

Legislative Assembly of Alberta

Title: Tuesday, February 10, 1998 1:30 p.m.

Date: 98/02/10

[The Speaker in the chair]

head: **Prayers**

THE SPEAKER: Good day. Let us pray.

Our Father, we confidently ask for Your strength and encouragement in our service of You through our service of others.

We humbly ask for Your gift of wisdom to guide us in making good laws and good decisions for the present and the future of Alberta.

Amen.

Please be seated.

head: **Presenting Petitions**

THE SPEAKER: The hon. Member for Highwood.

MR. TANNAS: Thank you, Mr. Speaker. With your permission I wish to present a petition today on behalf of 34 constituents of Highwood. The petitioners urge the government to limit the financial support of private schools at the 1996-97 level of per pupil funding.

THE SPEAKER: The hon. Member for Little Bow.

MR. McFARLAND: Thank you, Mr. Speaker. It's my pleasure today to present a petition to the Legislative Assembly from 1,302 signatories in the riding of Little Bow and surrounding areas.

We, the undersigned, request that the County of Lethbridge and the Alberta Government take action in addressing the manure management situation.

It goes on to elaborate on their possible solutions and recommendations to minimize water contamination and minimize odour.

THE SPEAKER: The hon. Member for Red Deer-South.

MR. DOERKSEN: Thank you, Mr. Speaker. I have four petitions to present today. The first one, containing 57 signatures, reads:

We the undersigned residents of Alberta petition the Legislative Assembly to urge the Government of Alberta to end any and all payments of public money to private schools from revenues collected by or for the Province of Alberta.

The second petition I have, which contains just over 500 names, reads:

We the undersigned residents of Alberta petition the Legislative Assembly to urge the Government of Alberta to limit the financial support of private schools at current levels . . . of per pupil funding.

The third petition I have has 110 signatures petitioning the government "to open adoption records in Alberta, to include a contact veto."

The last petition I have, Mr. Speaker, actually is in addition to the petition I tabled earlier on in the fall session. There are another 420 signatures to add to that over 8,000-signature petition to make it an illegal act for a person or persons to ride in the rear of any pick-up truck, or other open bed vehicle without secured seats and approved seatbelts.

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

MRS. SOETAERT: Thank you very much, Mr. Speaker. I'd like to present a petition signed by 529 people from the Spruce Grove, Stony Plain, Onoway, and Edmonton areas urging the Legislative Assembly to urge the government to rescind their decision to increase camping fees in Alberta.

head: **Notices of Motions**

MRS. BLACK: Mr. Speaker, pursuant to Standing Order 34(2)(a) I am giving notice that tomorrow I will move that written questions appearing on the Order Paper stand and retain their places with the exception of written questions 3 and 4.

I am also giving notice, Mr. Speaker, that tomorrow I will move that motions for returns appearing on the Order Paper stand and retain their places with the exception of Motion for a Return 20.

head: **Tabling Returns and Reports**

THE SPEAKER: The hon. Minister of Municipal Affairs.

MS EVANS: Thank you, Mr. Speaker. It's my pleasure today to table two reports with this Assembly. The first is the first annual report of the Real Estate Council of Alberta. This real estate council is the first truly self-administered real estate and mortgage broker regulatory body in North America.

The second, Mr. Speaker, is four copies of the 1996 Alberta vital statistics review. This review summarizes all births, marriages, deaths, and stillbirths occurring in Alberta during 1996. Not only does this document meet our legislative requirements under the Vital Statistics Act, but it serves as a useful resource for both public and health care related professionals.

Thank you, Mr. Speaker.

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

MS BARRETT: Thank you, Mr. Speaker. I'd like to file today four copies of a letter that I wrote to the Provincial Treasurer on December 18 making inquiries about the lease relationship between the Alberta government and Maple Leaf Foods and four copies of the response that was sent on January 27, 1998, by the hon. Minister of Public Works, Supply and Services.

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

MS OLSEN: Thank you, Mr. Speaker. I'd like to table four copies of a letter to day care operators advising them that the operating allowance will be eliminated.

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

MS CARLSON: Thank you, Mr. Speaker. I'd like to table four copies of Completing the Puzzle: Building a Recreation and Protected Areas Network for the Next Century.

head: **Introduction of Guests**

THE SPEAKER: The hon. Member for Redwater.

MR. BRODA: Thank you, Mr. Speaker. It gives me great pleasure to introduce to you and through you to this Assembly 12 very bright grade 6 students from my former school of Legal. Included with them is their teacher Mrs. Helen Hunt and three parents: Mrs. Lucy Thiel, Mrs. Donna Fedorovich, and Mrs.

Shelley Perkins. I'd ask them to please rise and receive the warm welcome of this Assembly.

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

MR. LOUGHEED: Thank you, Mr. Speaker. I'd like to introduce to you and through you to the members of this Assembly 64 students from Win Ferguson school in Fort Saskatchewan. They are accompanied by their teachers Mrs. Pat Sprague and Mrs. Sandra Godue as well as parents Cheryl Jordan, Val Harris, Randy McIsaac, Nila Pinnell, Janice Hoover, Raji Amarnath, Marie Schultz, and Janice Casey. If they would rise and receive the warm welcome of this Assembly.

THE SPEAKER: The hon. Member for West Yellowhead.

MR. STRANG: Thank you, Mr. Speaker. It gives me great pleasure to introduce to you and through you to the Assembly today two constituents of mine. First of all, I'd like to introduce my right arm in Edson who looks after my constituency people, Linda Conarro, and her husband, Dennis. I'd like them to stand and receive the warm applause of the Assembly today.

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

MS OLSEN: Thank you, Mr. Speaker. I'd like to introduce to you and through you to Members of the Legislative Assembly seven members of the Alberta Union of Provincial Employees – President Dan MacLennan, Gloria Surridge, Patricia Newel, Maureen Brower, Sharon Kluthe, David Diduch, and Mac McNaughton – and several members of local 312 of the United Food & Commercial Workers. They are seated in the public gallery, and I'd ask that they rise and receive the warm welcome of the Assembly.

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

MS BARRETT: Thank you, Mr. Speaker. I'd like to introduce as individuals the members of the UFCW local 312A who are in the public gallery – they are Victor McIver, Larry Swanson, Nic Durante, Vivian Cheperdak, Charlotte Rebman, Shane Svenkeson, Al Williamson – as well as Alex Grimaldi, the president of the Edmonton and District Labour Council. I'd like to ask the Assembly to recognize their presence.

Thank you.

THE SPEAKER: The hon. Minister of Education.

MR. MAR: Thank you, Mr. Speaker. It's a pleasure to introduce to you and to members of the Assembly two visitors from Japan. Mr. Naobumi Tsuchiya is the vice-president of Yamate Gakuin high school in Yokohama. Mr. Tim Winskell is an English-language teacher at that school.

Yamate high school has been offering high school exchange programs for Alberta students for the last 25 years. Each summer approximately 100 Alberta students participate in a two-week cultural exchange, and each year up to seven Alberta students participate in a year-long program at Yamate to develop their language skills and knowledge of Japanese culture.

1:40

Mr. Speaker, while I was in Japan in October of last year, I

had the pleasure of meeting with Mr. Tsuchiya and Mr. Winskell as well as the school's principal, Mr. Inomoto. Today I'm delighted to introduce the two of them, Mr. Tsuchiya and Mr. Winskell, to Alberta and thank them for the excellent educational experience that they've provided over the years for so many Alberta students. Of note also today is the fact that Canada's Olympic silver medalist Mr. Jeremy Wotherspoon of Red Deer participated in the Yamate program recently. I would ask that they rise and receive the warm welcome of this Assembly.

THE SPEAKER: The hon. Member for Dunvegan.

MR. CLEGG: Thank you, Mr. Speaker. It's an honour and a pleasure today to introduce to you and through you to Members of the Legislative Assembly Cecile Andreiuk. Cecile is a longtime resident of the Rycroft area in the constituency of Dunvegan. She's a very good community volunteer. Cecile is sitting in the members' gallery, and I'd ask her to rise and receive the warm welcome of the Assembly.

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

MR. DICKSON: Thank you, Mr. Speaker. I recognize in the gallery opposite a very distinguished freelance journalist from Regina, Mr. Colin Laughlan, who has written extensively on privacy issues and who I know is in the city for two days dealing with the health privacy conference cosponsored by the Department of Health. I'd invite Mr. Laughlan to rise and receive the customary warm welcome of the Assembly.

Thank you.

head:

Oral Question Period

Health Care System

MR. MITCHELL: Mr. Speaker, red alerts are not supposed to be normal, yet last year there were over 2,500 red alerts in Edmonton alone, and 1998 is shaping up to be another record-breaking year with the recent red alert events in the city of Edmonton. As difficult as this is to believe, the Minister of Health is now saying that all of these red alerts are simply a dispatch problem. To the Premier: how can it be a dispatch problem when no matter where an ambulance is dispatched, the hospital is on red alert?

MR. KLEIN: Mr. Speaker, I'm not aware of what the Minister of Health said or didn't say, but certainly I'll have him supplement.

MR. JONSON: Mr. Speaker, I think it has been acknowledged that this is an extremely busy time of year. In fact it's the busiest time of the year in terms of utilization of emergency facilities. However, the point that should be made here is that the emergency departments in both Calgary and Edmonton, yes, they have been very busy over the past number of weeks. However, in Calgary the number of red alerts is insignificant. In fact they report that in Calgary they do not bother compiling them.

In Edmonton there appears to be an extremely large number of red alerts, and civic officials in Edmonton have acknowledged that their dispatch system, which was established sometime ago, needs to undergo a very thorough review, Mr. Speaker, and that is the case.

MR. MITCHELL: The minister, Mr. Speaker, will believe anything. Calgaryans are lining up in Strathmore for emergency services.

When the Premier was talking several years ago about his 90-day plan for fixing health care, was he saying that 2,500 red alerts a year, 24-hour waits for emergency care, lineups in Strathmore of Calgarians, and endless ambulance rides across the city from hospital to hospital on red alert were all part of his 90-day plan to fix the health care system? When is he going to take responsibility and do something about these problems?

MR. KLEIN: Mr. Speaker, we have taken responsibility. It's always been the policy of this government certainly to challenge systems to find better and more effective and more efficient ways of doing things. I think that in both cities we have good pathways to health. I've always said that if pressure points can be identified and if these pressure points are consistent and funding is justified to alleviate a situation, that funding will be there.

Again I'll have the hon. Minister of Health supplement relative to the specific question.

MR. JONSON: Mr. Speaker, in terms of overall support for the capital region, as I indicated, the government has responded very significantly in terms of funding for the Capital regional health authority, as I recall, some 15 percent in terms of an increase over the past two years. We've put money at an even higher rate into provincewide services, those particularly life-threatening conditions which are served only in Edmonton and Calgary. I would like to reiterate once again that the two systems are working hard, yes. They are responding to the need that is there, which is very typical of this time of year.

MR. MITCHELL: I don't know about direct pathways to health, but I know that there are a lot of well-worn pathways to health between hospitals on red alert.

How can the Premier say that he will improve health care standards, make health care better in Alberta when his government's new health care funding commitment won't even be enough to sustain the inadequate standards that he has established for this province now?

MR. KLEIN: Mr. Speaker, I take exception to the allegation that our standards are inadequate. Indeed the health care system has gone through tremendous reformation over the past four years and generally is operating much more effectively and much more efficiently than it ever was before. Nothing is ever going to be perfect, but the commitment of this government is to monitor on an ongoing basis the activities of all 17 regional health authorities. If pressure points can be identified and justified as pressure points, they will be addressed by this government, and that is a commitment.

THE SPEAKER: Second main question. The hon. Member for Edmonton-Norwood.

Day Care Subsidies

MS OLSEN: Thank you, Mr. Speaker. Yesterday the Minister of Family and Social Services said that he had heard from numerous interested parties in regards to the elimination of day care operating allowances. We have also received numerous phone calls and letters, many of them copies of those sent to the minister. All have been critical and opposed to this plan. Parents and child care educators remain unconvinced of the plan's viability. To the Minister of Family and Social Services: what impact will the proposed changes have on nonsubsidized, middle-

class Albertans, not the hundred thousand dollar earners but middle-class Albertans?

DR. OBERG: Thank you very much, Mr. Speaker. I guess, first of all, you must define what middle-class is because in our subsidy program anyone who receives a gross family income of \$60,000 or less does receive a subsidy. I'd be more than happy to table a document here. It's called The Facts on Day Care Funding Changes. So if I could table that, I would certainly like to.

The question raised had to do with how much the so-called middle-class people would pay extra in subsidy. I'll give examples. For the Edmonton Northwest Day Care the expected funding change is actually a \$17 increase per child, so what should be happening in that particular day care is that there should be a \$17 decrease in the amount that the so-called middle-class people will pay. In the South Edmonton Child Care Centre there is a \$9 loss, Mr. Speaker, so there should be approximately a \$9 increase in the amount paid by the people. I'll use an example of my own day care in Brooks, Alberta, where the average loss in that day care is \$4 per child per month, so that is what they should be increasing.

1:50

MS OLSEN: Thank you, Mr. Speaker. Maybe the minister will read the CAFRA report.

Instead of standing there and citing numbers on individual day care centres, will the minister table all the work done by his department to determine what impact this plan will have on the quality and accessibility of child care across Alberta?

DR. OBERG: Mr. Speaker, I find this line of questioning very interesting. Approximately two weeks ago the opposition was talking to me about child poverty. They were talking about how poor the children were in Alberta.

Mr. Speaker, what this plan does is take \$10 million from a global, universal grant to day cares and puts that \$10 million into subsidizing the lower income people in society. So what we have done is – we have not made any savings – we have taken it from everyone and put it to the people that have actually needed it. So I really feel that this is a positive, positive step in day care funding.

There's another very interesting thing as well, Mr. Speaker. This Liberal government has been talking about subsidizing private, for-profit agencies. Right now in Alberta 70 percent of the day care are private, for-profit industries, yet they're the ones who still want to keep subsidizing them. It's this government's view that the money should go to the people who need it the most.

MS OLSEN: Thank you, Mr. Speaker. It's interesting how the minister can twist questions. We're talking about middle class here.

Accompanying changes to the day care . . .

Speaker's Ruling Preambles

THE SPEAKER: Hon. member, please. You have an opportunity to raise questions. You've raised the first question with a preamble. You had a short little preamble with the second one. Now is not the time for editorial comments. If you have a question for the hon. minister, you direct it; otherwise, we'll move on.

Day Care Subsidies

(continued)

MS OLSEN: Thank you, Mr. Speaker. Accompanying changes to day care regulations have fueled fears that the elimination of the operating allowance will result in pressure to reduce standards. Will the minister commit to maintaining the current staff qualification and child-to-staff ratio standards?

DR. OBERG: Mr. Speaker, the staff qualification and the staff-to-child ratio is a very important aspect of day care, and certainly we will continue it. There may be some subtle changes. There may be some subtle regulation changes, but we are not going to give the people of Alberta a decreased standard in day care.

THE SPEAKER: Third Official Opposition main question. The hon. Member for Lethbridge-East.

Intensive Livestock Operations

DR. NICOL: Thank you, Mr. Speaker. The public is concerned about the potential impact of livestock operations on the quality of community life. Farmers are concerned about the impact it may have on their reputation. We see that at present a variety of different agencies are undertaking activities related to studies on livestock wastes. My question is to the Premier. Who's in charge: the regional health authorities; Alberta Agriculture through its code of practice; Environmental Protection, that's responsible for water quality; or municipal governments, who are dealing with land use planning?

MR. KLEIN: That's a very interesting question, Mr. Speaker, because I would suspect that all of those agencies are involved in one way or another. Now, I can't speak for the municipalities, but relative to the responsibility of government I could have each of the ministers named respond if the hon. member so wishes. I'll start with the hon. minister of agriculture.

MR. STELMACH: Thank you, Mr. Speaker. There is a longtime held tradition in this province that municipalities have the final say in site development and siting permits, and we are going to be maintaining that tradition through the discussion that we're going to be holding in this province heading towards the end of March, and that's at the annual AMD and C conference. We have instructed a discussion document to be put together. It's going to go to the AMD and C, the AUMA, all of the livestock production groups, all of the people involved in agriculture for a thorough discussion. As the Premier so wisely pointed out, this is a co-operative effort when it comes to intensive livestock operations.

DR. NICOL: Thank you, Mr. Speaker. I'd like my second question to be to the Minister of Municipal Affairs. I'd like to ask the minister what her department is doing to help the local municipalities co-ordinate activities between their different land use planning actions.

MS EVANS: Mr. Speaker, I'm pleased to respond that we've spent a considerable amount of time not only discussing the issues with the people that are involved – I've toured the area myself – but with the other ministers at this table: Agriculture, Environment, and Transportation and Utilities. We have not only had discussions in the past but plan further discussions to see what assistance may be given.

