, 184/96, and 109/97? What's interesting is that Alberta regulation 182 was passed on August 21, 1996. What it dealt with was the Teachers' Retirement Fund Act and the Teachers' Pension Plans Act, which was the successor to it. Wouldn't Alberta teachers be interested in knowing what the government mismanaged on their behalf in terms of their pension fund?

Alberta regulation 183/96 dealt also with the Teachers' Retirement Fund Act. That was purported to be filed on August 21, 1996. Regulation 184/96 was also filed or purported to be filed on August 21, 1996. So how can it be that here we are, some 10 months after, trying to regularize, trying to patch up the mistake? Wouldn't you think that Alberta teachers and anybody else who's interested in the sanctity or security of their pension fund would come forward and say: "We'd like to know how this mistake could happen. We'd like to know how it is that a government that otherwise proposed to spend \$14 billion tax dollars can't seem to manage to follow the Regulations Act"? One could see if we had a more ambitious regulatory scheme.

That brings me to the amendment, because we've got a proposal that would head off this kind of problem in the future, Mr. Chairman. The amendment which I'd now like to move has, I think, been distributed to all members. This would add in section 3 of the Bill, the following after the proposed section 9.2. I won't read the whole regulation, but the effect of it is to empower the Standing Committee of the Legislative Assembly on Law and Regulations, a committee which has already had members nominated to it and is now chaired by the Member for Banff-Cochrane.

It requires that the Lieutenant Governor in Council would "cause to be forwarded to the Standing Committee a copy of the

proposed regulation," that on receipt the Standing Committee would examine the proposed regulation to determine three things, the first one being to make sure it was "consistent with the delegated authority provided in this Act." I would say, parenthetically, that that's the problem that happened here that we're trying to remedy because nobody did that assessment. So we're providing a piece of machinery, a mechanism to make sure it couldn't happen again.

The second thing that would be used by the standing committee would be a test to determine whether the regulation "is necessarily incidental to the purpose of this Act," and then, finally, to determine whether the proposed regulation "is reasonable in terms of efficiently achieving the objective of this Act."

Once that three-test examination has been undergone and completed, then "the Standing Committee shall advise the Lieutenant Governor in Council," and attention to any problems is drawn to cabinet.

Now, Mr. Chairman, when I first proposed this amendment, I think about four years ago on a different Bill, I was in my naiveté hoping that this was going to catch the wave. I was hoping that this was going to trigger a new practice that legislative draftsmen, those competent, qualified people who, frankly, make their political masters look good most of the time – I was hoping that they would start inserting this in every Bill that came forward and that we'd start patching it into the Bills that exist and don't have it.

You know, my colleagues have patiently and diligently introduced this kind of amendment in virtually every statute that comes across our desk and has come across our desk for at least the last four years. One would think that the government would grab it.

4:00

Now, what's happened is that often the government will say: no problem; we have the Member for Peace River, who's heading up some kind of deregulation task force. One might ask, Mr. Chairman, how it is that if the deregulation task force is doing the job that the government represents it's doing, if the deregulation task force is doing the job it's touted to do, why would we have a problem like we see in section 2 of Bill 32? Wouldn't it have caught it? And if it didn't catch it, what structural flaws and impediments are there in that system so that the next time the government says, "We don't need the Standing Committee on Law and Regulations to assess subordinate lawmaking," here's the evidence that absolutely we need it. Here's the most compelling reason why regulations in this province have to be reviewed by an all-party committee: because the government has proven itself incapable of doing their own review, proven itself incapable of being able to manage an almost \$14 million pension fund and to do it in a way consistent with the prevailing laws.

If the government were to really want to spike my argument and the amendment from the opposition caucus, all they'd have to do is stand up and give us an explanation in terms of how this \$14 million oversight could happen and what steps they've taken to make sure it can't be repeated. But what we hear, Mr. Chairman, is absolute, deafening silence. No proposal, no explanation, no clarification, no reason why this \$13.9 million blunder happened. So, Mr. Chairman, we're left as an opposition to try and patch it up as best we can.

We want to relieve members on the other side from the tedium of hearing us go through and continually advancing this amendment, but it's time they realized that most of Alberta lawmaking is now going on through regulation, order in council. When the opposition is sitting in their constituency offices and

waiting for the *Alberta Gazette* to come around to see what new regulation was passed, I think everybody understands that it's not a really good forum to hold the government accountable. With the government not holding a fall session, it simply underscores and highlights the importance of making sure that we have an all-party standing committee to review regulations.

As an opposition we've pointed out what we think is a grievous problem. We've suggested a concrete, positive alternative to make sure it doesn't happen again, and I would think that a government that professes to operate in a businesslike fashion, that professes to be efficient, that professes to be competent would accept nothing less.

Thanks very much, Mr. Chairman.

THE CHAIRMAN: The hon. Member for Edmonton-Glenora on amendment A1.

MR. SAPERS: On the amendment. Yes. Thank you very much, Mr. Chairman. Not to repeat any comments that I made in debate in committee about the Bill as a whole, what I'd like to say at this time in support of this amendment on Bill 32 is that this government may very well try to hide behind the fact that there was no political intent in the errors that were made or the lack of judgment that was apparent when they passed a series of regulations beyond their legal authority to do so. The government may say: "Well, there was no partisan benefit. There was no skulduggery. There were no shenanigans. We weren't really trying to hide anything. It was just simply a mistake; it was an honest mistake."