DR. NICOL: Thank you, Mr. Speaker. My final question again is to the Premier. Mr. Premier, it seems that there are a number of different activities being undertaken right now by different departments, by different agencies. Will the Premier set up a task force, including health authorities, municipal governments, Environmental Protection, and Agriculture so that we can get this issue addressed properly and out in the open so we know who is responsible?

MR. KLEIN: Again, Mr. Speaker, that co-ordination is actually going on, and it will indeed become more prevalent as we receive more applications for intensive livestock operations. There is a council within government of economic ministers that really brings together all parties when a matter such as an intensive livestock operation is being considered.

I will have the hon. Minister of Economic Development supplement, followed by the minister of agriculture if he so wishes.

MRS. BLACK: Mr. Speaker, it's important for all members of the Legislature to realize that in our restructuring and reframing of government, we were very intent on taking down the silos between departments so that team projects could come forward to deal with issues such as the hon. member raised. That is why you have a variety of departments working together to address issues and bring the stakeholders to the table on the issue, and that's what's going on.

MR. LUND: Environmental Protection is working co-operatively with the other departments, and on this particular issue the minister of agriculture is taking the lead. We've been working since last August looking at various things and mechanisms that we can use to alleviate the concerns that the public has relative to, in the case of Environmental Protection, the possible danger of groundwater and/or surface water contamination.

Mr. Speaker, we will, as the hon. minister of agriculture said, have a discussion paper out very shortly and look to how we can assist the municipalities in this whole siting process.

MR. STELMACH: Mr. Speaker, just to give some further information, Alberta Health, Alberta Environment, Municipal Affairs, Alberta Agriculture, Environment Canada, and the municipalities have all appointed point people to work on this discussion document that's going to be coming forward before the conclusion of March, ready for the AMD and C conference to be held in Edmonton at the end of next month.

THE SPEAKER: The hon. leader of the ND opposition, followed by the hon. Member for Calgary-Mountain View.

Maple Leaf Foods Inc.

MS BARRETT: Mr. Speaker, as we speak and over the course of the last few weeks there've been semitrailer trucks at the docking areas of Maple Leaf Foods on 66th Street hauling away custom-made equipment that can never be used in any other meat packing plant, hauling it to a hidden place in Red Deer in an attempt to make sure that nobody, including the workers, can ever buy this plant. They want to render it inoperable forever as a meat processing plant. My first question to the Premier is this: how could this government have been so stupid in 1994 as to sign a sale agreement with the then Burns to allow them to continue to own the equipment and fixtures while the government held on to the land and the buildings?

MR. KLEIN: I don't have the precise answer to that. Perhaps the Provincial Treasurer does, and if he doesn't, perhaps the Minister of Public Works, Supply and Services does.

2:00

MR. DAY: Mr. Speaker, I can assure you and assure the people of Edmonton, Alberta, that there is a full inventory of all equipment in that particular operation, and there's been a very careful process in terms of assessing what equipment belongs to who. In fact if there's any question about the ownership of any piece of equipment, it's all fully detailed. The minister of public works could explain even further if he so felt.

MR. WOLOSZYN: Mr. Speaker, it is in fact unfortunate that the plant has been closed. I think there are a couple of points that have to be made. We honour the agreements that we enter into. Maple Leaf Foods does own the equipment that they're removing. They have been as responsible in that process as could be expected.

With respect to 1994 there is in the library – and I'm sure the hon. member has looked at these – a pile of documents about 16 inches high with reference to the lease that were tabled on March 24, 1994, and I would say that the agreement with Burns at the time it was made was a very prudent agreement because it took the government out of operating a meat packing plant at what was at that time an annual loss and put in a bona fide packer. Business changes, and five years later this packer then chooses to enter into an agreement with somebody else in the industry. That's private enterprise, Mr. Speaker.

MS BARRETT: I wonder if the Premier would consider ordering the public works minister or even Michael McCain, the owner, to open the doors of that building to the rank and file members of the union who could then look to see if there's any truth to reports that I've received that there's a demolition derby going on in there, including the unnecessary hacking away of fixtures such as bathroom sinks and toilets. Is he prepared to do that?

MR. KLEIN: Well, Mr. Speaker, I understand that the Minister of Public Works, Supply and Services has things under control, and again I'll have him supplement.

MR. WOLOSZYN: Mr. Speaker, I find it strange that the question was even posed, because we've taken every possible person through that plant that we could, including members of the opposition who asked. Any member of the opposition who asked had a tour of the plant. I can say that they were not exactly pleased with what they saw. However, they were prudent enough to make the statement that there's enough money gone into it. Quite frankly, the structure is being respected, and the only things that are being removed are what is listed out and itemized in the agreements that they actually bought from Burns.

MS BARRETT: Okeydoke. Will the Minister of Public Works, Supply and Services agree, then, that union officials, including the rank and filers, can go into that building tomorrow to see for themselves the kind of destruction that's taking place?

MR. WOLOSZYN: Mr. Speaker, at such time as the lease has been concluded with Maple Leaf Foods, at such time as we get all the engineering reports, and at such time as we are totally responsible for that property, anyone who is bona fide can in fact, through my office, have a guided tour through it, including the hon. member.

THE SPEAKER: The hon. Member for Calgary-Mountain View, followed by the hon. Member for Edmonton-Ellerslie.

Support for Municipalities

MR. HLADY: Thank you, Mr. Speaker. The mayor of Calgary and city council have said that the city faces significant growth pressures. At the same time they are hearing about tax reviews which would affect municipal taxes. To the Provincial Treasurer: is the Treasurer doing anything at all to make sure the mayor is involved in these discussions, or is the mayor being ignored?

MR. DAY: Mr. Speaker, the city of Calgary, their council, and the mayor, I can assure you, are not being ignored. Calgary MLAs are very aggressive in terms of promoting the concerns and the views of Calgarians and their city and council. As a matter of fact, just last week I was in discussion with Mayor Al Duerr. He does want to know and he does want the assurance that Calgary issues related to a tax review that'll be going on this year will be brought to the table. We've been very clear that we're reviewing a number of areas related to taxation and to making the taxation system less complex and hopefully lighter on everybody's backs. That would include taxpayers individually and corporate, small business, and industry. So I can give the Member for Calgary-Mountain View the assurance that the mayor and I have spoken directly, that the Economic Development Authority will be significantly involved, and that his views will be represented in a manner which he seems fit.

MS EVANS: Mr. Speaker, may I please supplement that? I have appointed recently the Deputy Minister of Municipal Affairs to sit on a positive growth task force at the city of Calgary's request to examine not only the impacts of growth on infrastructure but taxation and the framework in which this community is funded by the province.

MR. HLADY: Thank you, Mr. Speaker. The city pays \$200 million in fuel taxes yet only gets 10 percent back. To the Provincial Treasurer again. There is some talk of fuel taxes staying with municipalities. What is the plan?

MR. DAY: Well, that's one of a number of initiatives that have been brought forward for consideration in terms of individual municipalities being able to access fuel taxes. I have to be very open about that. As an initial idea I haven't shared a whole lot of excited warmth to that proposal, but it is on the table for discussion, and a committee involving Calgarians will look at it.

Mr. Speaker, when you look at all the money taken in from fuel taxes in the province – I think it's something in the order of \$570 million to \$580 million – that money is spent in an increasing amount all over the province, not just in one city. But Calgary certainly is enjoying the benefits of the Alberta advantage, certainly a lot of growth, and their infrastructure system is under pressure. We understand that, and we want to take a look at it with them.

MR. HLADY: Mr. Speaker, with talk of tax reviews and hopefully lower taxes for Albertans and with falling oil revenue, which means less money for municipalities, what will the Treasurer tell the Calgary mayor and council relative to their overall funding from the province?

MR. DAY: Well, we don't want to anticipate the budget on

Thursday, but the member is quite correct. Oil prices are not as high as they were a year ago. That does reflect our revenue base. Thankfully, because of the Alberta advantage at work and considerable diversification over the last few years, a lot of value-added manufacturing that's going on in sectors other than oil and gas were able to absorb somewhat of an oil price shock and some of these other pressures. But I have been telling the mayor of Calgary and other mayors that we are in a period where, though the economy is expanding and will for 1998, revenues to the government will be somewhat less from the oil and gas sector. That means we all have to work together to find the most efficient and prudent means of managing those resources. I'm sure the mayor wants to work with us on that.

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

Parks and Recreation Areas

MS CARLSON: Thank you, Mr. Speaker. In September 1996, when the Liberals released a draft government report on the rationalization of Alberta parks, we warned that it could lead to arcades, gas stations, and hotels in the parks that were privatized. The implementation guide that I tabled today shows that we were right. Albertans don't know that with the privatization of these parks and recreation areas, major commercial developments could be allowed to operate within their boundaries. Why hasn't the minister of Environmental Protection told Albertans that this is the direction their provincial parks are going in?

MR. LUND: Mr. Speaker, the fact is that back when this was a major item of discussion, we did say that there was the possibility of commercial enterprises within the recreation areas. We made it very clear that there was a process that would have to be followed. It would have to be supported by the public before those enterprises could possibly be sited within one of the recreation areas. The minor kinds of investments that a facility operator could establish within a recreation area would have to meet the standards that were set out by the department, and those of course were very minor and things that the public would support.

2:10

MS CARLSON: Mr. Speaker, what good is a consultation process when the process happens after the contract has been awarded and the only choice for these people is to allow commercialization in their local park or a guarantee from your government that it's going to be closed?

MR. LUND: Mr. Speaker, I'm not aware of a major development in any of the recreation areas that has not had public consultation.

MS CARLSON: Public consultation in three local papers that are not widely distributed is not public consultation in the eyes of Albertans.

Mr. Speaker, why doesn't this minister just consult now with Albertans before this process goes any further and ask them plainly and openly how much commercialization they want in their provincial parks? That's a very simple question.

MR. LUND: Mr. Speaker, of course the hon. member is confusing the provincial parks with recreation areas. If the hon. member knows of some major development in a recreation area that hasn't had public consultation, I would like to know about it.

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

Water Quality in the South

MR. McFARLAND: Thank you, Mr. Speaker. Earlier today I presented a 1,302-name petition started in September 1997 that requested action on the management of solid and liquid manure. Since that time the Canada/Alberta environmentally sustainable agriculture report on the impacts of water quality was released in January. My first question is to the Minister of Agriculture, Food and Rural Development. Has a crisis in southern Alberta with respect to our water quality been identified?

MR. STELMACH: Mr. Speaker, as so rightly put forward by the Member for Little Bow, Alberta Agriculture, Alberta Environment, Alberta Health, with funding under CASA, sponsored a report to pretty well give us a baseline study of the quality of water in the province of Alberta. Although there were a few flags raised in that particular report to water quality, there is no crisis per se in any portion of the province of Alberta as it relates to intensive livestock operations.

MR. McFARLAND: Thank you, Mr. Speaker. The first supplementary is also to the same minister. Is there accurate information, Mr. Minister, indicating that high fecal counts are coming from the agricultural industry?

MR. STELMACH: Mr. Speaker, with respect to fecal counts, the maximum allowable fecal counts in surface water for human consumption is zero. So no matter where we test that water, whether we test in Kananaskis park or in southern Alberta, surface water is not suitable for human consumption by simply dipping into the creek and drinking it. We suggest that everyone treat their water by boiling it. All of the water that's treated municipally in southern Alberta is safe for human consumption.

MR. McFARLAND: My last supplementary, Mr. Speaker, is also to the same minister. Will your department, Mr. Minister, require municipalities to enforce the code of practice throughout Alberta?

MR. STELMACH: Mr. Speaker, as of late many more municipalities have incorporated the code of practice in their bylaws. We are presently reviewing the code of practice simply because the code of practice was never meant to be a static document. The code of practice is similar to the plumbing code, the electrical code, where as new technology becomes available, new information becomes available, the code is changed.

One of the positions that I believe will be taken in this discussion document is to have all municipalities incorporate the code of practice in their bylaws. One significant thing though, Mr. Speaker, is that municipalities vary in size from one end of Alberta to the other, different densities of population, different soil conditions, and that will all be taken into consideration when this draft document goes out for public consultation.

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

Hunting and Fishing Licences

MRS. SOETAERT: Thank you, Mr. Speaker. When I asked the

Minister of Environmental Protection about the privatization of hunting and fishing licence sales last week, he had lots of answers, but none of them tally up with what the vendors are telling me. Not only were there no proper consultations; there are still lots of problems. Vendors still don't have detailed information packages and say that it will take months to install machines, test them, and train staff. Yet fishing licences expire March 31. So to the Minister of Environmental Protection: who were the hundred or more vendors that you talked about? Who were they that were consulted on this scheme and approved it? No major retail outlets were called or large specialist fishing stores. Who did ISM talk to?

MR. LUND: Mr. Speaker, this whole process started some 18 months ago. At that time there were something in excess of 30 individuals and companies that were invited to talk about the possibility of changing the way fishing and hunting licences were sold in the province of Alberta. That was then narrowed down to three or four, and they applied when we put out a call for proposal. ISM told us that they had consulted with about a hundred retail outlets to see if in fact they agreed with this proposal that they were coming forward with.

MRS. SOETAERT: Mr. Minister, you've not done your homework. As the vendors don't yet have detailed information packages, how do you expect them to sign up tomorrow?

MR. LUND: Mr. Speaker, ISM has conducted regional workshops all over the province. They have invited current vendors to come to these workshops. I believe it was late last week or this week that ISM is sending out packages to every vendor in the province that is currently selling licences, and if they are interested in signing up, they will have that ability.

MRS. SOETAERT: Thank you, Mr. Speaker. As there are so many problems, will the minister delay this scheme, or is the real reason he won't delay it because he's already laid off his own staff that used to handle the licence sales? What's the real reason?

MR. LUND: Mr. Speaker, we are confident that in fact this system will work. We have committed that we will, as soon as ISM has the number of outlets signed up, make sure that in the communities there are outlets. We've taken that undertaking that we will in fact look at the distribution and make sure that it's adequate. As far as turning back, I have difficulty with asking taxpayers to pay \$1.4 million to sell hunting and fishing licences in the province of Alberta.

THE SPEAKER: The hon. Member for Calgary-West, followed by the hon. Member for Calgary-Buffalo.

Housing Rent Increases

MS KRYCZKA: Thank you, Mr. Speaker. There has been no shortage of good news stories about Calgary's strong economy. Our unemployment rate is one of the lowest in Canada. Thousands of people are coming to Calgary each month to fill jobs.

DR. TAYLOR: Why is Al Duerr complaining?

MS KRYCZKA: I don't know.

The housing market seems to be breaking records each month.

I'm reminded, however, by my constituents of Calgary-West that there is a downside to our present strong economy, that being our low vacancy rate. The current low rates favour the landlord. Many landlords are increasing rents 20 to 40 percent at one time. My first question is to the Minister of Municipal Affairs. What can the department do to protect renters from these huge rental increases?

MS EVANS: Thank you, Mr. Speaker. Certainly we have the Residential Tenancies Act, which implies that there are only two rent increases allowed in any one year. I think one of the things that is a factor that we're taking into consideration in Calgary is that the rates of rent in Calgary are relatively low. Although they have recently increased to about \$630 per unit, across Canada those same units rent for approximately \$800. So we're looking at ways to not only work with the city and the private developers, but we're also providing subsidies to those who wish assistance.

2:20

MS KRYCZKA: Mr. Speaker, my supplementary question is also to the Minister of Municipal Affairs. If government isn't going to introduce rent control or stimulate private-sector development, what is government's role?

MS EVANS: Mr. Speaker, we are hosting a housing symposium this year in order to discuss not only the availability of units but the affordability. We've spoken with developers and private-sector builders and landowners and landlords to see what the best possible solutions may be. One of the reports we're getting from Calgary is that a significant number of people have chosen, through banking institutions and favourable RRSP programs, to finance their own homes. Over the previous year, last year showed an increase of about 7,000 homeowners as a consequence of lower numbers for rental. Our department, if I may focus on one other thing that I mentioned previously, is also involved with the strategies for positive growth with Deputy Minister Holmes.

MS KRYCZKA: Mr. Speaker, my second supplementary question is also to the Minister of Municipal Affairs. I know many people can afford to pay the rental increases, but I know there are some on fixed incomes who cannot. What alternatives are there for people like seniors who are on fixed income?

MS EVANS: Mr. Speaker, our rent supplement program is one which not all landlords in Calgary have taken advantage of. There are still a few dollars available in that program this year. Landlords and people who require housing can not only contact our department but can contact either Calhome or the Calgary Housing Authority. They will certainly advise them of our program, and we will provide assistance where we're able to.

THE SPEAKER: The hon. Member for Calgary-Buffalo, followed by the hon. Member for Calgary-Glenmore.