In doing that, what they would do is try to accomplish two things, Mr. Chairman. The first thing they'd try to accomplish is to minimize or downplay what has happened, which is that something illegal happened, something that was outside of the law. The second thing they would try to do by approaching it that way is that they would sort of shrug their shoulders and try to pass the buck along to somebody else, in this case try to take away the political responsibility, minimize the whole notion of ministerial responsibility, which is a parliamentary tradition, and they'd try to say that it was somehow the staff who did it, that maybe there was some incompetence at the staff level, or that it was some lack of professionalism within the public service that was responsible for this error. That would be a real travesty, if that were to happen, if the government were to get away with that passing of the buck, because this has nothing to do with the competence or incompetence of the public service.

In fact, the public service of Alberta is an example not just to the rest of the country but to the Commonwealth in terms of its professionalism and the ability of the public service to accomplish nearly the impossible. This public service is now facing the obstacles of having its numbers thinned to the point of almost not having enough people in spots to do the job. This public service has fallen in terms of retained income; this public service has fallen in terms of the amount that it's paid versus its colleagues from other jurisdictions across this country. So to in any way try to pass along the blame for this \$14 million mistake to the public servants of this province would be a very wrong-minded thing for the government to do. I wouldn't want to see them get away with it, and I don't want to see it go uncommented on.

It is clear that a mistake was made. It is clear that the mistake was made by regulation. It is clear that regulations under the Regulations Act are passed by the Lieutenant Governor in Council, and that in fact means it was done by a cabinet decision. That's

got nothing to do with the senior public service of this province. That's got everything to do with the men and women that the Premier handpicked to come into the small room with him and be the Executive Council of the government. They made the decision; they made the mistake. It's their mess that has to be cleaned up. If there's blame, it's theirs to accept. That means that there is in fact a political aspect to all of this, because it comes as a result of a government that is getting lazy in its enjoyment of power and thinks and believes that it can do no wrong when clearly we have evidence that that kind of laziness not only breeds contempt for the taxpayer but leads of course to mistakes being made. So the government should not be able to pass the buck, should not be able to shirk responsibility, must be held accountable.

This amendment will help achieve that, because this amendment would ensure that there would be public scrutiny on regulations such as these regulations which have run afoul of the law of this province. So I would urge all members of this Assembly to grant this amendment speedy passage and then just as quickly for the government to refer regulations to the Public Sector Pension Plans Act to the standing committee so that they can be debated, so that they can be scrutinized, and so that we can ensure that there aren't millions more pension dollars being put at risk because of sloppiness on the part of the government front bench.

Thank you.

[Motion on amendment A1 lost]

SOME HON. MEMBERS: Question.

THE CHAIRMAN: We have another amendment to come forward and other speakers, so we're not able to move beyond that point.

Hon. Member for Edmonton-Highlands, would you like us to pass out your amendments now?

MS BARRETT: Yes, please. I'll speak about the legislation itself while my proposed amendment gets circulated.

I must say I agree with the nature of the previous amendment. I think accountability is very important, and that's the reason that I'm proposing the amendment that I am. Essentially what I'm asking for – if you go to your Bill, in section 5(3) there's a proposed section 14.1(2), and that one says: "An employer referred to in subsection (1)," such as a municipality, for example,

is one that the Minister, after consulting with the Board, determines will become ineligible to continue to participate in the Plan as an employer.

The amendment that I'm asking for I believe is very innocuous and is just a little more consultative in nature. What I'm asking is that after the word "Board" the following words be put in: "and the relevant organization representing employees."

I don't believe there's anything contentious about this amendment. It certainly shouldn't offer any worries to the government. It is strictly to expand the consultation to the organizations representing employees under a very tight set of references. It's not that I'm asking that the relevant organization representing employees be involved in regulation-making or anything else, just simply that they be consulted to determine ineligibility "to continue to participate in the Plan as an employer."

I'd just ask all members of the Assembly to please consider supporting this amendment. If that happens, then I'll happily support the Bill.

4:10

THE CHAIRMAN: Before hearing any further discussion on this, I'd let it be known that the amendment will be known as A2, as moved by the hon. Member for Edmonton-Highlands. Discussion?

[Motion on amendment A2 lost]

[The clauses of Bill 32 agreed to]

[Title and preamble agreed to]

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

HON. MEMBERS: Agreed.

THE CHAIRMAN: Opposed? Carried.

Bill 33
Alberta Treasury Branches Act

THE CHAIRMAN: Before going any further, I would call upon the hon. Member for Calgary-Fish Creek.

MRS. FORSYTH: Thank you, Mr. Chairman. Under Standing Orders 33(1) and 33(2) I have to excuse myself because of a conflict of interest, and I need it recorded in *Hansard*.

THE CHAIRMAN: Thank you, hon. member. Yes, duly recorded in *Hansard*.

Are there any comments, questions, or amendments to be offered with respect to this Bill?

The hon. Member for Edmonton-Mill Creek.

MR. ZWOZDESKY: Thank you, Mr. Chairman. We are now debating in Committee of the Whole Bill 33, Alberta Treasury Branches Act; is that correct?

THE CHAIRMAN: Yes.

MR. ZWOZDESKY: Thank you. Mr. Chairman, I have a number of comments which have already gone down on record concerning the Alberta Treasury Branches and in particular this new Act, which breathes a lot of new abilities into the Treasury Branches operation. Of course, it also establishes the Treasury Branches as a Crown corporation, and that should have the perception and I hope the reality of creating more of an arm's-length relationship between the government and that particular community banking institution, which we and hopefully all other Albertans have come to know and appreciate.

However, there are a couple of points here that I would like to address in a more specific nature. I think to save the Assembly some time, I will just distribute the amendments. I have five amendments altogether. I think they should be addressed one at a time, with the hopeful objective that as they are reviewed and given due consideration on an individual basis, perhaps some of them will catch the government's ear and in fact be voted in. So with that thought in mind, Mr. Chairman, I'm going to distribute copies of the first amendment, which I will ask you to number as perhaps A1 or whatever you deem appropriate. As that's going around and before moving it formally, I will just continue some general comments, if I might.

THE CHAIRMAN: Yes, please do.

MR. ZWOZDESKY: Thank you. That then will take me through to some of the specific sections of this Act, which I have alluded to during second reading, that really speak to the spirit that propels this Act.

We know that Treasury Branches have provided that incredible and invaluable service throughout Alberta over the last 60 years. However, in fairness to Treasury Branches, I believe that they do need considerably more autonomy from government so that the decisions that they take and the management practices that they are charged with pursuing can in fact be acted upon. The only way to do that is to free them from direct political pressure.

At the moment, the Treasury Branches exist as a division underneath the department of Treasury. Well, that's really a very, very close relationship, Mr. Chairman, and a difficult one to escape from the long arm of government. As a result, we now know that Treasury Branches have fallen into some difficult positions in terms of underperforming loans. The way to correct that, of course, is to give them the ability and the autonomy to work these things out on their own: pursue the bad debts that they have and at the same time remain accountable, transparent, open, and honest toward Alberta taxpayers, who provide the ultimate backstop.

Now, I'm given to understand that the first amendment is now before everybody. I have given an undertaking to the Provincial Treasurer that we will be as brief as possible with this Bill, and I'm hoping at this stage, if they have received it, that you'll accept my motion to move it.

THE CHAIRMAN: Before the hon. member goes on to move it and make his comments, this amendment that's been circulated will be called amendment A1.

Edmonton-Mill Creek to continue.

MR. ZWOZDESKY: Thank you. Mr. Chairman, this amendment really refers to page 11 of Bill 33, the Alberta Treasury Branches Act. I'm pleased at this stage to move what is now known as amendment A1 to Bill 33, Alberta Treasury Branches Act. It essentially amends section 19(4) by striking out "(5), (6), and (7)" after the phrase "Subject to subsections" and substituting "(5) and (6)." Secondly, it strikes out subsection (5) on page 12, which is the very first paragraph at the top of page 12. Thirdly, it renumbers the sections that follow it as (5) and (6) instead of as (6) and (7). So it just sort of tidies it all up.

That having been moved, I'd wish to speak to it very briefly, if I might. May I proceed? Thank you.

So the net effect here is simply to address the issue of shareholdings. We know that Alberta Treasury Branches is not permitted to own more than 10 percent of the voting rights of issued and outstanding shares of a Crown corporation except where the Treasury Branches is actually realizing a security interest or is engaging in a loan workout procedures program, in which case the excess voting shares must be disposed of within five years or through a cabinet order.

Against that understanding we can appreciate that subject to a cabinet order the ATB will be able to now own 10 percent of the voting rights attached to the issued and outstanding voting shares of the following subsidiary companies or corporations. That will include trust companies, securities dealers, insurance companies, real property brokerage corporations or real estate corporations, investment counseling corporations, portfolio management

corporations, and information management corporations as well. Government policy of course will limit Alberta Treasury Branches' insurance involvement to term life and other annuity-related insurance products and will in fact prohibit colocation and client information sharing. We understand that.

[Mrs. Gordon in the Chair]

So the net effect here, then, is to really allow the Treasury Branches and in turn the government to really have not only the perception and appearance but also the reality of truly operating in as open and accountable a fashion as possible. The way to do that is to actually remove from this Bill the concern that

prior approval of the Lieutenant Governor in Council is not required under subsection (4) with respect to shares in a corporation referred to in subsection (4)(g).

By accepting this amendment, then, what you're really doing is saying that issues like that will now require the approval of the Lieutenant Governor in Council. The effect of that is one of openness, because as we all know, orders in council do get posted for the viewing of opposition members and government members alike as well as the general public.

I believe that in the spirit of openness and transparency the government would want this particular amendment to survive, and I'm given to understand that in fact the Treasurer himself is seriously considering that and perhaps has a favourable comment in that regard. I'm not sure. I'll wait to hear what he has to say.

With that brief overview and those brief comments, I will take my seat with regard to amendment A1, unless there are others who wish to speak. I don't believe there are on our side, but there may be on your side.

4:20

MR. DAY: Well, I see the Member for Calgary-Buffalo rushing to his seat to take a look at the amendment. I don't want to stifle debate, by any means.

Just a comment here – and if I can appeal to my own colleagues on this one. Sometimes we don't have maybe enough days to look at each opposition amendment. We've tried to allow some time to do this, and on this particular amendment, with striking out subsection (5), it actually does make sense, related to this particular provision. I've looked at it. We've done the checking in terms of how it would affect related parties. It doesn't seem to have a negative effect and in fact might, as the member suggests, have a positive effect here related to “prior approval of the Lieutenant Governor in Council.” It does give that extra degree of scrutiny, if we want to call it that, without in fact drawing us back into too close of a relationship, because the spirit of this whole Bill of course is to establish that arm's-length relationship and accountability.

The Member for Edmonton-Mill Creek, when he brings items forward, usually is constructive in his criticism. He never hesitates to be critical, but it's usually constructive. At the times we disagree, it's usually not accompanied by a flurry of insults, as sometimes happens with other members, not mentioning any names.