Video Lottery Terminals

MR. DICKSON: Thank you, Mr. Speaker. The government has an Environics poll which shows that 62 percent of Albertans oppose VLTs in bars and taverns. Albertans have told the Premier through this and presumably other polls that they don't want VLTs, that they destroy lives and hurt communities. Yet the Premier continues to shove them into our neighbourhoods. It's now clear that the only reason the Premier refuses to have a

provincewide plebiscite is because he knows the outcome: he'll lose. To the Premier: will the Premier admit this afternoon that his government has polls which show that most Albertans don't want VLTs in their communities? The only thing stopping us from having a provincewide plebiscite is the Premier's nervousness about the result.

MR. KLEIN: Mr. Speaker, I'm not nervous about the result one way or the other. Not at all. Again, I'll take the hon. member through a little bit of history. There was about a year-long public consultation process undertaken relative to gambling, including the question of VLTs. As a result of that public consultation process some recommendations were brought forward, one of which was to let municipalities decide on the basis of a plebiscite whether or not they want the VLTs removed. If the plebiscite was to remove, there would be an application to the Alberta Gaming and Liquor Commission and the machines would be removed, as they were removed in Rocky Mountain House and in Sylvan Lake.

Mr. Speaker, I've often said that if you ask any question in any poll, you'll get an answer, and that's not a surprising answer, by the way. I noted that the poll was not undertaken by the province of Alberta. We subscribe to polling services. One is Environics; the other is Angus Reid. These are polls undertaken from time to time by the polling companies. This was a national survey, and indeed it indicated all across Canada that people were generally opposed to VLTs. In Liberal New Brunswick, in Liberal Nova Scotia, in Liberal Newfoundland, in separatist Quebec, in Conservative Manitoba, in ND Saskatchewan: all across Canada it indicated that people didn't like this form of gambling. As a matter of fact, I read the survey, and it showed that the opposition was much higher in Liberal New Brunswick and Liberal Newfoundland, where they have a higher percentage of VLTs per capita than we do in Alberta.

Mr. Speaker, I would suggest that if the leader of the Liberal opposition, who is so inconsistent on this particular issue – you know, during the election he was saying that VLTs should be phased out over a three-year period. Right? Over a three-year period. Then he was saying not so long ago in this very Legislature that the Premier with a stroke of his pen could eliminate all these VLTs. Now he is saying, "Well, we'll do the democratic thing and have a provincewide plebiscite." Well, democracy will prevail because I would suspect most municipalities will be having plebiscites this fall.

MR. DICKSON: Mr. Speaker, so that we can ensure that the VLT summit is fully informed and Albertans are fully informed, will the Premier, then, undertake this afternoon to release all polls related to VLTs, including the Environics poll which had been done for this government at taxpayer expense?

MR. KLEIN: Mr. Speaker, that poll was not done specifically for the province of Alberta. Environics from time to time on its own does its polling. That polling information is available to the Liberals. It's available to the NDs. It's certainly available to all the people sitting in the press gallery. And the results of the poll are not surprising. As I pointed out, in Liberal New Brunswick, there was tremendous opposition, where they have a higher ratio of VLTs per capita. The same prevails in Newfoundland. I don't know what the situation is in Prince Edward Island – there's the one that I missed – if they have them at all. I don't know.

The point is that we have committed to review this whole situation. Another recommendation that was accepted in the

Gordon report is that we have a full review of the whole gambling situation, including VLTs, by the end of August 1998. The program that is being undertaken at the University of Alberta, I'm sure, will feed into that review. Public comment will feed into that review. Certainly the gambling summit that hopefully will be held soon will feed into that review. Once we have all the information we will revisit the recommendations and consider the whole situation very seriously. Perhaps new recommendations will evolve; perhaps they won't. I don't know.

MR. DICKSON: Not very illuminating, Mr. Speaker.

My supplementary question to the Premier would be this: will he simply undertake to release this poll that he's now trying to dissociate himself from but we've paid for through tax dollars so everybody's fully informed before we do the summit that the Premier wants to conduct?

MR. KLEIN: Yes. As a matter of fact, Mr. Speaker, the poll was actually delivered to us by one of the members of the media. I don't know which one because it came to another minister. But this polling information is available to anyone. This is the company Environics. The government of Alberta subscribes to that polling information. I'm sure that the Southam papers and perhaps the *Sun* papers subscribe to that. I'm surprised that the Liberal Party, the Liberal caucus does not subscribe to Environics or the constant day-to-day polling of Angus Reid. Maybe that's why they never know what is going on.

THE SPEAKER: The hon. Member for Calgary-Glenmore, followed by the hon. Member for Edmonton-Glengarry.

Cataract Surgery

MR. STEVENS: Thank you, Mr. Speaker. Recently a constituent expressed his concern regarding funding for laser cataract surgery at a Calgary eye centre. The Calgary regional health authority allocates such funding on a quota basis, and this particular eye centre used its quota by November of 1997 and had to place prospective cases, including my constituent, on a waiting list and as such could not perform surgeries again until the next contract year, which is in April of this year, even though my constituent was prepared to pay directly to the physician for that service. My question is to the Minister of Health. Firstly, why is there a quota system for funding this surgery, which has the impact of limiting access to the choice of physicians?

2:30

MR. JONSON: Mr. Speaker, first of all, I think it should be emphasized that the access of Albertans to cataract surgery is among the highest, if not the highest, in Canada. Now, when we took measures to make sure that we complied with the interpretation of the Canada Health Act, we laid out the rules so that the principles of the Canada Health Act would be adhered to. To abide by those rules, the Edmonton and Calgary health authorities chose different routes.

In Edmonton the vast majority of cataract surgeries are provided within the regional health authority's facilities and programs centred here at the Royal Alex. In Calgary, because of the history of the development of cataract surgery there, the regional health authority chose to put out a request for proposals. They then determined an allotment of numbers of cataract surgeries among physicians. It is my understanding that while one clinic may have gone over quota, so to speak, there is still

capacity with other reputable, well qualified ophthalmologists in Calgary. So I can assure the hon. member that access is still available.

MR. STEVENS: Is there any review under way or contemplated by Alberta Health to determine changes to this quota method of allocation?

MR. JONSON: Mr. Speaker, not specifically by Alberta Health. However, I am aware that the Calgary regional health authority is reviewing their overall service to the public of Calgary and the allocation to the various eye clinics in Calgary.

MR. STEVENS: Lastly, is there anything that can be done so that this eye centre can perform services for Albertans who are prepared to pay in that interim period between the expiry of the cap and the next contract year?

MR. JONSON: Mr. Speaker, this is a matter for individual choice. There is the provision, of course, for physicians of any particular specialty to opt out of the public health care system, as, for that matter, there is for individuals, for patients, but our emphasis of course is on the adherence to the Canada Health Act and a strong public health care system in this province.

head: **Members' Statements**

THE SPEAKER: We have three members' statements today. We will proceed in this order: first of all, the hon. Member for Highwood, followed by the hon. Member for Calgary-Buffalo, followed by the hon. Member for Red Deer-South.

Quarter System in High Schools

MR. TANNAS: Thank you, Mr. Speaker. This afternoon I'd like to speak about the Copernican or quarterly system in Alberta high schools. Out of over 600 high schools approximately a dozen have chosen to use the quarterly system. One such high school is in the Highwood constituency, Foothills composite high school, and it is in its fourth year of using this quarterly system whereby each student takes two courses per day for 10 weeks. Thus, the student is able to cover eight full subjects in a normal school year.

This interesting innovation in Foothills high school has resulted in some remarkable statistics. One, the failure rate has nearly dropped to half its former rate. The number of students receiving marks in the 70 to 79 percent range has increased. The number of students achieving 80 percent or more has dramatically increased from 16 percent to 25 percent. Student attendance has substantially increased. Student tardiness, the number of lates, has decreased, and student dropout rates have also decreased.

Mr. Speaker, I've had the occasion to meet with students from Foothills composite high school on a number of occasions over the past few years and have heard them extol the virtues of the quarterly system. Students feel that they were more engaged in their own learning because of the long class times and less time being wasted moving to other classes. If it takes five minutes for a class change, then having two fewer class changes per day provides a net gain of 500 minutes of instruction and learning time per quarter. It also allows students to focus in depth on the two courses, and because there are no spare periods in the day, there are fewer distractions and less discipline problems.

Teachers at first had a difficult time adjusting their teaching style. The old lecture and listen system is just not practical, and

each teacher became more of a coach, a mentor, a reference person to guide students through their learning exercises. Mr. Speaker, this is one innovation in education that demonstrates excellent results with a high degree of student achievement and satisfaction. I believe it's worth keeping.

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

Health Information

MR. DICKSON: Thank you, Mr. Speaker. On Monday at the health information conference cosponsored by Alberta Health and Health Canada, there were opening remarks by our Minister of Health and his federal counterpart. Mr. Rock aptly observed that we may be drowning in information but thirsting for knowledge. What he was talking about was the need for accurate health information. It appears, though, that in the rush of provinces to enact this kind of legislation – and we saw the province of Manitoba recently proclaim their health information bill and certainly, Alberta, Ontario, and Saskatchewan are in the process of adopting such legislation. There are important, pervasive messages that came from the conference on Monday and this morning to the federal and provincial governments. These include the need to involve members of the public directly in these changes to the way we deal with our health information.

Another very important message was that health information legislation must cover private, for-profit health providers as well as public providers. This is consistent with the 1995 European Union privacy directive, with the January 1998 conference in Ottawa cosponsored by Industry Canada and the federal Justice department, consistent with the Quebec privacy law. It's also consistent with Bill 210, the bill that will be coming up for debate later in this session, dealing with the protection of personal information in the nongovernment sector.

There are some other important principles that I heard at the conference from privacy advocates and people concerned about privacy issues, a concern that every effort should be made to harmonize legislation in each jurisdiction to ensure the strongest possible protection for the privacy of individuals. Health information legislation has to be comprehensible and harmonized with freedom of information legislation if, indeed, it's not incorporated in the same statute. It has to be designed to empower patients and to ensure that proper, informed consent is the basis of health information sharing.

Health information legislation has to be designed to ensure that personally identifiable information can only be shared with the consent of the patient or in limited circumstances of medical emergency or some other cases, but once again based on the principle of informed consent.

Mr. Speaker, I think it's imperative that in this province all members inform themselves and consult with their constituents simply because the issues at stake are enormously important. In the apparent stampede for health information legislation across the country, it's important that we ensure that those standards of privacy are always put first and foremost.

Thanks, Mr. Speaker.

Outstanding Contributions to the Community

MR. DOERKSEN: Mr. Speaker, Olympics are a time when we make special note of persons who give excellence and dedication in all that they do in sport. Today I want to recognize some of Red Deer's special people who are engaged in a variety of fields.

Lisa Fielder has led the jazz choir Take Note at Lindsay Thurber high school for many years. Year after year she takes new combinations of students and turns them into outstanding choirs. This week on special invitation they will perform at Carnegie Hall.

Yesterday I introduced the Huntington Hills high school robotics team led by Carl Dyke. This team of eight students won five firsts and three seconds in winning the overall championship at the sixth international beam robot games held in India late last year.

2:40

Early this morning Jeremy Wotherspoon won a silver medal at the Winter Olympics in Nagano in the 500-metre long track speed skating competition. His favourite distance of 1,000 metres is yet to come.

Next week Red Deer hosts the 1998 Alberta Winter Games. Its organizing committee, led by Tom Ganger, deserves our praise and our thanks in advance for a tremendous amount of effort.

Dot Egan has taken positive action from a tragic circumstance and raised the issue of traffic safety and seat belt restraint. The Prairie Baseball Academy has initiated a baseball scholarship to remember her son Ross.

Mr. Speaker, people make a community. All of these individuals I have mentioned have made outstanding contributions in their own way. To accomplish what they have done has needed the support of parents, sponsors, spouses, and friends. To Lisa, Carl, Jeremy, Tom, Dot, and all those unnamed supporters, you have made all of us in Red Deer and in Alberta very proud.

Thank you.

THE SPEAKER: Prior to proceeding with Orders of the Day, we've been notified of two points of order.

The first point of order, the hon. Government House Leader.

Point of Order Preambles

MR. HAVELOCK: Yes. Thank you, Mr. Speaker. The point of order arises from the House leader agreement which was executed in April of 1997, and I refer you to section 5(4), if I could simply read it into the record.

A member asking a question shall, in the discretion of the Speaker, be allowed a succinct preamble, a main question and two supplementary questions to which there shall be no preamble.

Any member who, in the discretion of the Speaker, abuses the opportunity to give a preamble shall be called to order.

I noted today, Mr. Speaker, that the Member for Edmonton-Norwood, the Member for Lethbridge-East, the Member for Edmonton-Ellerslie, and the Member for Calgary-Buffalo had some preambles attached to their supplementary questions and/or decided to engage in debate after the answer was given. That clearly is contrary to the spirit of the agreement. It's clearly contrary to the express terms of the agreement, and I humbly ask that in the future, if you could, please make members aware of this provision and, if possible, enforce the terms.

Thanks very much.

THE SPEAKER: The hon. Member for Spruce Grove-Sturgeon-St. Albert on this point of order?

MRS. SOETAERT: Yes, Mr. Speaker, if I may reply to the House leader's point of order. One person he forgot to mention is Calgary-Mountain View and his preamble to all of his questions.

Now, in all fairness, Mr. Speaker, I realize that sometimes the flexibility of the House is within your control – and we appreciate that on both sides of the House – when the Premier gives a speech or some of the ministers play football and pass it back and forth or sometimes there's the odd comment or the odd preamble. I respect that that is your decision sometimes to allow that type of freedom and democratic process to take place.

THE SPEAKER: Anyone else on this point of order?

If an hon. member chooses to raise a point of order, that hon. member has that opportunity to raise a point of order at any time. In today's question period there was no such point of order raised regarding any questions raised by the hon. Member for Calgary-Mountain View. So I take that statement as redundant to what we're talking about here today.

I want to draw to all hon. members' attention *Beauchesne* 409(2) and *Beauchesne* 410(8). Now, they are part of the rules of this House, but taking precedence over the rules of this House are our own Standing Orders. Part of everything that we deal with are the agreements that are made from time to time, and there's absolutely no doubt at all about the fact that on the 30th day of April of 1997 an agreement was reached. It's called the House leader agreement, the 24th Legislature, and it says, "The House Leader of the Government of Alberta and The House Leader of Her Majesty's Loyal Opposition." There's absolutely no doubt whatsoever in reading 5(4) that the clause says:

A member asking a question shall, in the discretion of the Speaker, be allowed a succinct preamble, a main question and two supplementary questions to which there shall be no preamble.

No preamble.

Any member who, in the discretion of the Speaker, abuses the opportunity to give a preamble shall be called to order.

I look at the signatures to this particular document and I see the signatures of the House leader of the government of Alberta, the House leader of Her Majesty's Loyal Opposition, and the House leader of the New Democratic opposition.

So, hon. Government House Leader, on your point of order you were absolutely within your rights, and you made a classically good argument. There most certainly is a point of order.

Members will still not have had an opportunity today to have reviewed the Blues, so I would ask you to review *Hansard* of Monday afternoon, February 9, 1998. That's yesterday's *Hansard*. I would draw to your attention the text on page 228, and if you would kindly look at the section of questions being initiated by the hon. Member for Edmonton-Strathcona to the hon. Minister of Advanced Education and Career Development, that is not a good example of how questions should follow. There are considerable preambles that were given yesterday. Nobody raised a point of order. We also had 13 questions yesterday, so there was a bit of ebb and flow with respect to this.

But the fact of the matter is: there is an agreement. All members subscribed to that agreement. This is not a school. You're not looking at a principal that has to take people by the hand and slap them on the hand. The hon. members must look at themselves and see how they're going to deal with this. So, hon. Government House Leader, there's nothing in the rules to prevent you from suggesting a penalty in this case. I'm not suggesting for a moment that on the point of order that you have so succinctly argued – but we would take a penalty under suggestion.

MR. MITCHELL: Not for the first question of the day.

THE SPEAKER: No. No. There's considerable leeway. Okay; there's no penalty being prescribed.

Hon. Member for Edmonton-Norwood, would you kindly in the future refrain from having long, extended preambles and editorial comments?

The position taken by the Speaker in dealing with this – and it will be dealt with fairly to all members – is that I'll simply say that we're moving on to the next question.

MRS. SOETAERT: To both sides.

THE SPEAKER: I just finished saying that, hon. member. This is not a discussion or a debate.

Speaker's Ruling Supplementary Responses

THE SPEAKER: Hon. members, we started something today as well that seemed to be kind of an oddity, and that is that if a question is being directed to one hon. member – and it's not uncommon to have one other hon. member supplement the answer briefly, but this will not be an entitlement on a daily basis, that when a question is directed to one hon. member of Executive Council, all hon. members of Executive Council will then be invited to provide a response. That is not within the spirit either. So I ask the Government House Leader to make sure that his troops follow the will of the day, and I ask also the Opposition House Leader to make sure that his troops follow the will of the day.

Now, hon. Member for Edmonton-Ellerslie, your point of order.