In reference here to the fact that this would in fact bring it to one final look back to Lieutenant Governor in Council, we have checked this out with the parties involved. There is not a problem or a difficulty from the ATB side on this, and though I haven't had the time, I would like to acquaint my colleagues with this particular amendment. I can assure them that from my perspective and the perspective of our legislative people and ATB, this is in

fact a friendly amendment and one which some thought has gone into and could be supported. Though we do operate from the point of view of freedom of voting, I'm going to encourage my colleagues to vote with me in support of this particular amendment.

[Motion on amendment A1 carried]

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

MR. ZWOZDESKY: Thank you, and thank you to the Provincial Treasurer and all members on that side of the House for accepting that friendly amendment.

Let me move quickly to the next one. Mr. Treasurer, just so you know, I have decided to bring forward a total of five amendments only at this time. So I'll allow this one to now be distributed. Perhaps with the Chair's permission we will in fact be able to call this one amendment A2. Do you want me to wait for one minute, Madam Chairman, until it's distributed?

THE DEPUTY CHAIRMAN: Yes, if you could wait just one moment.

Hon. members, we're going to distribute all of the amendments at one time to save the pages wear and tear on their shoe leather.

MR. ZWOZDESKY: Madam Chairman, this is, then, going to be amendment A3, which amends section 5. This next one, which I hope you'll accept as amendment A4, will amend section 23. The final one today will be what you will call A5, and it will amend section 33. Again, I just want to stress that most of the comments pertaining to these amendments have already been recorded in some fashion or another, so I will be looking to move with some alacrity to save the House time.

Madam Chairman, I'll proceed with at least amendment A2, then, which appears in my name, now before all members.

THE DEPUTY CHAIRMAN: A2 deals with the amendment to section 8; correct, hon. member?

MR. ZWOZDESKY: Yes, it does, Madam Chairman. There is some concern that I have expressed in regard to this particular aspect of the Bill. Basically I am suggesting here that section 8 be amended after subsection (2) in the following manner:

- (3) Upon the board making by-laws pursuant to subsection (1) the Minister shall,
 - (a) if the Legislative Assembly is sitting at the time, table the by-laws before the Assembly, or
 - (b) if the Legislative Assembly is not sitting at that time, table the by-laws before the Assembly within 15 days after the commencement of the next sitting.

That would be inserted after subsection (2).

The reason I was hoping to bring that forward was because the nature of bylaws is to essentially portray the mandate, the objectives, and put in writing what it is that an organization is all about. The Alberta Treasury Branches are of course about a community banking institution that is basically guaranteed by us, the taxpayers of Alberta. We are the people behind the scenes, as it were, who have to make good on all the transactions that the Treasury Branches might get us involved in. It's the bylaws that really provide the direction to Treasury Branches officials, to their management board. It's the bylaws that give the *raison d'être* of what the organization in fact is supposed to be doing, and in the

event of some need for clarification, people turn to the bylaws to see what it is they can and cannot do.

4:30

Now, the purpose of the amendment before the Assembly this afternoon, the amendment known as A2, as I just read into the record, is to in fact have any changes to bylaws come forward to the Assembly either during the time that we are sitting or come to the Assembly shortly after it's reconvened in the event that bylaw changes occur while we're out of session. Now, if there's some reason why these bylaws shouldn't come forward to the Assembly, I'd be prepared to hear it.

Essentially, I understand that there are two aspects to the bylaws. The one that is being eliminated if the Act goes through as is pertains to the possibility of conflict of interest guidelines that might, I guess, otherwise not be reviewed. Therefore, I don't know if the regulations that might be coming forward later would take that into account. If that's the case, then I'd be prepared to withdraw the amendment, but I'd like some explanation from the Treasurer, if he has it at his fingertips – I'm not sure if he does – if he could perhaps just engage in a brief debate right now with me on this point. I'd be prepared to receive it, and if it sort of coincides with what my alter thinking is, then we can in fact pull this amendment.

MR. DAY: I think, Madam Chairman, that my response will coincide with what he's thinking. I believe he will be able to withdraw the amendment, though certainly I'll leave that up to him. As I look at the section here, section 8, under the existing Act the only bylaws that were required to be tabled in the Legislature were the conflict of interest bylaws. So in fact, as the member I think is zeroing in on, this is no change. Regulations, which would be public, would replace the conflict of interest bylaws and the reference there under section 34. I think that does address the concern. I'll leave it up to the member to decide whether it does.

MR. ZWOZDESKY: Madam Chairman, I wonder if I could just get the Treasurer to comment on the way I might understand this, and if it coincides with what he's just said, then I would be prepared to withdraw it. Is there an assurance, Mr. Treasurer, that the regulations we're talking about, which in fact will govern the bylaws or at least where the bylaws information will be found, will be available to the public? Will they be made public?

MR. DAY: Madam Chairman, I can give that assurance that indeed those would be public.

MR. ZWOZDESKY: Well, in that case, Madam Chairman, I'd be prepared to withdraw that amendment, because it addresses the very concern of openness and public accountability, which is what I've been pushing for in respect of this amendment and others. I'm not sure what the formal process is for withdrawing that amendment, but perhaps you might guide me in that regard.

THE DEPUTY CHAIRMAN: It is my understanding that unanimous consent of the committee would be needed to withdraw the amendment. Is the committee willing to give unanimous consent to withdraw amendment A2?

HON. MEMBERS: Agreed.

THE DEPUTY CHAIRMAN: Those opposed? It is withdrawn.

MR. ZWOZDESKY: Thank you. Let me move on, then, quickly to my third amendment, which you will have before you and should be labeled A3. It specifically amends section 5 of the Bill. Section 5 would be amended after subsection (2) by adding the following, a new clause titled clause (3):

Notwithstanding subsection (1)(c), the termination of a director by the Lieutenant Governor in Council is valid only when the director has failed to comply with this Act or regulations prescribed under this Act.

Now, the issue here is that I'm trying to see, without having this in section 5, how this section that pertains to directors holding office is consistent with section 24, that appears a bit later and talks about duty of care. In fact section 24, Madam Chairman, says:

Every director and officer, in exercising powers and in discharging duties,

- (a) shall act honestly and in good faith and with a view to the best interests of Alberta Treasury Branches, and
- (b) shall exercise the care, diligence and skill that a reasonable and prudent person would exercise under comparable circumstances.

What I'm talking about here in the amendment, hon. members, is that I don't believe it's fair for the power of dismissal to be exercised against a director of a corporation like Treasury Branches unless that director may have specifically violated an aspect of the Act. That's really what this amendment says: the termination of the director is valid only if the person being terminated is being terminated for some cause arising out of a violation of the Act. I hope you'll receive that as a friendly amendment. Otherwise, it would leave room for people possibly being dismissed on, I guess, a variety of possibilities, not the least of which might be the violation of the Act. So we have to be vigilant in that regard.

I believe, Mr. Treasurer, that if the screening process and due diligence are done in the appointment of the directors, there shouldn't be any cause for concern later on. In fact, I could see a scenario where a director might wish to express a concern that he or she feels their conscience might require and that in fact does not violate the Act, but we wouldn't want to see them being punished by dismissal for expressing an opinion contrary perhaps to the popular opinion. We have to, of course, appreciate that in all of these circumstances the majority vote will prevail, and I don't anticipate that directors would be getting into any difficulty. But it just seems to me that if we're talking about the basis for dismissal, we should do what we can to protect the directors by giving them a little more of that arm's length that they will need and that they not be penalized by possible dismissal unless they specifically violate the Act.

So with those comments I would look forward to the Treasurer's response. Thank you.

MR. DAY: Well, while I appreciate the concern of the Member for Edmonton-Mill Creek about directors and unnecessary dismissal, I think the Act is quite clear. I think they will be protected. You know, the government is the shareholder here, and directors are accountable to the shareholder. In some cases there may be some cause for concern, but I think section (5) is very clear as it now stands. For instance, (5)(c)(i) talks about "10% or more of the issued and outstanding voting shares of a significant borrower that is a corporation." Section (ii) talks about "a 10% or greater interest in a significant borrower that is an entity other than a corporation." These eligibility requirements, I think, are quite clear, clear enough that it would

not allow a director to be dismissed on the whim of government.

I'm convinced from my own analysis that this type of legislated arrangement that's being set up now in terms of defining who the shareholder is and who ATB is and who the directors can be is sufficient protection. You know, we've just come through a time where there's maybe been some suggestion that the rules haven't been clear enough and in fact haven't been enforced. I believe this provides the balance, and I'm comfortable with the legislation as is on this particular section. So it's a well-meaning thought. I think it's not necessary in the legislation, and for that reason I cannot support this particular amendment.

[Motion on amendment A3 lost]

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

4:40

MR. ZWOZDESKY: Thank you, Madam Chairman. I believe all members now have a copy of the fourth amendment, which will be called A4, with respect to Bill 33. It essentially amends section 23 of the Act as it sits by requiring Alberta Treasury Branches to include financial statements as well as a message from the board and the chief executive officer of that board and comments that they might have with regard to results they've achieved and the comparison of projections or performance results with projections or desired results and to include those within the financial statements being offered.

Secondly, we're asking for the financial statements to really "be released to the public within [approximately] 90 days after the end of a fiscal year." At the same time, we're also talking about the board and the chief executive officer of the Alberta Treasury Branches having to prepare a business plan for Treasury Branches – hence, for all members of the Treasury Department and maybe even for all members of the Assembly – that would include at least a two-year sort of projection period.

Then we've set out in the amendment, Madam Chairman, what some of the business plan should include. That would be, for example, a clear setting of the goals for each of the core businesses that Treasury Branches might be involved in and the measures that would be "used in assessing the performance of the Alberta Treasury Branches for each of the core businesses," and finally, "the results desired by the Alberta Treasury Branches for each of the core businesses."

So it's my view, Madam Chairman, that whereas we already know that the new management board is functioning quite well and in fact did release its first business plan last fall, the business plans could in fact be improved upon. The chief executive officer and the new management board had just taken over the reins months before, and I realize that they wouldn't have had as much time as otherwise would be required to put together perhaps the degree of sophisticated plan that they might have wanted to put forward. Nonetheless, they did put forward a business plan, and it spells out some directions.

This amendment to this Bill would simply require a few more details to be brought forward, and I'm hoping that the members opposite, including the Provincial Treasurer, will receive that amendment in that spirit and give it a nod of approval. If not, perhaps the Treasurer could just briefly comment on why not and at the same time give me an explanation perhaps, too, as to whether or not it will be possible under the air of accountability for the chief executive officer to appear before Public Accounts. It's something that we've spoken about informally with a few

people. I believe it's a valid suggestion for the Treasurer to in fact consider, and he might wish to comment on that.

With that, I will take my seat at this time on this amendment.

MR. DAY: Again, Madam Chairman, I think the concerns are well voiced and well intended. This is complex legislation, and we don't want to make it more burdensome than some may say it already is. So I can give some assurances to the member which will maybe comfort him a little bit in terms of saying that I don't accept this amendment, but let me explain why. The ATB annual statements will include the same information as is required by other financial institutions in Alberta. So from that point of view, this is consistent. I know the concerns expressed by the member, but it is consistent with what other financial institutions are required to do. I can give him that assurance, that those annual statements will include that information.