Point of Order Imputing Motives

MS CARLSON: Thank you, Mr. Speaker. I rise under 23(i) of Standing Orders. Clearly the Minister of Environmental Protection was imputing false motives when he suggested that I was confusing recreation sites with provincial parks. I would refer the minister to his own implementation guide, which clearly lists under the heading Recreation Facility Sites 30 provincial parks in addition to a hundred other sites that are now available for some form of commercialization because of his parks privatization scheme. If you take a look at the list, here where it says "Recreation Facility Sites," where 30 provincial parks are listed, in fact what is going to be allowed there now under the facilities list is absolutely everything that is listed with the exception of liquor stores. So if there was confusion in the Legislature today, I suggest that it was with the minister, who should clearly pay closer attention to the policy his own department is developing.

THE SPEAKER: The hon. Government House Leader.

MR. HAVELOCK: I'll let him deal with it.

MR. LUND: Well, Mr. Speaker, I really take offence to what the hon. member has just said. Today the Alberta Liberal caucus put out an official release, and clearly the hon. member continually said provincial parks. Let me tell you what this document, which they claim was leaked from my department, which is not true – it's open to the public; it's been out there for a long time. I'll tell you what is not permitted in provincial parks, and they are permitted in some of the recreation areas: motorized trails, swimming pools, golf courses, downhill ski areas, cottages, arcades, liquor stores, gas stations, lodges, motels, and cabins. Those are all excluded. During the question period the hon. member continually used the word "parks," and I simply cor-

rected her that she was confused with provincial parks and recreation areas.

2:50

MR. HAVELOCK: Mr. Speaker, I'll be very brief. There was certainly no indication of motive on the part of the member. The minister was simply expressing his understanding of the member's rather confused state regarding the issue. This point of order I see is nothing more than an attempt to make up for a weak line of questioning and seek some further clarification after the minister quite accurately responded to the original questions.

MR. MITCHELL: Mr. Speaker, the minister is continuing in promoting the very point that my colleague rose on, and that is that he is – I don't want to say carefully avoiding; in fact maybe he's mistaken. But he is forgetting that while there is a list of provincial parks that are constrained by the conditions that he just read in this House, there is another list of provincial parks which come directly under the designation of recreation facility sites, and they in fact do include motorized trails, swimming pools, golf courses, downhill ski areas, cottages, backcountry huts, convenience stores, arcades, laundromats, equipment rentals, restaurants. I guess to the dismay of his colleague from Vermilion, the only thing they don't include is liquor stores, and that will undoubtedly change if he keeps nattering in his ear long enough.

Thank you.

THE SPEAKER: Well, that was a fine extension of the question period on a point of order. The statement certainly was made by the hon. Minister of Environmental Protection: "Mr. Speaker, of course the hon. member is confusing the provincial parks with recreation areas." There was more said with respect to that. Perhaps one might subjectively make the argument that there was an aspersion. One has listened carefully to the Minister of Environmental Protection, and the argument put forward by the Minister of Environmental Protection, at least in the ears of the chairman, was not one of casting aspersions about the character or anything else of the Member for Edmonton-Ellerslie. What it was was a statement that perhaps the definition of provincial parks didn't include recreation areas in the eyes of the minister, whereas the Member for Edmonton-Ellerslie has an interpretation that provincial parks would include recreation areas.

Now, hon. members have the legislation before them, all of the legislation of this Assembly, located in green documents in here, and perhaps sometime this afternoon hon. members will be able to read the legislation per se and find the acute definition of what this is so that they will be relaxed in their own minds on what this means.

There has been considerable clarification here offered in the last number of minutes with respect to this matter. I'm not sure that I'm clear, but I hope that the hon. members will be clear with respect to this.

head:

Orders of the Day

head:

Public Bills and Orders Other than

head:

Government Bills and Orders

head:

Second Reading

Bill 202

Child Welfare Amendment Act, 1998

[Debate adjourned February 4]

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

MS OLSEN: Thank you, Mr. Speaker. I'm very pleased to rise to speak this amendment to the Child Welfare Act. I believe it's a responsible amendment, entrenching the duties of what should be done by a responsible government.

Bill 202, the Child Welfare Amendment Act, allows for two specific areas to be changed. The first one is the area that allows for the disclosure of the identity of the child in protective services to the public if it is deemed necessary for the safety and well-being of the child. Make no mistake. This would not be for a frivolous request but for a serious event, where the well-being of a child is in jeopardy; for example, when a child in care has run away and is on the street. This child may suffer from problems such as fetal alcohol syndrome, something that's being discussed right now. It may be that this particular child is a troubled youth. As a matter of fact, this particular problem was identified in a scathing report resulting from a public inquiry into the death of a 15-year-old girl that was in care of social services.

If a child with these serious problems goes missing, it may indeed necessitate the release of information and the disclosure of information, and that would be for that child's safety and would be in the best interests and well-being of that child. This, I would say, would not be a frivolous act. We take that whole notion of disclosure very seriously, as we have the freedom of information act and as we have conflicts of interest. So in our view this is not a means of abusing and having full disclosure on something just for any little incident. This would also prevent children's services or social services or, say, a police agency from being confused about who has the responsibility and authority to release that information.

The bill also identifies an amendment to require the Minister of Family and Social Services to submit a summary of the child and family service authorities' annual report and specifies information to be included. That information would be the number of children receiving services and the types of services, tracking the number of children suffering from abuse, neglect, and death as well as measures taken to address these issues, entrenching the role of the Children's Advocate into the regional system of services, monitoring and receiving information about integration between the departments of Health, Justice, Community Development, and Education.

I just want to go back to the second point that I talked about: tracking children suffering from abuse, neglect, and death as well as measures taken to address these issues. This point I find particularly important. It's been debated in this House. Questions have been asked in this House over the last couple of weeks, and prior to that, my colleague from Edmonton-Riverview has done a report on this whole issue.

I find it particularly important, and I find the need to be important, but what I also find somewhat discouraging are references made to this particular section from the other side of the House. It was, I believe, the Member for Calgary-McCall who stated – and I'm quoting from page 176, February 4, 1998. He takes issue with this provision “due to the fact that it is inflammatory.” He said, “If a child is receiving protective services, there is no reason that they would be suffering from neglect and abuse.” And he said:

Let me repeat that again: if a child is receiving protective services, there is no reason that they would be suffering from neglect and abuse.

He also alluded to an ostrich digging its head in the sand. Well, I guess if the member believes that children receiving protective services do not ever suffer from any kind of abuse, physical or sexual abuse, then he's really, really got his head in

the sand, so far that I think it'd pop off if he ever tried to pull it out. This comment can only be made or believed without having adequate information, and I'll forgive him for that. I might add that as a police officer I've seen children and I've apprehended children who have been abused and neglected in the care of social services. So let's not be so closed minded as to think that the system is perfect.

3:00

I also find it interesting that the Member for Dunvegan doesn't believe, at least in his day – I think he said the good old days, and considering our age difference, they're certainly old days. He refers to – there wasn't a need for child welfare in the good old days. I beg to differ with him. If we look at the severely abused and traumatized children that are coming to our attention right now, those children abused in orphanages and residential schools – you might speak to them and ask them if there was no need for this kind of service or if indeed this type of thing didn't happen. Unfortunately, we have an unimpressive past across this country in relation to these kinds of things. We have to identify them and we have to speak to them.

The other area I'd like to speak to is entrenching the role of the Children's Advocate. Now, given the pending changes and given the fear out there that the role of the Children's Advocate is going to be reduced, minimized, or disappear, I believe it's important that we entrench that role into legislation, into a role where the child's advocate is reportable to this Legislature, not that government, so they can give a very unbiased report to us about what's going on within children's services.

I might add that the Muttart Foundation has hired a longtime friend of youth and children as a parallel advocate, parallel not because this advocate right now doesn't do his job but because he's muzzled to a certain degree because of his relationship with the government and because of a fear that this government will not entrench the child advocate in legislation and have this child advocate accountable to this Legislature. This is also something that was recognized by the Dignity Foundation at their conference on children, Catch Them Before They Fall. Those recommendations were tabled in this House by the hon. Member for Calgary-Buffalo. They again outline the need for the child advocate to have an entrenched role reportable to the Legislature.

I also just want to bring up a few concerns I have in relation to the regionalization. I guess I had those concerns in terms of delegating authority because I look at what's happened to delegated administrative authorities in this province. We don't have a good history here. We really have some pitfalls. I might quote from the Auditor General's report of 1993-94 on page 3, where he says: the accountability is necessary when responsibility is assigned or delegated; an effective accountability framework is required when central control is reduced or eliminated.

Well, that's essentially what we'll be doing with the redesign of children's services. What really bothers me is that we have no standards set out at this point. We have no funding model that's been adopted, that's been tried and true, that we can live by. We have no system for evaluating and monitoring what's happening in every region. So right now I think there is a cause for pause with regionalization of children's services.

I think we have to be very, very careful in what we're asking communities. Let's not forget that there have been hundreds and hundreds of volunteers donating thousands and thousands of volunteer hours with the regionalization of children's services. They've volunteered everything from photocopying to pencils in some regions, because they weren't provided those materials.

Those people around the province have consistently told me: "Well, I don't know why we're doing all this, because this government isn't listening. We're spinning our wheels. This whole thing is off track." And that's including the aboriginal communities and their concerns about their children to the regions in the larger centres. So I would caution the moving forward without addressing the concerns of these children.

If we do not put an accountability framework in place and if we do not take the responsibility that we're required to with the regionalization, we will certainly be in as much trouble as delegated administrative authorities are now. That has been identified over and over and over again. If you want good service delivery, if you want to change the system, make sure all your ducks are lined up before you proceed, and right now we can't say that that's going to happen.

My next concern with the whole issue speaks to the monitoring and the receiving of information about the integration between the departments of Health, Justice, Community Development, and Education. I might add that the minister responsible for children's services the other day indicated that she did not favour a super-ministry of children's services such as that that exists in other jurisdictions, in British Columbia perhaps. We can't put our blinders on to that notion. Every aspect of child care and caring for children in this province comes through Health, Education, Community Development, Justice, and Social Services. We have to know. The left and the right hands have to know what's going on. We've seen time and time again from the other side one minister saying something and the other minister saying something else, and we're not sure out there who to believe. I think it's time that that kind of governance stopped and that we are very clear on where we're going and what we're doing. I believe the whole notion of creating the superministry and at least some conversation, at least the departments talking to each other, Social Services and Justice, Justice and Health – my goodness, would it be too much to ask for these two departments to speak to each other, to pass on the information so they know what's going on?

We've also talked a little bit about the number of children receiving service and the type of service. One hon. member commented that there were over 10,000 children in this province in care at some point or another or receiving the services of Social Services. Well, because there are 10,000 children, I would say that we need to track who these kids are, the direction they're going and taking, and the types of services we are providing those children. This is so we know what's going on and there is an accountability process, so when the minister is asked how many children have died in care, he's really sure about the numbers he talks about and that over a few different days he's not giving three or four different sets of numbers.

We want to make this government the best government, the ministers the best ministers by helping them provide the best legislation to Albertans. So if as the opposition we can do that, I urge all of you to support this bill. This is good government. This is good legislation.

Thank you.

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

MRS. O'NEILL: Thank you, Mr. Speaker. I'm happy to be able to speak to this bill today. On one level I'd like to applaud the Member for Edmonton-Riverview for taking the initiative to bring this bill forward and have it debated in the House. However, on another level I do have some concerns about the provisions of this

bill. I must stress that my opposition to this bill does not stem from a lack of commitment to the children and families of Alberta. As an MLA the health and welfare of the families and children of our province is of utmost importance to me. Rather, I am opposed to this bill because it is completely redundant and would needlessly tax the time and energy of child welfare service providers. There is really no need for this bill.

Mr. Speaker, we do not need new legislation in this province that seeks to do things that are already being done. There is no sound reason to support this bill, because everything that it proposes is covered by existing legislation, is completely unnecessary, or may even threaten the safety of children in Alberta. I can only conclude one of two things about this bill: either the Member for Edmonton-Riverview didn't take note of all that is in place, or she is graciously complimenting this government on its provision of child welfare by proposing that this government do things that it is already doing.

3:10

Mr. Speaker, this bill offers nothing new that would help to protect Alberta's children. The bill proposes that the Minister of Family and Social Services prepare a summary of reports provided to the minister by child and family service authorities. I would like to point out some of the redundancies, duplications, and inefficiencies that this would create.

The Department of Family and Social Services already requires reports to be filed by contracted service providers. These reports are used by the ministry for the purposes of monitoring and evaluation. By requiring that child welfare service providers prepare formal reports, we would be adding an additional level of bureaucracy to deal with. Mr. Speaker, this bill would put increased pressure on the time and staffing resources of service providers.

There also seem to be sufficient provisions in existence to cover the bill's reporting requirements with the requirement of the Government Accountability Act that the authorities table annual reports to the minister. It seems to me that this is partly what the Member for Edmonton-Riverview called for in her bill. The Government Accountability Act and the Child Welfare Act do not have to unnecessarily duplicate each other. Mr. Speaker, we in fact have an adequate level of checks and balances in the report of what's going on from year to year in the area of children's services.

The proposal to identify a child in care is a major philosophical departure from the confidentiality provisions of both the Freedom of Information and Protection of Privacy Act and the Child Welfare Act. As well, Mr. Speaker, the disclosure of the child's name contravenes the Freedom of Information and Protection of Privacy Act. With the proposed amendments we would be risking the safety and well-being of children in Alberta if we breached this confidentiality. In a small community the release of a protected child's name can speak volumes.

THE SPEAKER: I hesitate to interrupt the hon. Member for St. Albert, but under Standing Order 8(5)(a), which provides for up to five minutes for the sponsor of a private member's public bill to close debate before all questions must be put to conclude debate on the motion for second reading, I would invite the hon. Member for Edmonton-Riverview to close debate on Bill 202.

MRS. SLOAN: Thank you, Mr. Speaker. To conclude, I think it's important to verify that the sponsoring of this bill was with the complete acknowledgement that some provisions existed within the

authority act. However, it was also with the knowledge that the Child Welfare Act was a superior and overarching act that clearly delineated the responsibility for the welfare of children in this province and therefore should incorporate these amendments.

It has been explicitly clear to me, listening to the government members debate their reasons for not supporting this bill, that they truly have not done their homework. They were relying on preprepared speeches that led them to believe, as an example, that abuse and neglect never occurred when a child was in protective custody. That reality is so blatantly clear to anyone who took the time to read it. It should have been more than obvious why these types of provisions were needed.

As I stand in this Assembly today, it is clear to me that this government is not prepared to make the system fully accountable and responsible for the services to children, to give children in this province, to give parents in this province, to give service providers in this province, and to give interested public citizens in this province clearly delineated standards, monitoring frameworks, evaluation frameworks, and adequate funding for child welfare services so that they will have a sense of trust that if by chance one of their loved ones is taken into custody in the child welfare system, that young child is going to be taken care of. Mr. Speaker, I regrettably this afternoon do not have a sense of trust. In fact, my paranoia and concern with respect to the regionalization of child welfare in this province has accelerated as we have debated this bill.

If they have served no other purpose, I believe my amendments have truly magnified the lack of responsibility in this government and the lack of their sincerity in upholding the welfare of children in this province. The platitudes that were contained within the Speech from the Throne mean nothing when you read the debates of the government members on this particular bill.

Thank you very much, Mr. Speaker.

THE SPEAKER: Would all those members in favour of second reading of Bill 202, Child Welfare Amendment Act, 1998, please say aye.

SOME HON. MEMBERS: Aye.

THE SPEAKER: Opposed, please say no.

SOME HON. MEMBERS: No.

THE SPEAKER: Bill 202 is defeated.

[Several members rose calling for a division. The division bell was rung at 3:17 p.m.]

[Ten minutes having elapsed, the Assembly divided]

[The Speaker in the chair]

For the motion:

Barrett	Massey	Paul
Dickson	Mitchell	Sloan
MacDonald	Olsen	Soetaert

Against the motion:

Amery	Hancock	McFarland
Boutilier	Havelock	Melchin
Broda	Herard	Oberg

Burgener	Hierath	Pham
Cao	Johnson	Renner
Cardinal	Jonson	Shariff
Clegg	Klapstein	Stelmach
Coutts	Kryczka	Stevens
Day	Laing	Strang
Doerksen	Lougheed	Tannas
Ducharme	Lund	Tarchuk
Fischer	Magnus	Thurber
Forsyth	Mar	Trynchy
Fritz	Marz	West
Haley	McClellan	Yankowsky
Totals:	For - 9	Against - 45

[Motion lost]

head: Motions Other than Government Motions

3:30 Government Privatization

502. Ms Barrett moved on behalf of Dr. Pannu:

Be it resolved that the Legislative Assembly urge the government to prepare for Albertans cost-benefit analyses detailing cost savings as well as cost increases in the form of user fees prior to any privatization of government services or sale of Crown assets.