As far as what was being asked for related to more things being included on the financial statements for ATBs in their fiscal year, the annual report usually includes and in fact will include the items that have been mentioned here under section (2) of this amendment. These items – the message from the board and the chief executive officer, these types of things – are found in the annual report, and I think when the member sees the report that comes out tomorrow, it will reflect that. If there's some deficiency there, let me know, and if it's something that needs to be attended to in legislation, then we will take a look at doing that. I don't think it's going to be required, and I'll wait for the member's review of the annual report to see if he concurs in that.

On the items that he lists in section (5) of his amendment, the ATB business plan will be part of Alberta Treasury's overall business plan. So I appreciate his concern that that happen. I give that commitment.

You know, to legislate the appearance of the CEO makes that somewhat different from other financial institutions, and we're trying to put them on a level playing field. But I understand the concern, and I'll make the commitment here so that it is in *Hansard* that if I am still honoured to be the Treasurer at this time next year and I come before Public Accounts, the CEO will be with me. We'll keep it out of legislation, but I will give him that commitment today.

MR. ZWOZDESKY: I just want to thank the Provincial Treasurer for that undertaking. That proviso of having the CEO from ATB appear with the Treasurer in Public Accounts I think speaks volumes about openness and transparency, which we're all aiming towards. So thank you for that undertaking.

[Motion on amendment A4 lost]

THE DEPUTY CHAIRMAN: Go ahead, Edmonton-Mill Creek.

MR. ZWOZDESKY: Thank you, Madam Chairman. I was just waiting to be recognized officially.

I believe all members have before them amendment number 5, which has properly been identified as A5, an amendment I wish to bring forward to Bill 33, specifically to section 36, wherein I'm requesting that we consider striking out subsection (7). Subsection (7) of section 36 really deals with enshrining in legislation the repeal of all bylaws made under section 2.4(1)(a) of the old Treasury Branches Act. Now, as I understand it, that section of the Treasury Branches Act was there because it covered the business of how meetings of the Treasury Branches were in fact conducted, what the rules and regulations and the procedures

and so on were. If the Act goes through as it is today and if that subsection (7) is left in the Act, then the bylaws concerning the aspect of running the business meetings will be there, but the aspect concerning possible conflicts of interest will be removed by having that section repealed.

So let me just try and be clear here. Subsection (7) as it sits will be withdrawn from the new Act. The old Act had subsection (7) in it because it specified what to do in the case of conflicts of interest. I'm arguing for leaving that part in the Bill because I think it helps clarify for board members what it is they need to be vigilant on and what it is they need to avoid so as to not land themselves in a conflict of interest position. This amendment before us today, Madam Chairman, simply says: please do not repeal section 2.4(1)(a) of the old Treasury Branches Act, because it speaks to the issue of conflict of interest and helps clarify it for all members. This might have some impact, by the way, on contractual references, so I think that's why it was put in there to begin with.

So with those brief comments I'll await the Treasurer's explanation on whether he will accept this amendment or not.

4:50

MR. DAY: Again, not being able to accept the amendment but accepting the spirit of what the member is proposing, I think I can show him or at least attempt to show him how this will be addressed. He's referring to bylaws that are affecting conflict of interest being removed. In fact what happens and the reason for this particular section 36(7) is that it relates to the fact that the regulations for related parties will actually replace the conflict of interest bylaws. So it's covered under that.

All regulations for related parties replace those conflict of interest bylaws. The same protections are there that the member is concerned about. The provisions and the concerns that have motivated the member to bring forward this particular amendment are addressed that way. On proclamation, when section 36(7) comes into force, the regulations made under 34(b) will then be put in place. In looking at 34(b), I think the member will see that it covers those broad items of concern.

So we may have a difference of opinion on this, but I believe I'm being accurate in saying that his concerns are being addressed, perhaps not in the manner in which he thought they were going to be addressed. That's the only reason I'm not accepting the amendment.

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

MR. ZWOZDESKY: Yeah. I appreciate the Treasurer's concern and comment and the instruction he's given me, and I have looked at that.

I just have two concerns, Mr. Treasurer. One of them is that section 34(b) says that "the Lieutenant Governor in Council may make regulations . . . governing" certain aspects of a person's abilities or conduct or whatever. Will those regulations be made public in the same spirit as your other undertakings? That would be number one.

Secondly, I had a bit of a broader view in mind with this particular amendment, and that was that I was hoping we could clarify for the directors who make the decisions on behalf of Treasury Branches what it is that, first of all, constitutes a conflict of interest, what the methods are for avoiding potential conflicts of interest. How can we help keep people out of those hot spots? I had an issue here with regard to the disclosure or involvement or

potential involvement of directors in conflict of interest situations. With regard to the conduct of directors or officers, I thought that for their clarification purposes it would be good to have that particular clause left in.

Finally, I was hoping there might be something included here that talked about the consequences of some infringement or violation of conflict of interest guidelines. I know that we're talking largely here about the issuance and/or approval of loans by ATB to directors and officers or to entities in which a director or officer might have a significant interest, but there are perhaps other areas that are not strictly financially motivated where maybe members could benefit by having this type of a clause kept in there, which would keep things well aboveboard.

So perhaps the Treasurer could just comment on those two issues: one, about making the regulations public, and secondly, about the broader view, which I believe I've explained.