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

MS BARRETT: Thank you, Mr. Speaker. In speaking to the motion, I would suggest that it's a commonsense motion. I think it argues well for the detailed "cost savings as well as cost increases in the form of user fees prior to any privatization of government services or sale of Crown assets," and I hope it receives support from all members of this Assembly.

A dramatic change I noticed upon my return to the Legislature 11 months ago was how wedded this government has become to the ideology of privatization and contracting out. I call it ideology because the decision to privatize or contract out is not based on cost-effectiveness or quality of service but on the notion that the private sector should deliver public services regardless of cost and regardless of quality of service to the public; in other words, privatization at any cost. I will fill out that argument later on.

I must say I'm disappointed about this blind adherence to the ideology of privatization. It's been promoted by right-wing so-called economists like Milton Friedman, who, by the way, has suffered an appropriate decline in respect around the world for his outdated and ideologically driven theories, and the right-wing think tanks like the Fraser Institute for decades.

For most of those years sensible Conservatives, including many in Alberta like former Premier Lougheed, continued to see a positive role for government in the delivery of public services. I note, Mr. Speaker, in fact that after the Lougheed government privatized the temporary staff services, they realized: whoa, we might have made a mistake. They didn't want to talk about it, so they didn't bring them back into the public service. But they realized that in fact they were having to pay the profits of private companies, not to mention all their individual administrative costs, just to hire temporary people when in fact it had been cheaper to keep them on a casual basis under the roof of government itself.

However, a turning point came in 1993. The only political

parties with a voice in the Legislature between 1993 and 1997 were the, and I quote, massive cuts Conservatives – that's what they campaigned on – and the brutal cuts, and I quote, Liberals. That's what they campaigned on. During those years right-wing economists and think tanks were given free rein . . .

DR. WEST: What happened to the NDP?

MS BARRETT: Well, the NDP was, I admit, defeated. But we're back; aren't we?

During those years right-wing economists and think tanks were given free rein to use Alberta as a laboratory for their privatization experiments. The mentality behind this privatization ideology was revealed in a speech given last year by the now Minister of Energy to a privatization conference in Toronto. You may recall that I tabled a copy of that speech in this Assembly last April. In that speech the Minister of Energy made a number of remarkable statements demonstrating that ideology clearly won out over common sense. The minister said that the results of the government's privatization record have been "an amazing removal of government in Alberta as a primary deliverer of services." And that's exactly the point; isn't it? In order to successfully privatize, you need to take the service out of public services.

[The Deputy Speaker in the chair]

The minister made a completely unsubstantiated statement that the government is 20 to 40 percent less efficient in any services it delivers compared to the private sector, but there is no evidence. Why not? While it is true that the wages paid to the frontline workers are often lower in the private sector, especially in human services sectors, this is often more than eaten up by salaries paid to corporate executives and by higher administrative costs. A recent study by that well-known socialist rag known as the *New England Journal of Medicine* concluded that administrative costs in private, for-profit hospitals in the United States were about 25 percent higher than comparable administrative costs in nonprofit community hospitals. Yet this government seems determined to introduce private, for-profit hospitals in Alberta.

In fact, there are a growing number of reputable studies showing that public administration of human services like health care, education, and social services is by far the most cost-effective way to go. Comparative studies of the Canadian and U.S. health systems show that the administrative costs of administering Canada's single-payer health care insurance plans are only a fraction of administering the multiplicity of private medical insurance plans in the United States. Not only that, but the limitations on the insurance are severe in the United States compared to Canada. A recent review of U.S. experience in contracting out welfare programs by American states concluded that more money was spent and poorer results were achieved in terms of people leaving welfare compared to states that continued to run their own welfare programs.

If the private sector is so much more efficient than government, then why are government employees not allowed to compete with the private sector on the basis of price and quality? I will give you a perfect example: registry services. Before motor vehicle registrations and licence renewals were privatized, the department had developed an excellent and efficient mail-in renewal service. Contrary to what the Premier said a few weeks ago in this Assembly, long lineups at government offices were a thing of the past long before the service was privatized. Now instead of being

able to mail in a vehicle registration to a government office, Albertans are forced to line up – and it's happened to me a couple of times – at a private registry office and pay a \$5 markup to boot.

Birth, death, and marriage certificates are another example of where government employees are not allowed to compete with the private registries. Well, government employees still do the work behind the scenes. I mean, they work for the department of vital statistics, so they're still doing the actual work to verify the vital stats information. The consumer is forced to apply at a private registry agent, who marks up that cost, that the taxpayers are already paying, anywhere from 16 to 68 percent, and the average is somewhere in the middle, around 35, 40 percent. That's a heck of a deal. Maybe I should go into the private registry business.

Another example of this government's unwillingness to let public employees compete with the private sector involves the privatization of provincial parks and recreation areas. The government's strategy for parks privatization has the dubious name *Completing the Puzzle*. Well, it's a puzzle all right as to why the government would require as a matter of policy that every single campground and recreational facility has to be privately managed.

The outcome of such a wrongheaded approach is obvious. Private operators have cherry-picked the best sites and are charging exorbitant fees of up to \$17 a night to camp there. On top of this, there are additional charges for hookups, for showers, and for firewood. In addition, to force people to pay these exorbitant camping fees, the government has banned backcountry camping on Crown land within a mile of its designated campgrounds. Talk about free market; I call that managing it. Meanwhile hundreds of smaller government campsites in more remote areas of the province are being closed down because the private sector cannot find it economical to operate them. Like I said, another ludicrous example of ideology winning out over common sense.

In his Toronto speech the now Minister of Energy went on to say that the most important thing to do when privatizing is to move fast and not do lots of studies. Well, no one can accuse the minister of moving slowly when he made the decision to privatize CKUA radio. The result was the fraudulent misuse of millions of taxpayers' dollars, conflicts of interest involving the minister's appointees, and an incredible failure of leadership and accountability.

In his speech the minister said that another privatization don't – that's in quotes – was to "listen to the vested interest groups" like unions and the people working in the system or consumers. What the minister failed to point out is that the people working in the system were directly accountable to the public through a system of checks and balances. The owners of privatized entities have no such accountability to the public. Rather, they are accountable only to their shareholders and to the bottom line.

What is created through privatization and contracting out is what *Edmonton Journal* columnist Mark Lisac calls – and I quote again – the red market, close quote. The red market is private-sector entities that owe their existence to government either by being directly funded by government or by delivering a service for which they have a right to charge fees to the public – inevitably these are essential public services; you have to have access to them – private registry agencies, liquor store owners, provincial park operators, casino owners, bottle depots, and the list goes on. Well, of those, one is forced to deal with the private registries and the same with provincial parks if one goes to the parks: vested

interests who owe their very existence to the government but with none of the checks and balances that apply to government employees. Don't just take my word for it. The Auditor General's most recent annual report is a virtual privatization horror story. Fully 12 of the Auditor General's 28 recommendations dealt with privatization failures and lack of accountability on the part of privatized entities.

Lest it be thought I'm picking only on the failures of the Minister of Energy, the Auditor General's report shows that there's plenty of blame to go around. For example, he reported that charter schools are not accountable for the quality of education they provide. Charter schools are another one of those 1993 to 1997 inventions that basically says: if you can't get yourself elected to a school board, you can always set up your own school. Virtually all of the charter schools set up in Calgary have had serious governance problems. While the Minister of Education has dismissed these as growing pains, I believe the problems have a lot more to do with a complete lack of accountability to taxpayers. Charter schools receive the same level of funding that public schools do but without any of the safeguards of having democratically elected boards overseeing them.

3:40

Another case of privatize at all costs cited by the Auditor General was the laundry services at Michener Centre in Red Deer. The government overinflated – this is right from the Auditor General's report – overinflated, overstated the cost of renovating the in-house laundry by a factor of between four and eight times just to justify contracting out the service to a private plan. They set the whole thing up.

The Department of Labour went on a privatization spree by setting up delegated entities to perform such functions as safety inspections. The Auditor General pointed out the threat to public safety of the huge backlog that developed in inspection of pressure vessels and boilers.

More recently we've had the Travel Alberta fiasco. It was another brainstorm of the now Minister of Energy on what was probably a good day for him but a bad day for the rest of us. This privatization effort in tourism and marketing has most people in the travel industry yearning for the days when it was the government's job to do some basic promotion of Alberta as a tourism destination. I will say that the current Minister of Economic Development originally stating . . .

DR. WEST: Point of order.

THE DEPUTY SPEAKER: The hon. Minister of Energy is rising on a point of order. You have a citation for us?

Point of Order Allegations against Members

DR. WEST: Yes, 23(h), (i), (j). The hon. member mentioned that I was the minister responsible for the Alberta Tourism Partnership privatization, and that insinuates that I was the minister responsible for it or says that I was, and I wasn't. I wasn't the minister of the day at that time.

THE DEPUTY SPEAKER: Hon. member, on the point of order.

MS BARRETT: No. I apologize. My apologies.

Debate Continued

MS BARRETT: The Minister of Economic Development having

announced that she was going to terminate the contract with ATPC earlier than the contract date called for has at least now given Travel Alberta the chance to operate with a new board of directors, save those jobs, look after the families of those people holding those jobs, and presumably maintain their reputation down the road. I think that that was an honourable thing to do. However, it still points to the problems originally initiated by privatization Klein government style.

Through Motion 502 New Democrats are saying: let's use some common sense when making decisions to privatize or contract out public services. Let's make sure the benefits outweigh the costs, and let's make sure that we calculate all the costs. That's the purpose of this motion. Those costs were never calculated, and we have ministers of the Crown bragging that they don't want to do those studies because it might demonstrate that it's not cost-efficient to do so. Remember that this includes costs to the public in the form of increased user fees. If I only had to spend my 50 bucks to register my vehicle five years ago, I don't understand why I should have to spend 50 bucks or whatever it was inflated to plus an additional five bucks. And mark my words, by the end of this summer after the so-called review is completed, it's going to be \$56 as opposed to \$55.

As the right-wingers are always so fond of reminding us, there's only one taxpayer. But that taxpayer is the user fee payer as well. Those are taxes by any other name. So let's make sure that the savings we may achieve in cutting salaries to frontline workers are not eaten up by generous pay packages for CEOs and added administrative costs. Remember that you've got all these little registries and they've got a whole bunch of rents to pay and utilities to pay. They've got to have their own accountants. They've got to have their own equipment. I mean, that's a lot of administration that used to be centralized under a few roofs. That was a lot cheaper. Let's allow public employees to compete with the privatized entities on the basis of price and quality. They're certainly prepared to do so. After all, isn't that what free enterprise is all about?

Contrary to what the Minister of Energy told his adoring audience in Toronto, there are many hidden costs to privatization, some of which were identified in the most recent Auditor General's report. The most serious shortcoming is the lack of accountability, however, by the privatized entities to the taxpayer, who's paying the bills. I note that they're never called a special interest group when they go whining to the government that they're not making enough profit and can they have an increase in their fees, please. They never call news conferences to announce their level of shame over marking up vital statistics reports by up to 68 percent.

This government's privatization chickens are rapidly coming home to roost because of the reckless speed with which these decisions were made and the lack of safeguards put in place. This motion does not state that privatization should never occur, only that it should be done after a thorough examination of its costs compared to the benefits achieved; in other words, using common sense. A first-year economics student could tell you this, Mr. Speaker. On that basis alone I would think the other members in this Assembly would support this commonsense motion.

Thank you.

THE DEPUTY SPEAKER: The hon. Member for Little Bow, followed by the hon. Member for Spruce Grove-Sturgeon-St. Albert.

MR. McFARLAND: Thank you, Mr. Speaker. I know that privatization is a very important issue for the Member for

Edmonton-Strathcona, and I can assure you that it's also an important issue for this government. I think that perhaps government comes at it from a very different point of view than that which the member opposite has indicated. We do have different philosophies, if you will.

In any case, privatization is a process which cannot be approached without proper preparation and consultation and one which must be considered in relation to the role of government as a whole. Like any government policy, initiative, or program, the primary goal is to provide necessary core services to Albertans and to get the best value for the taxes they pay. The issues of privatization and the sale of Crown assets raised today involve achieving the best results and getting the best value for taxpayer investments. I think it may be the intention of the sponsor of this motion to challenge government in this regard and to raise the question of our commitment to practical management of Alberta's tax dollars.

When looking at this government's track record, I believe our focus on value for money is very clear. Beyond privatization and the sale of Crown assets, we have made it a priority to allocate taxpayer dollars efficiently. We have looked as far as we can internally to restructure and to adjust our spending habits, and we've been successful. This government runs more efficiently than it ever has before. Albertans know it and they appreciate it.

Restructuring has been a challenging process. Part of that process was to look long and hard at what we've been doing in the various ministries. We know that in the 1980s and early 1990s, as people have heard time and again, Alberta did have a spending problem. Lack of revenue was not the reason we were in a position of deficit financing. We needed to review how every dollar was spent for two reasons: first, to make sure it was being spent on a service we needed to provide and, secondly, that it was used in a manner which made the best use of that dollar. We needed to find a better way of running government, so we looked at new ways. We set goals, developed business plans, and established performance measures for each ministry.

To prepare these plans we had to look closely at how well we as government could provide services. Naturally, some programs are more important to the inherent well-being of Albertans than others. They require a high level of government involvement, from public funding to policy direction and regulation and ongoing monitoring. They necessitate direct government involvement to protect the integrity of the service. I strongly support these initiatives, and this government understands their responsibility to protect them.

Some of these core programs include health care, education, social services for children and families, justice, environmental protection, and municipal concerns. Mr. Speaker, we also found that there were certain areas which did not need to involve government as directly as they had in the past. A clear example was the sale of liquor. We're all familiar with the words of the current Minister of Energy when he said: we do not need a government employee to put a Crown Royal in a brown paper bag. End of quote. Within those words lies the basis of why privatization works so well in some circumstances. Government may be needed to govern the implementation of programs and to monitor their evolution through regulation and policy directives, but direct policy is not always necessary. Just because we've done it in the past does not mean that we have to continue doing it.

When considering privatization, I believe there are two necessary conditions which must be met. The first is the clearest:

can the private sector provide this service more efficiently by reducing cost to government and giving Albertans better, faster, smarter service? The second is more dependent upon policy, but must be supported by the first condition: should government be involved in providing this service, and to what extent?

Although government may be and indeed is able to establish and develop structures which can accomplish virtually any task, we need to question whether this is necessary. Services our government has delivered in the past have included the front-line sale of vehicle registrations and licences, administration of a veterinary clinic, the sale of alcohol, and the administration of the Swine Artificial Insemination Centre. I know that some members opposite aren't interested in the Swine Artificial Insemination Centre.

3:50

MRS. SOETAERT: Sure I am. I'm the Ag critic. Point of order, Mr. Speaker.

THE DEPUTY SPEAKER: The hon. Member for Spruce Grove-St. Albert is rising on a point of order that you're going to share with us?

Point of Order Imputing Motives

MRS. SOETAERT: Standing Order 23(i), imputing false motives. Mr. Speaker, all things that pertain to this province, especially in the agriculture sector, and being the Agriculture critic, all those things pertaining interest us. Some of our members know a great deal about it; some of them are on a major learning curve. So I appreciate the member voicing concern about us not caring, but we do care about it. We're on a learning curve on some issues though.

Thank you.

THE DEPUTY SPEAKER: Two things. One, hon. member, the citation of Standing Order 23(h) refers to "another member," which has to be rather specific.

MRS. SOETAERT: I meant (i). Didn't I say (i)?

THE DEPUTY SPEAKER: So I think that . . .

MRS. SOETAERT: Standing Order 23(i). I did that wrong. I'm sorry.

THE DEPUTY SPEAKER: Right. Even (i) indicates "another member," which would have to be designated. I didn't hear the hon. member mention any specific member, and that's how the objection would arise. It seems that it's an opportunity for clarification.

The hon. Member for Little Bow.

MR. McFARLAND: Thank you, Mr. Speaker. I hope I made it clear. It was in the plural: "members." I wasn't too sure if there were any particular members that were interested in the fee for service that might be offered at that centre.

Debate Continued

MR. McFARLAND: I know that some members opposite have engaged in an extensive discourse on some of these services, but I have not heard much about others, about the ones which affect

a specific sector of the population. This Swine Artificial Insemination Centre is clearly one of the services which affects a specific group of stakeholders. I would submit that the Member for Edmonton-Strathcona may not have considered this privatization initiative. The Department of Agriculture, Food and Rural Development undertook a comprehensive consultation with the stakeholders to ensure privatization was done effectively. Stakeholders were pleased with the outcome, and government costs have been addressed.

I would like to address the first consideration of privatization, Mr. Speaker, which is a reduction in the cost of service delivery. One can argue that the private sector is good at and capable of developing expertise in most economic and social sectors. The nature of the free market necessitates this. They either provide a good service at a reasonable price or they don't operate. It's as simple as that. It's a very simple concept of a free market economy, but it's invariably true.