MR. DAY: Madam Chairman, some of the items that would actually constitute a conflict of interest are made clear in the Act itself. The member may be interested in knowing that right now there's a process that's been going on for several months in terms of training and policy and procedures for management, for whom maybe it hasn't been as clear in the past what would be conflicts of interest. That's been going on already. It'd be similar through a policy and procedures approach and a training approach for new directors, where some may have questions on the Act in terms of where the conflicts arise, and that'll be made clear for them.

I would invite the Member for Edmonton-Mill Creek to submit to me, which I can pass on to ATB, his concerns related to what he might see as gray areas of conflict of interest which he would personally like to see impressed upon directors so that they would be fully aware of what those are. You can't in legislation contemplate every single situation; otherwise the legislation becomes overly burdensome. Through the process of explanation, through policy and procedures to directors on what those areas and questions might be, if the Member for Edmonton-Mill Creek has suggestions in written form, I could pass that on to ATB to make sure that their directors are impressed with that.

In terms of the regulations and would they be made public and asking for that commitment, yes, I'll make the commitment here on record that these would indeed be made public. So I think we're addressing some of the concerns. I'm not voting for the amendment for those reasons, but the spirit of the amendment I think I will attempt to address in that fashion.

[Motion on amendment A5 lost]

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

MR. DICKSON: Thanks very much, Madam Chairman. I had raised a concern at second reading on this Bill that still is outstanding and still hasn't been addressed. I've watched with fascination as the Provincial Treasurer has responded to a number of the very constructive and positive suggestions offered by my friend for Edmonton-Mill Creek. The issue would be this, Mr. Treasurer, through the Chair: there is a conflict that still hasn't been resolved by this government. We have on the one hand this entire Bill, Bill 33, which is about trying to say that the Treasury Branches are not and will never be an agent of the Executive Council.

THE DEPUTY CHAIRMAN: Committee, could we have order,

please. It is getting a little noisy, and I do want to hear the hon. member. Please, order. Thank you.

MR. DICKSON: But here's the conflict. The Provincial Treasurer may say that the Alberta Treasury Branches are not going to be an agent of Executive Council, but we have a piece of legislation that indeed says they are, and that's not being changed. The provision of course is in the Freedom of Information and Protection of Privacy Act, sections 4(3) and 4(1)(m). Section 4 sets out records to which the freedom of information Act does not apply, and subsection (m) says "a record in the custody or control of a treasury branch other than a record" – and this is the part I'd emphasize – "that relates to a non-arm's length transaction between the Government of Alberta and another party."

What's "non-arm's length"? Well, that's helpfully defined in section 4(3), which says that

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.

Now, the problem, Madam Chairman, I respectfully suggest, is that that part of section 4(1)(m) and 4(3) can't comfortably coexist with Bill 33. This is a concern that had been raised on June 11, 1997, in *Hansard* at page 1223, and I notice that the Provincial Treasurer hasn't addressed it.

5:00

So it seems to me that we continue to have a situation where the Treasury Branch is expressly acknowledged, in an Act passed only a couple of years ago, in some circumstances to be an agent of Executive Council, yet we have the minister who in his introduction and in his spirited defense of Bill 33 insists that no longer can the Treasury Branch be an agent of Executive Council. It seems to me that we've got to address the conflict in some fashion. I don't know how the Provincial Treasurer plans on doing it, but I certainly want to flag the concern. I raised it at second reading, and I'd just very much like to know how the Provincial Treasurer is going to address it.

Those are the concerns I had. Thank you very much, Madam Chairman.

[The clauses of Bill 33 as amended agreed to]

[Title and preamble agreed to]

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

HON. MEMBERS: Agreed.

THE DEPUTY CHAIRMAN: Opposed? Carried.
The Hon. Government House Leader.

MR. HAVELOCK: Yes. Thank you, Madam Chairman. I move that the committee do now rise and report.

[Motion carried]

[The Speaker in the Chair]

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

MRS. GORDON: Thank you, Mr. Speaker. The Committee of

the Whole has had under consideration certain Bills. The committee reports the following: Bills 34, 22, 28, 32. The Committee reports Bill 33 with some amendments. I wish to table copies of all amendments considered by the Committee of the Whole on this date for the official records of the Assembly.

THE SPEAKER: All members in favour of the report presented by the hon. Member for Lacombe-Stettler?

HON. MEMBERS: Agreed.

THE SPEAKER: Opposed? The report is carried and filed with the House.

head: **Government Bills and Orders**
head: **Third Reading**

MR. HAVELOCK: Mr. Speaker, I request unanimous consent of the Assembly to waive Standing Order 73(1) to allow for third reading consideration of Bill 34.

THE SPEAKER: Is there unanimous consent to waive Standing Order 73(1) in order to proceed with third reading of Bill 34?

HON. MEMBERS: Agreed.

THE SPEAKER: Opposed? Carried.

Bill 34
Miscellaneous Statutes Amendment Act, 1997

MR. HAVELOCK: Thank you. I move third reading of Bill 34, Mr. Speaker.

[Motion carried; Bill 34 read a third time]

Bill 22
Environmental Protection and Enhancement
Amendment Act, 1997

MR. LUND: Mr. Speaker, I wish to move third reading of Bill 22, the Environmental Protection and Enhancement Amendment Act, 1997.

Mr. Speaker, this Bill allows for the setting up of a designated administrative authority, as opposed to a designated regulatory authority, and would allow the minister to delegate a program, and the program is in the Bill.