In general, government does not have the same impetus to operate within financial limitations. Government can operate at a deficit, as it has in the past. Previous to this administration there was no mind-set for government to develop a particularly cost-efficient means of service delivery. This government has changed that. We've recognized the benefits of privatization and moved forward to utilize it when it's clearly demonstrated that it will be cost-effective or, at the very least, cost neutral.

There seems to be some perception, possibly from the Member for Edmonton-Strathcona, that government does not consider the effects of privatization initiatives prior to implementation. This is simply inaccurate. Each ministry develops a clear framework for privatization. Extensive work is done to define the process and selection criteria, to advertise the opportunity, to provide full information to all concerned stakeholders, to receive and evaluate proposals, to select the appropriate candidate, and to negotiate the final contract. Each initiative involves a different process because there are different interests to consider.

Government undertakes such extensive consultation for a number of reasons. As I have said, the private sector is far better at providing such services. It is wise for government to consult stakeholders at the initial stages because they are an integral part of this evolution. To say that government should have all the answers from the outset would be premature. The private sector has the expertise that government lacks. They can be innovative and creative in how they achieve government policy objectives. It is through this consultation that government can formalize expected financial considerations.

Mr. Speaker, it's also time for the private sector to provide feedback that government may not have considered. If we expect the private sector to be involved, effective, and cognizant of government expectations when they take on the responsibility, then government needs to have the private sector involved from the outset. To simply tell the private sector exactly how they will operate would not utilize their expertise, industry knowledge, and innovative approach to doing business.

Whether service fees are necessary or not will depend on the services in question and will be determined through this consultation. There are some services for which service fees are not relevant. To tie up departmental administration, as this motion requires, by isolating service fees which are inapplicable seems to be a waste of resources for any department. Having said this, we recognize that the provision of some services requires regulation and monitoring. Alberta Registries is a clear example. Registries provide an extensive number of services to Albertans more

expediently than ever before. We have chosen to place a cap on service fees charged by agents for those services which are legislated, such as vehicle registration and driver's licence acquisition.

I have made a distinction here between user fees and service fees. A user fee is the cost paid to government for the procurement of a service. A service fee is a fee charged by a private agency to deliver that service. We must remember that before registries were privatized, there was a cost to the user. The user had minimal choice in where to acquire the service and how long it would take. In December past the Premier said quite accurately that a trip to an Alberta motor vehicles branch took literally a day. I've stood in lines, as most of you have, and we've wasted a lot of time awaiting our turn in a lineup. The service fee we now pay allows agents to provide far superior service to what government could ever offer. We now have a one-window registry service, which saves every Albertan numerous hours of productive time.

The user-pay principle is not new. It allows governments to manage costs without incurring losses or making nonusers subsidize the users. It is inappropriate for someone who will never use the service to subsidize those who do by using their tax dollars to pay a government employee. Someone who does not own a vehicle, who does not consume alcohol, and who will never use related services should not be required to subsidize with their tax dollars someone who owns a vehicle or consumes alcohol. That would simply be unfair and inappropriate use of that taxpayer's dollars.

We have more important programs to focus these resources on. Mr. Speaker, health care, education, and social services are this government's priority. Albertans have told us in no uncertain terms, and we will not overlook that.

Mr. Speaker, on that point I will conclude my remarks. I've touched on some of the points regarding privatization in general, and much of what we've already discussed, as required in this motion, has been addressed by stakeholders already. I hope I have persuaded other members of this House to withdraw their support for this motion, and I'm interested in hearing further debate.

Thank you.

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

4:00

MRS. SOETAERT: Thank you very much, Mr. Speaker. I'm glad to speak to this motion. I listened intently to the Member for Little Bow, and if what he said is true, and of course I believe he believes it's true – now I think I'm getting into *Beauchesne* trouble here. I have to question some of the things he has said, because if we truly are looking at privatization and what we do before we privatize, which didn't happen in licensing – I want to give a little example to express my concern about what's happening, and I do think people, especially representing rural ridings, should be concerned about this.

The government is now privatizing fishing and hunting licences. I think some of you are just twigging on to what's happened in the department, and you're realizing that you've got to defend it out in your constituencies. What's happened is that the minister of the environment is going to privatize the sale of hunting and fishing licences. So the problem is that if you're going to consult stakeholders, which the Member for Little Bow indicated happens when government privatizes, it didn't happen in this one. It didn't

happen. None of the vendors, none of the fisher people – what do you call them? I hate to say fishermen.

MS BARRETT: Anglers.

MRS. SOETAERT: Anglers. None of the anglers, those who catch fish, none of the hunters had a chance to even know that this was going to happen. So this privatization scheme has not been thought through.

We've asked for a tabling of who bid on that, of who was consulted on that. We can't get that. So I would venture to say, Mr. Speaker, that these things are not happening. I admire the Member for Little Bow talking about all the consultations that happen with privatization, but the reality is that it's not happening. What we're going to see with the privatization of this is that there won't be vendors across the province, and the minister knows this. An example of privatization not working. The information package to vendors isn't there yet, and by the 15th there has to be a final sign on the line. The information package to the vendors isn't there yet, and they have to sign up by March 15. [interjection] Well, call me on *Beauchesne*, relevance or repetition, if you really want to.

That's the importance of this. With privatization, if it's going to work, in all fairness there should be an open bid. We haven't seen that in this case. In all fairness, the people affected should know about it. They don't, and those of you coming from rural ridings know that. You've had calls from people concerned about this. Yet this is going to happen: we're going to have fewer vendors. Then on the way out to a lake near Bonnyville – several beautiful lakes out there – they'll stop at the little corner store near Lac Sante, and they won't be able to get a fishing licence. [interjection] You own that store? The hon. member owns the store near Lac Sante. He won't be able to sell fishing licences, unless he's a very poor businessman who figures that spending over \$2,000 to invest in this equipment is going to . . . [interjection] No. It's \$2,000. The computer will cost \$1,500. You will have to have a phone line for it, and then you will have to pay for all the supplies that go with it. It will cost you well over \$2,000 to set up this privatization scheme. Now, most small corner stores make a profit of \$200 a year. It's not good business to invest in this.

I would venture to say that this is one privatization scheme that has not been thought through at all. I would venture to say that hon. members should talk to their minister and ask him about it and what it's going to mean in the constituency of Little Bow. We're going to have people illegally hunting and fishing because they haven't had a chance to pick up a licence on the way.

So that is an example of why I will support this motion, just because I haven't seen in this – I have seen many examples where the cart is obviously put before the horse with this government. But this is one privatization scheme that has not been thought through; people have not been consulted. People – all kinds of vendors, big retail outlets – are phoning the minister. [interjections] Oh yes, it goes with privatization. They've been phoning the minister, and nothing is happening. This is going to go through. It's going to take over six months to implement, yet by March 31 people have to renew their licences. So we've got a little dilemma on our hands, and the minister is just going along with the privatization scheme with ISM, which isn't going to work. It's going to be a mess. So this is why I'd like to say that if privatization was properly thought through, it might work in some cases. This is one example where it could well work, but

a businessperson who only makes about \$200 a month selling licences because they're limited to making only \$2 on every licence . . .

MS OLSEN: ISM will make six bucks.

MRS. SOETAERT: And ISM will make six bucks. How are they going to make a profit on this?

MRS. McCLELLAN: A loss leader.

MRS. SOETAERT: "A loss leader," says the Minister of Community Development. Good pun on a fishy topic. Good pun. Well, we'll reel her in here, and pretty soon she'll be voting for this motion.

Mr. Speaker, I hope I've made the points about if you thought through . . .

MR. DICKSON: I'm persuaded.

MRS. SOETAERT: Well, actually the Member for Calgary-Buffalo is persuaded; a very smart and astute man.

MR. DICKSON: I was undecided.

MRS. SOETAERT: He was undecided, but now he's supporting the motion.

In all seriousness, I listened intently to the Member for Little Bow. Some things, I agree, can be privatized, but I don't think all of these have been thought through; for example, the hunting and fishing licences. The minister says he'll even save a million and a half dollars, but it will come out of the Alberta Conservation Association. So nobody saved money.

MR. LUND: No.

MRS. SOETAERT: Yes, that's exactly what's happening.

MR. LUND: That's the agreement they made.

MRS. SOETAERT: The importance of knowing what you're doing before you privatize affects all of us, right now especially the hunters and anglers in this province. So I would encourage, if you don't want to support the motion, at least maybe talking to the minister about fixing up this latest fishing and hunting fiasco that he's involved with.

So with that, Mr. Speaker, I will support the motion.

THE DEPUTY SPEAKER: The hon. Member for Drayton Valley-Calmor.

MR. THURBER: Thank you, Mr. Speaker. It's always a pleasure to stand up and speak right after the Member for Spruce Grove-Sturgeon-St. Albert, because I find her dialogue rather amusing in a lot of ways.

I want to take you back, Mr. Speaker. I can remember the day when this government had the campgrounds. You didn't pay anything to go into them, and the wood was provided to you for free. But there's no free lunch in this world. That was costing the taxpayers of this province a lot of dollars. I watched people in those campgrounds load up their cars and load up their trucks with so-called free wood and take it home, and I resented my tax

dollars going to their house, to buy them wood. I really did.

The hon. Member for Spruce Grove-Sturgeon-St. Albert just got finished with a tirade on fishing licences. I don't happen to fish, but I do know that it costs the taxpayers of this province about \$1.4 million a year to sell those licences, to put them out there. So I don't like to see my tax dollars going to that when I don't use the service. I think that's part of the whole privatization thing that we've gone through in the last few years: to try and put the costs where they should be. There is no free lunch. People seem to think governments have a big tub of money that they can pay for this stuff for society as a whole, and that became very unapparent when you started looking at the dollars. We agreed at a point in time some years ago that we didn't have an income problem, that we had an expenditure problem and we had to get a handle on this stuff.

I must assure the hon. members opposite that with any privatization that goes on in this province, the government does consult extensively with stakeholders, with all stakeholders. While you may not agree with the end result, you have to agree that the process is there, however imperfect it may be sometimes. Each initiative involves different considerations, and each department that's involved in it talks to those particular stakeholders. There's a different process involved depending on what they're trying to privatize and the aims and the goals of that particular department.

4:10

Albertans, as I said before, should not be expected to subsidize services that they will not use. Privatization puts the dollar factor where it should be, on the user. It was expensive for government to maintain the separate administrations of Alberta motor vehicles, vital statistics, corporate registry, land titles, personal property, and land information. Access to these services was consolidated at great savings to the total taxpayers in the province as opposed to just the ones that were using the services. As a result, Albertans are able to access all of these services much more conveniently.

The hon. member opposite mentioned that there were no lineups before. Well, I can assure you that there were lineups in registries, and to try and get their stuff done was a maze. People said: well, if you can't make it any more confused, give it to the government. We've put it out in the private sector; we've had rave reviews, particularly on the registries. There have been several surveys done, and it's been well over 95, 98 percent satisfaction. So we can't say that that wasn't successful.

On the very essential items that are legislated in this province, as my colleague mentioned before, the service fees are capped. Now just recently, because of the registry agents saying that they weren't getting enough money, government said, "Well, you can have one more loony, and maybe that'll keep you solvent," because we need these people out there, and they need to be in the private sector. There's a registry in this province that even has a big-screen TV that you can watch if you happen to be third in line. Very short lineups. People stand there and forget to go and get their licence because they're busy watching the big-screen TV and listening to the music. So there's some innovation going on there to bring people into the private sector and into these small businesses.

The prices on other things that are nonessential items are not capped, so it allows for competition in the market. You can shop around. I know people that have done that. They'll go to one registry agent, and if the price is too high, they'll phone another one and talk to them and drive a couple of miles down the road to the next town or the next village or the next registry. They're

able to get competitive prices. They're market driven. There's nothing wrong with that.

As my hon. colleague mentioned before, one of the most successful privatizations was the liquor store business. Certainly it doesn't take a rocket scientist to realize that you don't have to be a government employee to sell a bottle of booze. We didn't take into account the cost of the buildings that we had out there. I believe we sold them for somewhere in the neighbourhood of \$60 million. We sold them at whatever the market would bear. The taxpayers of the province, the nondrinkers, were subsidizing the building of these facilities so that a government employee could stand there and sell you a bottle of booze.

MR. McFARLAND: I was tired of paying for your booze.

MR. THURBER: Well, I don't blame you a bit.

Part of this motion talks about the disposal of Crown assets, of government surplus and that. There's a process in place, and I'm very familiar with it. When something is declared surplus, we as a government go to the public and sell that at the highest possible price we can get for it. There are no more giveaways. It used to be the policy of governments in this province to give away certain things if they were surplus. We changed that policy some years ago. Now we want the maximum money back to the taxpayer for what the taxpayer has to sell, and if it's declared surplus, it goes to a public tender or a public bid or an auction sale or some process like that. It's in the free market system, and we get the best dollar we can back to the taxpayer.

There's been a well-established competitive system out there for a number of years under Public Works, Supply and Services. You know, you can't always predict the exact market price, but if you put it out there and you advertise it properly, you know that you're going to get the top market value for it. This applies not only to surplus properties and buildings and furnishings; it applies to some portions of land that are being sold and all the rest of it. They go through an extensive process to make sure that the private sector is involved in the sale of that. The public tender process, as I mentioned before, is a very good way to determine what the market value of that particular product is.

In this government we have the Government Accountability Act, which requires each ministry to develop three-year business plans and to keep them moving forward one year at a time. They are accountable for every dollar that's in that ministry, and if there needs to be something privatized or if they see a place such as the minister of the environment has seen in the selling of fishing licences, where it's costing the other taxpayers \$1.4 million a year to sell those licences, you have to come up with another system. Because some of us – as my colleagues has said, he's tired of paying for the building for the booze, because he doesn't happen to drink booze. Another guy, who doesn't fish, is a little tired of paying into that fund so that the government can sell the fishing licences.

Mr. Speaker, we've gone through many, many different processes within this government to ensure that when we privatize – and I'll agree that sometimes it may be less than what you might expect, but you have to go through that process so the people that are using the services are the ones to pay, and it goes to the private sector.

I believe we've done everything in our power as a government to ensure that these privatization processes are the best thing for the Alberta taxpayer. This motion may be well intentioned, but it does not take into account these processes, as I've mentioned

before, that are in place and all of the safeguards that we have in place right now when we do privatize or move to the private sector for some sort of service.

I'm sorry, Mr. Speaker; I can't support this motion, and I would hope that other members of the House will follow my lead. Thank you.

THE DEPUTY SPEAKER: The hon. Member for Edmonton-Gold Bar, followed by Calgary-East.

MR. MacDONALD: Thank you, Mr. Speaker. I rise this afternoon to speak in support of Motion 502. This motion urges the government

to prepare . . . cost-benefit analyses detailing cost savings as well as cost increases in the form of user fees prior to any privatization of government services or sale of Crown assets.

Motion 502 only begins to recognize that establishing an effective accountability and performance-reporting framework for the privatization, contracting out, and disposition of Crown assets requires follow-up oversight and monitoring procedures. This, Mr. Speaker, has been a major weakness inherent within this government's privatization and contracting-out efforts. We all think of CKUA, the Alberta Tourism Partnership Corporation, Career Designs, and the DAOs, the delegated administrative organizations.

Now, Mr. Speaker, the government strategy on privatization and contracting out in the sale of Crown assets is marked by ad hockery, lack of planning, and these results have been disastrous. The Member for Drayton Valley-Calmor started to talk about giveaways. Well, let's talk about one giveaway, the sale of Gainers' assets. The taxpayers lost \$209 million in this transaction, and the government was required to put \$22 million into the plant just to entice Burns Foods to the company's assets. We know the government also signed a lease agreement with Burns that was subsequently amended, but under that agreement the Gainers plant site was leased to Burns for the sum of a little over \$200,000 per year. That is a giveaway. The lease arrangement, which was continued, as I said before, with Maple Leaf Foods when they took over the operation of the plant – this government will not even release that document to the public. The taxpayers don't have the right. Now, as a result of all of this giveaway, the plant is now sitting empty, there is no equipment inside worth anything, 950 employees in this city are out of work, no prospective buyers have come forward, and the province, the taxpayers again, are on the hook for the environmental cleanup, for the entire cost of this. Who knows what that is?

Now, Mr. Speaker, I would like to talk a little bit on the privatization of the ALCB. The Canadian Centre for Policy Alternatives' study on privatization came to the following conclusions. Evidence of higher prices for consumers. The effect of this government's revenue-neutral tax was to raise the prices of cheaper products. Private retailers admitted that they could not get by on the markup of 6 percent. They needed an average markup of 14 to 17 percent above the wholesale price. This hasn't worked out. Selection has been reduced. There are 48 fewer brands for beer and almost 75 percent fewer brands for wine available to the consumers. It didn't work out for the consumers.

Now, Mr. Speaker, another example of privatization that has gone wrong for the government is the Swan Hills waste treatment plant. In December 1995 the government of Alberta and Bovar signed an agreement that led to the disposition of the province's

40 percent share in Swan Hills and released the province from its liabilities under the joint venture. The cost of the release of the province from the joint venture was 147.5 million taxpayers' dollars. The province is also responsible for site reclamation costs, which have been estimated at anywhere between \$31 million and \$57 million. Bovar can also cease to operate the Swan Hills facility as of December 31, 1998, and could sell it back to the province for the nominal sum of \$1. No one in the province can even buy a fishing licence for \$1. The province is eligible to receive profits from the plant over the next eight years. In 1996 the province received \$23,600. No profit is expected in 1997. The total cost to the taxpayers for the sale of the interest in Swan Hills is \$441 million.

Now, the hon. Member for Drayton Valley-Calmor talks about a free lunch, but I don't know about free speech, because these are issues that are very, very important to the taxpayers of the province. The motion that has been put forward by the hon. Member for Edmonton-Strathcona is a sound one, and it should be considered by all members of this Assembly, Mr. Speaker.

Thank you.

4:20

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

MR. AMERY: Thank you, Mr. Speaker. I rise today to speak to Motion 502, which urges the government to prepare cost-benefit analyses prior to any privatization of government services or the sale of Crown assets. It is a pleasure for me to speak to this motion mostly because it gives me an opportunity to speak of the benefits of privatization and the successes of this government in this area.

Speaker's Ruling Decorum

THE DEPUTY SPEAKER: Sorry to interrupt the hon. Member for Calgary-East, but we appear to have two or more of our members who are really enthused about this particular motion or unenthused, whichever the case may be, and are wanting to engage in debate. As you all know, the rule of the House is: one member speaking at a time. So if members on both sides would adhere to that, the one member right now is Calgary-East.

Debate Continued

MR. AMERY: Thank you, Mr. Speaker. I realize that the debate over privatization is largely based on philosophy or ideology, but there can be little doubt that in recent years the benefits of privatization have been tremendous in Alberta, in Canada, and throughout the world. Quite simply, in our society there are many services which are provided more efficiently by the private sector than by the government.

Motion 502 proposes that the government prepare cost-benefit analyses before privatization or the sale of Crown assets. The government already evaluates the pros and cons before privatizing government services or selling Crown assets. Under this government, privatization proceeds when and only when it is in the best interests of all Albertans. Mr. Speaker, with respect to the sale of Crown assets, the Department of Public Works, Supply and Services has reliable standards and procedures to determine the costs and benefits of selling Crown assets. When a Crown asset is determined to be surplus, it is sold for the best available price, and current procedures serve this function fairly and efficiently. As I understand this motion, the hon. Member for Edmonton-

Strathcona would like a public cost-benefit analysis prepared every time the government sells a service truck, car, desk, or chair. Surely the cost of such analyses would erase much of the benefit of the sale. I think we can all agree that this makes no economic sense at all.

Mr. Speaker, with respect to the privatization of government services, the outstanding success of recent privatizations in the province is obvious. For example, the privatization of registries has created jobs for Albertans. It has resulted in budget savings for this government. It has given Albertans greater accessibility and choice of service providers. Perhaps most importantly, the privatization of registries has given Albertans more access to government services in communities across the province. While greater availability and access to these services may not be important to some of the hon. members from Edmonton, Mr. Speaker, I can assure you that the residents of small towns and communities in our province are very thankful for these services. These are just a few of the many benefits of registries privatization.

With the privatization of registries a new pricing model was introduced. With the new model, service fees for essential services are capped at a maximum and are regulated by the government. In 1993 the private agent fees were capped at \$4. The \$1 increase which comes into effect on April 1 of this year is the first increase since privatization five years ago. Albertans will still be receiving a valuable service at a very, very reasonable price.

Mr. Speaker, our great country of Canada was founded on the principles of democracy and market economy. I would argue that these institutions have served Canadians extremely well, and no one in Canada values democracy and market economics more than Albertans. Albertans know that private enterprise serves many functions much more efficiently than government. While governments may want public enterprises to be profitable and productive, they often are not inclined to allow commercial aims to take precedence over noncommercial aims.

As noted author Oliver Williamson is fond of saying, politics trumps economics. Mr. Speaker, that is even more true when it comes to left-wing, socialist governments around the world. Except for some services such as utilities and other public works, private enterprises usually provide better service, better value, more choices, and greater efficiency than public enterprises.

Mr. Speaker, to return to the specifics of this motion, the government already has ways of evaluating the costs and benefits of privatization or the sale of Crown assets. If any government department intends to privatize or outsource services or dispose of Crown assets, the department must outline these intentions in their three-year business plan. The Treasurer is also required to prepare a three-year consolidated fiscal plan, and this plan is tabled in the Assembly each fiscal year. This consolidated three-year plan for the government is included in the annual budget document, and I expect that Albertans will receive yet another good-news budget from this government on February 12.

Finally, Mr. Speaker, annual expenditure estimates for each department are provided by the minister responsible when the budget is delivered to the Assembly and made public. The members of the Assembly can review these estimates and question the minister at that time.

With such things as three-year business plans, the annual budget, and estimates from government departments, the hon. members of the opposition parties have ample opportunity to review government policy and ask specific questions of the

ministers responsible. Mr. Speaker, there is simply no need for the provisions in Motion 502, and I urge all members to vote against it.

Thank you.

[Motion lost]

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

Bill 15
Gaming and Liquor Amendment Act, 1998

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

MRS. LAING: Thank you, Mr. Speaker. I'm pleased to rise today to move second reading of Bill 15, the Gaming and Liquor Amendment Act, 1998.

There are a number of proposals, which I'm going to outline very briefly. The amendments that are being proposed fall into five categories. The first and most significant amendment relates to the separation of the chairman and chief executive officer position into two separate and distinct positions. This change, which is supported by the gaming and liquor industry as well as the charitable organizations, will ensure that the regulatory and enforcement functions, that are the responsibility of the CEO, are separate from the board functions of the chairman, who must sit as part of an impartial quasi-judicial tribunal on these same regulatory and enforcement matters.

4:30

The second amendment is an addition to the act which will permit the board to consider government policy when making decisions concerning gaming and liquor matters.

The third amendment involves the definition of a video lottery terminal. The proposed change will ensure that the definition is consistent with the requirements of the Criminal Code and will aid commission inspectors and police forces in charging individuals who are found to be engaging in illegal gaming activities, particularly with respect to the possession, sale, and distribution of contraband VLTs and slot machines.

The fourth amendment provides a more precise definition of "unlawful," and specific legislation is referred to in the act. If you look at page 3, section 66(1)(a), you'll see that it has "Criminal Code (Canada), the Excise Tax Act", and so on, so that it's clearly identified for prosecution benefits.

The fifth amendment will clarify the regulation enabling authority with respect to liquor suppliers, liquor agencies, liquor licensees, and the commission. This will ensure that all segments of the industry will have to comply with the act and the regulation.

I would strongly urge the movement of second reading of this Bill, and I look forward to the comments of my colleagues.

Thank you.

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

MR. DICKSON: Mr. Speaker, thanks very much. I'm pleased to have an opportunity to join debate on Bill 15 because there are some curious provisions in Bill 15 that haven't been clarified, at least to my satisfaction, with the comments we've just heard from Calgary-Bow.

Let me start in reverse order, if I can, Mr. Speaker, and

highlight the concern I've got with section 10 of the act. Many times members of the opposition have raised our concern with overly expansive regulatory power and an excessive delegation of important matters to regulation. Well, I refer all members to section 10 because there's something of particular concern there. What we now see is that section 126 is going to be expanded. This is the enabling section which allows the Lieutenant Governor in Council to make regulation. It's expanded with the new subsection (n) so that it's section 126(1)(n) which now is going to permit regulations to be made "respecting agreements, activities, and relationships" – now, that's an expansion – "between any 2 or more of the following."

This is where it gets particularly interesting, Mr. Speaker. We deal again with liquor suppliers, liquor agencies, liquor licensees. No change; that's as it was before. But now we've added something really interesting, and it's "affiliates"; that is, affiliates of liquor suppliers, affiliates of liquor agencies, affiliates of liquor licensees. So when I saw the bill, I turned back to the definitions section in the Gaming and Liquor Act because I thought, well, obviously there'll be a definition of it. What I found is that there's no definition of affiliate. Then I flipped over to page 4, and I see that the definition of affiliate is one of those things that can be done by way of regulation. So my reaction is that this is what we might call legislative creep or regulation creep, where you take away what used to be the well-established role of the Legislature to define the parameters of a piece of legislation. We allow regulation to be made pursuant and within that context.

Now what we've done – and this isn't the first example of it, but it's certainly the first one we've seen in this session. Now what happens is that we have given the administrators, the people in a department who don't come in here and answer questions, the power to decide who is going to be an affiliate. And I start thinking: does it mean perhaps a director of a private establishment, of a corporation that runs a private establishment? Well, maybe that's understandable. Is it the wife of a director, a spouse of a director of a liquor supplier? Is it a same-sex partner of a director of a liquor supplier? We then go on. Is it the ex-wife of a director of a liquor supplier, or an ex-husband? Is it the next-door neighbour? [interjection] The ever astute Minister of Intergovernmental and Aboriginal Affairs, with his keen legal eye and his experience and background, immediately grasped the difficulty I'm having. I'm hopeful that the minister, before we wind up important debate on second reading, is going to stand – perhaps if he doesn't want to do it in a formal, open way, at least privately with the sponsor of the bill – and share the concern that this kind of regulation creep has got to stop.

To every member who talks about the sanctity of the Legislative Assembly, the supremacy, the sovereignty of the Legislative Assembly, this is putting it to the test. The devil is in the detail, and the detail here is that we're going to allow some faceless, nameless bureaucrat sanctioned by the Lieutenant Governor in Council – and we know, when those orders in council go through, how much scrutiny is given to those regulations. I suggest precious little, Mr. Speaker, precious little, because when we look at so many of these regulations that make not good sense, we know they haven't been adequately scrutinized. They certainly haven't been scrutinized by all-party representation. They haven't been scrutinized in this Assembly. They haven't been scrutinized with the media looking over the shoulders of those policymakers.

I know my colleague from Calgary-Fort and the people adjacent to Calgary-Buffalo will also share this concern of regulation creep. I think we have a chance, Member for Calgary-Fort,

through the chair, to make a stand because we think this is important. We think that the work we do, the important work of MLAs, shouldn't be deprecated in the way that is suggested. Regulation creep is something that I think all members – I know the MLA for Calgary-North West is troubled by this. I can see from his demeanour and his keen interest that he also is worried where we're going.

Mr. Speaker, I don't want to belabour the point. I simply wanted to draw to the attention of all members that you cannot go to the Lieutenant Governor in Council, you can't go to your regulation makers and say, "You can make regulations, and oh, by the way, we'll let you expand the area of regulations to cover more Albertans if you think that's appropriate." Well, there's only one forum and one body that should decide who's subject to a law in this province, and it's got to be this body in this Assembly. This has got to be the forum to do it. You can't delegate the power to start roping more and more people in and making them subject to more red tape. If, for example, someone decides an affiliate is going to be the ex-wife of a director, of somebody who runs a liquor supplier business, that would be offensive. Hopefully we'd say that was never the intention of the Legislature in passing Bill 15. But you know something? We have no input and no control over that.

So it is fundamentally wrong to allow regulations to expand their own scope to cover more Albertans than are specified. It's fine when we know who is subject to the act. We can then layer on the regulation that we think is appropriate. But you can't allow bureaucrats to simply expand their scope and the umbrella to encompass a whole lot of people who on reading Bill 15 or, more importantly, on reading the Gaming and Liquor Act could not see that they were covered. The most basic proposition of legislation is that we have to know. An Albertan who reads the statute has to know whether he or she is covered or whether they're not covered by the statute. We'll never know that, and since regulations can be not only passed but can be revised and changed without ever coming back into this Assembly, that's a particularly worrisome matter. A couple of other matters, but I must say that section 10 jumps out at me as one of those things that gives me difficulty.

4:40

The other thing I look at is section 9. Now, if you look at section 107, you find something really curious there in the act. It says:

When a conviction under this Act becomes final, any liquor and containers in respect of which the offence was committed that were seized are, as part of the penalty for the conviction, forfeited to the Crown.

Well, Mr. Speaker, I have some experience working as a standing agent for the federal government involved in narcotic control prosecutions, and we did seizures under that in terms of vehicles and boats and airplanes. This is something that's pretty serious because we're talking about taking away often very expensive equipment owned by operators. We darn well better make sure that we're in the right when we do that, and that means that the section that creates that authority had better be scrutinized very carefully.

What we find in section 107 is: "when a conviction under this Act becomes final." So I'm thinking to myself: now, what the heck does that mean? A conviction is final the minute it's recorded by the clerk of the provincial court. Does it mean after the expiry of the appeal period? Then I thought: it can't possibly mean that, because you can always seek leave to extend or to

enlarge the time to commence an appeal. It's conceivable you could come along a year after a conviction is entered and persuade an appellate court to expand your time to file your appeal. It won't happen very often, but it's possible.

So I don't know what it means when it says "when a conviction under this Act becomes final." That suggests we've got two kinds of convictions under the Gaming and Liquor Act: we have temporary convictions, and we have permanent convictions. Well, I don't know where this legislative draftsman went to law school, Mr. Speaker, but it seems to me a conviction is a conviction at the time it's recorded on the record. There's no such thing as a temporary conviction. If you're convicted, it's permanent. There is that provision for extending the time to appeal, but why don't we say that? Why don't we say that in the act instead of perpetuating what I think is a problematic provision in section 107? I guess the other thing I'd just say is that if other members who are reading more carefully and more thoroughly than I am find there's another section somewhere in this voluminous Gaming and Liquor Act that makes it clear what a final conviction is as opposed to any other kind of conviction, I hope people will draw my attention to that.

The other concern I had, Mr. Speaker, just working back to section 8, is the one that incorporates the opinion of the board, because the previous section 66(1), that's being repealed, required that an offence had to be made out on the facts before the penalties provided for in section 66 would be invited or would apply. It just seems to me here that what we've now done is gone from an unlawful act to allowing the board to make a decision in terms of whether there's been a violation of the Food and Drugs Act, the Criminal Code, the Excise Tax Act, the Young Offenders Act. Maybe an argument can be made that that's appropriate, but I just want to signal to members to recognize that we're doing something different there.

The other concern, then, takes us to the expanded definition of "sell." This is in section 2, and this is the new amendment to the definition section of the Gaming and Liquor Act. Now what we're dealing with is that "sell" includes barter, keep for sale, expose for sale, display for sale, offer for sale and advertise for sale." I think it's important that all those members in the Assembly who talk about smaller government and less red tape recognize and understand that we're significantly, substantially expanding the scope of what the Gaming and Liquor Commission is able to do.

The question in terms of chief executive officer of the commission I will leave for others to consider whether that's an advantage for Albertans. But I do want to draw attention to the one other concern I had when I just briefly looked through the bill. I only saw the bill just a few minutes ago, Mr. Speaker.

Section 3 of Bill 15 dramatically increases the power of a minister to give direction to the commission. It seems to me it's a bit problematic. Look at all the ways the minister can communicate with the commission in a binding way: policies, principles, standards, and criteria. So we've got sort of four different ways apart from regulation that the commission – the members of the commission, the board of the commission – have to be taking cues and signals from the minister, and it just seems to me that it's a bit sloppy. I mean, I think there should be a specific way that the minister communicates binding instruction to the commission. I think that should be done and it should be provided for in a way that's more consistent, rather than doing it in such a broad and unfocused way. It would strike me, Mr. Speaker, that the minister already must have some way he typically communicates

with people on the commission and the board, and I think you create a lot of confusion.

I come back again to that basic principle that the FIGA minister knows so well: that laws should be sufficiently comprehensible that any citizen can look at the statute and know whether they're operating inside or outside the statute, whether they're doing something lawful or something unlawful. I challenge you, Mr. Speaker, with respect, how an Albertan in Turner Valley or in Okotoks, on reading this new section 6.1, is going to know what the mandate is of the commission if they have to first negate: is it a policy, and what are the policies? Is it a principle? What are the principles? Is it a standard, and where are the standards? Is it a criterion? You see, these things aren't kept anyplace. Ministerial orders: we know where to go to find those. We know where to find a regulation. We may know where to go to find a published standard. Where do you go to find a policy? How do you know that a policy is different from a principle, and how is that different from a standard? What if the minister does something that he styles at the top of the page as a guideline?

This wouldn't be a reason to vote against the bill, but I don't have the chance to offer advice to the Lieutenant Governor in Council when they pass regulations. This is my best crack at it. So, Mr. Speaker, while we're dealing with this in second reading, I simply wanted to flag that concern, and I hope that all members press ministers – or in this case the Member for Calgary-Bow or her counterparts on other bills – to make sure, when they bring in a statute, that it's tightly, clearly written, that it admits of no ambiguity, that it will be clear to their constituents and my constituents whether they're violating the law or complying with the law. I don't think that's possible with Bill 15 as it's currently in front of us.