MR. DICKSON: Mr. Speaker, I know that my colleague for Edmonton-Ellerslie would want to have noted that this Bill was never as innocuous as the Minister of Environmental Protection would represent. In fact, for all of the reasons that have been raised in this Assembly at earlier readings and earlier treatment of this Bill, it simply demonstrates in a really marked and conspicuous way the extent to which in this province – when Albertans want core protection, basic protection, they're not going to find it from a department of their provincial government. Where they're going to have to look is some appointed agency that they didn't elect, some agency that isn't represented directly in this Assembly, some place that's not going to be subject to a host of freedom of information laws and those kinds of protections, that may not be accessible to the Ombudsman and the jurisdiction of the Ombudsman in this province.

The fact that the Minister of Environmental Protection would

even pass this off as an innocuous kind of Bill demonstrates what a long distance we've come in this province. Since I was elected in '92, we've seen a continued degradation in the quality of parliamentary accountability. I'm not sure if there's a causal relationship there, Mr. Speaker. I disavow that. But it certainly seems to me that we continue to have weaker and weaker oversight by this Legislative Assembly, and this Bill, introduced and sponsored by this Minister of Environmental Protection, really personifies or typifies this sort of trend.

So those are concerns, Mr. Speaker, that I have. I know that my colleagues in the Liberal caucus share those concerns. I can simply tell the minister that Albertans are going to be vigilant in terms of watching the way these delegated authorities operate, and we're going to be extremely vigilant that our environment doesn't play victim to the wish of this government to simply move resources out into the private sector.

I'd just finish, Mr. Speaker, with this observation. We've heard the hon. Premier often talk about his analogy of the home renovation project. What we've seen in this province so many times is that in this case the Premier came along and represented to us as homeowners that he was going to renovate our kitchen. We entered into the contract on June 15, 1993, and then we watched patiently all of the dust and din, the noise coming from the house, and we've gone from time to time to peak in the windows, and what we've seen is that every wall in the house has been taken out, including all the load-bearing walls. The little kitchen renovation has turned into a remaking of the whole house to the point where it's not even recognizable anymore.

5:10

What's worse is that although Albertans may have had confidence in the contractor they hired on June 15, 1993, what we've seen is that he's subcontracted virtually all of the work. What we see here in this Bill, in Bill 22, is another example of the extent to which somebody that we didn't hire is renovating our house. We don't know what kind of background they've got.

Mr. Speaker, as I think I've said before, it looks like the contract with the contractor was renewed on March 11, but the point is that Albertans still haven't had a chance to go back into their house and see what's left as a consequence of this renovation project. I think, Minister of Environmental Protection, through the Speaker, that they're going to be shocked and alarmed and they're going to walk out of that house shaking their head and wondering what happened. More importantly, they're going to want to have a look at that construction contract and rip it up. Unfortunately, we don't have a right of recall in this province, despite the best efforts of my colleagues, but if ever there were a right of recall, I know that the people in Rocky Mountain House would be looking long and hard at that alternative. They would be looking long and hard at the prospect of being able to rein in their minister and their MLA.

So those are the observations I wanted to make, Mr. Speaker, on behalf of myself and the Member for Edmonton-Ellerslie and the balance of my caucus. Thanks very much.

THE SPEAKER: You have the floor, leader of the ND opposition.

MS BARRETT: I did, Mr. Speaker, but nobody could hear me because my microphone was not on.

Mr. Speaker, I'm going to add my voice to opposing this legislation. I see a trend in this government to make every attempt it can to provide layers of insulation between itself and the public so that it can dissociate itself from any actions taken by that layer

of insulation. It can say, "Don't come to me; that wasn't my decision," although it's always the friends of the government who constitute that layer of insulation. When it comes to environmental protection, I don't think anything could be more important, not even the altar at which this government has bowed for the last four years, that being one of money.

The fact is that cabinet has taken more and more powers for itself in this session, and what it hasn't done by that route it has done by setting up boards or agencies which will provide for a cushion against public accountability. Public accountability is done by MLAs, those who are duly elected by the citizens. Boards such as those which will be allowed under this Act are not boards that consist of elected persons. They will be appointed. It's wrong of the government to do this, and therefore I will be voting no.

[Motion carried; Bill 22 read a third time]

Bill 28 Fuel Tax Amendment Act, 1997

MR. KLAPSTEIN: Mr. Speaker, I move third reading of Bill 28, the Fuel Tax Amendment Act, 1997.

MRS. SOETAERT: Mr. Speaker, might I ask for unanimous consent to introduce some people in the Legislature?

THE SPEAKER: Do all members agree?

HON. MEMBERS: Agreed.

MRS. SOETAERT: Can I have the Member for Lethbridge-East introduce them? They're from his constituency?

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

head: Introduction of Guests (reversion)

DR. NICOL: Thank you, Mr. Speaker. It's not very often that we get to invite and welcome people from Lethbridge to the Legislative Assembly, but I'd like to take this opportunity to introduce to you and through you to the members of the Legislature Art and Gail Parks from Lethbridge. If they'd stand and receive the warm welcome of the House, please.

Bill 28 Fuel Tax Amendment Act, 1997 (continued)

MR. SAPERS: Mr. Speaker, we are making some considerable progress this evening, but there are a number of things that need to be said about the Fuel Tax Amendment Act, Bill 28, that's been before the House. I would like to move at this time, considering the hour, that we adjourn debate on Bill 28.

THE SPEAKER: On the motion by the hon. Member for Edmonton-Glenora to adjourn debate on third reading of Bill 28, all members in favour?

HON. MEMBERS: Agreed.

THE SPEAKER: Opposed? Carried.

[The Assembly adjourned at 5:18 p.m.]