As I say, there may be a definition of "affiliate" tucked somewhere in here. It looks like there isn't, and it looks like that regulation creep is being given a huge launching pad in Bill 15. The Member for Peace River I know is going to make common cause with me on this because he gives lots of speeches about the evils of red tape and regulation, and I've heard some of the other members opposite occasionally make speeches about trying to curb the size of government and trying to reduce red tape. Yet time after time after time we see bills like Bill 15 come forward that do the very thing they profess not to want to be part of. This is also a compelling reason, Mr. Speaker, why we would need all-party oversight on the Standing Committee on Law and Regulations. That would be our chance to make sure that the definition of affiliate isn't abused in the way that I apprehend it possibly could be.

So those are the principal comments I wanted to make with respect to this. I'm looking forward to further explanation from the sponsor of the bill, the Member for Calgary-Bow, and if not directly from her, if there are other members that have answers to the concerns I have expressed, I hope they will share those with us before it comes time for a vote.

Mr. Speaker, thank you very much.

4:50

THE DEPUTY SPEAKER: The hon. Leader of Her Majesty's Loyal Opposition.

MR. MITCHELL: Thank you, Mr. Speaker. I rise to join my colleague from Calgary-Buffalo in the debate on this bill and to share with him my expression of concern about this bill. In fact, it's a bill that has so many possible points of discussion that I hardly know where to begin. I will begin by summarizing what

I think the bill seems to be doing. I think it does about three, maybe four things. One is that it gives more power to the minister at a time when this government has said that it had privatized liquor and liquor board processes as much as possible under the auspices of the now Minister of Energy, the then minister responsible for this area. It is being reversed, and more power seems to be coming back to a centralized government.

Now, this is not actually a surprise, because of course the Minister of Economic Development is reversing the Minister of Energy's initiative to set up the Alberta tourism group. It isn't as though we can have a great deal of confidence about what the Minister of Energy has implemented, because he so often seems to be overturned by his own government.

DR. WEST: A point of order, Mr. Speaker.

THE DEPUTY SPEAKER: The hon. Minister of Energy is rising on a point of order. Specific citation?

**Point of Order
Allegations against Members**

DR. WEST: This is the second time I've raised the same point on 23(h), (i), and (j), an allegation of intent or motives or whatever he had just said about the Minister of Energy. I have to clarify once again that I did not set up the Alberta Tourism Partnership. That is not a criticism of it, but I don't have to sit here in the Assembly and watch – that's the second speaker today that has allocated the origin of the Alberta Tourism Partnership to me, and that's not true.

MR. MITCHELL: I am sorry. I should have in fact invoked the example of CKUA. The point's the same; the example is different. If I misled the House about the minister's relationship to Alberta Tourism, I'm very sorry.

I would take this moment now to discuss the similarities, the parallels between this reversal and the reversal of what he did with CKUA, Mr. Speaker, because he seems to . . .

THE DEPUTY SPEAKER: Well, I think the hon. Leader of the Opposition has withdrawn that particular allegation that the minister objected to. Now on to the bill at hand, hon. leader.

Debate Continued

MR. MITCHELL: Mr. Speaker, to further my point about how this bill may be addressing problems and fixing problems created in the process of privatization, I have to use as further indication the fact that when liquor stores were privatized, the minister responsible, now the Minister of Energy, had said it would only be small entrepreneurs who would be allowed to do it. He said that big stores wouldn't be allowed to do it, but of course he never set that up. He didn't put that in place – he's a free enterpriser – and now there's huge pressure building so that big store chains could do it. Of course, the many mom-and-pop stores that have opened to create liquor stores . . .

DR. WEST: A point of order, Mr. Speaker.

THE DEPUTY SPEAKER: The hon. Minister of Energy is rising on a point of order. The citation would be?

**Point of Order
Allegations against Members**

DR. WEST: Standing Orders 23(h), (i), and (j). He has just

alleged that I said that only small entrepreneurs could get into the liquor business. I did not say that, and that is not the policy. It was stated how that policy would be implemented as it related to large liquor stores or large areas such as supermarkets or that getting into it. He alleged in his speech that I said that only small entrepreneurs could get into the liquor business. I did not say that, and I want him to retract that statement. That's not true.

MR. MITCHELL: Mr. Speaker, I don't believe this is a point of order. I think this is just the normal give-and-take in debate that speakers probably use. Speakers in the past have ruled often that this is simply a difference of opinion about something that we have each seen or had experience with. I'm not withdrawing anything.

I would like to say that he hasn't risen to challenge my statements about CKUA. I've got a couple of other things he did in the past with respect to privatization that aren't working well, and I'd love to talk about them too.

THE DEPUTY SPEAKER: We're on the point of order, hon. leader.

The hon. Minister of Energy has indicated (h), (i), and (j), being part of Standing Order 23.

- (h) makes allegations against another member;
- (i) imputes false or unavowed motives to another member; [or]
- (j) uses abusive or insulting language of a nature likely to create disorder.

Well, certainly if we go in reverse, I don't recall the use of "abusive or insulting language." If you're saying somebody did something in the context in which the chair was able to hear it, I didn't see (j) being there.

However, on making "allegations against another member," an allegation presumably is of some wrongdoing, and I didn't hear that there was any wrongdoing implied. It was that somebody was doing something, and the person has declared that they did not. So the chair would say that that's a matter of clarification.

Now, with regard to "false or unavowed motives," I don't think there was anything in terms of a motive for the actions that were alleged to have occurred, not that either member has talked about. So at best, a matter of clarification.

We'd ask the hon. Leader of the Opposition to return to the bill.

Debate Continued

MR. MITCHELL: Thanks, Mr. Speaker. An excellent ruling.

The first point this bill addresses, of course, is that it gives more power to the minister. It seems to be a reversal of what was done in the process of privatization, and I think it reveals something about how that process was done: obviously, not properly.

Secondly, it brings VLTs front and centre into this bill, Mr. Speaker. That has all kinds of implications, and I'd like to talk about those.

Thirdly, it purports to tighten up legislation, I guess, and is consistent or would be seen by this government to be consistent with its slogan of less regulation, less legislation, less government. But I think that as my colleague demonstrated and I am going to further argue, Mr. Speaker, it's very clear that if this bill reduces regulation legislation, it does it in the most frightening and destructive and dangerous way, because it leaves far too much to the whim of a minister by way of regulation.

[The Speaker in the chair]

My first point, Mr. Speaker, is that the minister will now have the authority, that before rested with the chairman of the board, to create standards, which is one thing, but now "by order" – not brought before this House, but by order in council behind closed doors – "make policies, principles, standards and criteria that must be taken into account by the Commission." What that says is that this government will be exercising more control over the commission than is now the case, and much of that will be done in a nonpublic way and behind closed doors. I again see that as a direct reversal of efforts to privatize and allow more market forces to govern the liquor industry, and I'm surprised to see that that would happen.

5:00

The second issue that I want to address is the question of video slot machines. It's termed in here video lottery terminals, and I will be presenting an amendment in committee to call them what they really are: video slot machines. Video lottery terminals is a euphemistic way to refer to them. They're not terminals. They're not something you find in your family study or your kid's bedroom or in your office where you have a terminal for your computer. It's a video slot machine. Sometimes semantics are chosen to be euphemistic, Mr. Minister of Education. In fact, we'd like to see them called in here exactly what they are.

What is very revealing in this section 2(c) is that reference is made to the Criminal Code of Canada, and this bill is defining its video lottery terminals and implications for them with reference to the Criminal Code. I hearken back I think about 10 days when the Premier said that VLTs, better termed video slot machines, are not illegal. How is it that they're not illegal? They're not illegal because the Criminal Code doesn't define them as being illegal. Therefore, it's okay for the Alberta government to put them into bars and taverns and to have them in this province. He was making the point that it's really the federal government's fault, but if you go back to that Criminal Code section, what you will find is that the federal government has extended the responsibility to determine whether video slot machines are right or wrong within those provincial boundaries to the provincial government.

Now, here is a government that argues long and hard and vehemently that all kinds of powers should be downloaded to the provincial government because that's where the decisions are made. Yet when it comes to something like video slot machines, the Premier is quick to say that it's a federal responsibility despite the fact that it isn't a federal responsibility. So wherever there has been a power that this government could grab, they grab it, except this one. Well, they grabbed it, but they don't want to admit it, Mr. Speaker.

The fact is that the Premier was incorrect when he said that it is a federal responsibility under the jurisdiction of the Criminal Code to establish whether or not VLTs, video slot machines, are legal or illegal. It is a provincial responsibility. How do we know for sure? Because they are defining and putting video lottery terminals into this provincial act. So let's make it very clear. It's been established that the Premier was incorrect in what he said, and his own bill establishes that it's incorrect.

Mr. Speaker, it is very interesting that the question of video slot machines comes up under this Gaming and Liquor Amendment Act. This act is very, very thin and doesn't address the issue really of whether or not of course there should be video slot machines, but an act like this could be used to engender that debate and to have some broad debate in here. I think we'll keep that debate going because we need to talk about video slot machines in this Legislature. Finally they've actually unwittingly,

as I might say, allowed us the chance to do that.

Video slot machines are wrong. They are wrong in this province. There is no justification for them. They tried to justify it on the basis that they were needed to pay community grants, but of course they're not. The Treasurer has established that. Then the Premier rolled to the next justification that the surplus will be less, that we need them to pay off the debt. So which is it, Mr. Premier? Is it that they're necessary because we put them into community grants or they're necessary because we need the money to pay off the debt? Or is the Treasurer the one who's right when he says that the budget wouldn't be shaken at all if we didn't have this money? It's very, very difficult to know. But the fact is that . . .

DR. WEST: Point of order, Mr. Speaker.

THE SPEAKER: Hon. Minister of Energy, citation please.

Point of Order Allegations against Members

DR. WEST: Standing Order 23(h): "Makes allegations against another member."

In his discussion he has mentioned the Premier saying that the funds are necessary for this and necessary for that and necessary for charitable organizations. That is not the point that the Premier made whatsoever. The Premier was making the point that this is where these dollars go today and that individuals must make acknowledgment of the fact that these dollars from VLTs or any other level of gambling are inside our budget today and have a representation in our lives someplace. He didn't say that they were necessary; he said that you should be aware of where they are. This allegation that he's making against the Premier is not true.

MR. MITCHELL: Mr. Speaker, every time a minister speaks out on video slot machines, they contradict the Premier. We've got yet another contradiction. We know what the Premier said. He said that we justify video slot machines on the basis that the money goes into community grants. That's what he said.

DR. WEST: He didn't say that they were necessary. He said that they went into them.

THE SPEAKER: Well, hon. members, we have before us Bill 15, called the Gaming and Liquor Amendment Act, 1998. We're in second reading of the bill, and at second reading wide latitude is often given to a discussion of the bill and the parameters associated with the bill. Once a bill is opened, it becomes fair game to deal with all matters related to the subject matter contained in the bill.

Now, all hon. members will have ample opportunity to participate in this debate. My understanding is that we've only had several speakers to this point in time, so perhaps for any hon. member who would like to participate in debate, the rules provide for up to 20 minutes of discussion, and we'll certainly recognize the hon. Minister of Energy if he would like to follow.

The hon. Leader of the Official Opposition to continue.

Debate Continued

MR. MITCHELL: Thank you very much, Mr. Speaker. The point I want to make and I had been making before I was interrupted is that video slot machines are wrong. They're not

justified, because the money doesn't go into community grants. They are in fact not needed. The Treasurer has said that we don't really need the money. I believe that this bill is unsupportable, because if you support this bill, you're advocating and supporting video slot machines, and I think video slot machines should be banned. That would be a major reason why I wouldn't be voting for this bill. It's redundant legislation. If we didn't have video slot machines, we wouldn't need that part of this legislation, and we want less legislation.

The other thing that's very, very predominant in this piece of legislation is that there are a number of amendments contained in this bill, amendments to the Gaming and Liquor Act, that really emphasize the government's focus on toughening up matters of conviction, relating to the Criminal Code. In section 66 they go from the old wording, which is "is unlawful," to specifying all the many and varied ways in which activities relating to liquor and gaming, video slot machines could contravene all those different acts. What they're really doing, Mr. Speaker, is focusing on the things that can go wrong when people use video slot machines, the way that they can be abused.

I list the number of things that can be contravened in an establishment that has video slot machines. You can contravene the Criminal Code, you can contravene the Excise Tax Act, you can contravene the Food and Drug Act, you can contravene the Narcotic Control Act, you can contravene the Young Offenders Act, you can contravene "a federal Act specified in the regulations," and you can contravene "this Act or the regulations under this Act." Again, what this emphasizes is the sordid nature of video slot machines, that a government has to begin to emphasize and reiterate and reinforce the laws, the Criminal Code, those regulations and acts that are there to try and limit this kind of illegal and unlawful and sordid activity related to video slot machines. It's far more than a coincidence that we would see this emphasis in such a small bill and all the things that can be done wrong on premises that have video slot machines.

I must say that at least the government is acknowledging that in so many subtle ways. But the fact exists: video slot machines are wrong. Sordid things happen around them, many sordid and offensive things, and the government is making this finger in the dike to specify those acts that would be contravened or could be contravened. But they're not really standing up and saying: we're going to make sure that these are properly implemented and monitored and policed. No. They're saying:

No liquor licensee or employee or agent of a liquor licensee shall permit any activity in the licensed premises that . . . do these things.

5:10

But they're even afraid to specify them definitely, and that's where we get to the question of the wrong kind of legislation and the wrong kind of regulation. They say:

Shall permit any activity in the licensed premises that, in the board's opinion

(a) contravenes . . .

That's the point Calgary-Buffalo was making, Mr. Speaker, that they watered down the legislation by allowing more ministerial discretion. They watered down the legislation by leaving things to be determined "in the board's opinion."

Mr. Speaker, there are two kinds of wrongs when it comes to government. There can be too much government, there can be too much legislation, and there can be the wrong kind of government, the wrong kind of legislation and the wrong kind of regulation. Not only are they not reducing government with this bill; they are in fact increasing it. But in the process of increasing it, they are making for regulations and guidelines and policies and

directives "in the board's opinion," that are not specified for citizens of Alberta to be able to understand and know what the parameters of their behaviour can be, given these regulations. That should frighten even the most right-wing of Conservatives who traditionally would be concerned about how the state intervenes in their lives.

If they're really concerned, and if they're true to their ideological obsession of right-wing conservatism, they would look at this bill and they'd say: this is encroaching on our lives in a way that big government should never be allowed to encroach. They should vote against this bill on that basis alone, and then those like the Treasurer who have personal difficulties with gambling, video slot machines, should vote against this bill because it refers to video slot machines and legitimizes them that much more, entrenches them that much more in the statutes, in the laws of this provincial government. It's got to stop, Mr. Speaker. I will be voting against this bill.

THE SPEAKER: The hon. Member for Medicine Hat.

MR. RENNER: Thank you, Mr. Speaker, I have been listening intently to the comments from the members opposite, most recently the Leader of the Opposition. Frankly, I'm perplexed that someone could read as much into a simple piece of legislation as what we've just heard for the last 15 or 20 minutes. This is the most ridiculous argument I have ever heard which the leader has brought forward about this bill. What does this bill do? If you look at the bill, it clarifies a couple of definitions.

We just heard this great rendition about all the terrible things that we're going to be introducing in this bill. Well, what the leader didn't do was read into the record what the existing legislation does. Everything that the leader just referred to, with the exception of one line, stays exactly the same, so how this can be such an injustice to the people of Alberta is entirely beyond me, because under the existing legislation it says:

No liquor licensee or employee or agent of a liquor licensee

[may] permit any activity in the licensed premises that . . .

(a) is unlawful.

So we just heard this giant diatribe about changing the term "is unlawful" to defining what is unlawful. It makes a whole lot of sense to me that if there is any question about what is unlawful – well, you asked: what is unlawful now under the new legislation? It "is unlawful" is changed to "contravenes the Criminal Code . . . the Food and Drugs Act . . ." blah, blah, blah. All of that is just explaining what is unlawful, and it also says "in the board's opinion."

So it's very obvious that the board, the employees, have always had the ability to determine what is unlawful. This is actually restricting, this is defining, this is telling them what is unlawful. So I can't see how this can be such an affront to the people of Alberta.

We heard all about the terrible things about VLTs. If you look again at what is being changed, all we're doing is clarifying the definition. VLTs are already included in the existing legislation. It says, "Video lottery terminal" means a computer, a video device or a slot machine within the meaning of section 198(3) . . ." and all members can certainly read for themselves. I don't have to read the whole thing. That is under the existing legislation.

The new legislation says:

"Video lottery terminal" means

(i) a computer,

(ii) a video device, or

(iii) a slot machine within the meaning of subsection 198(3) of the Criminal Code.

And then it goes on to say:

that is used to play, or is designed to play, a game, scheme or plan referred to in paragraphs 206(1)(a) to (g) of the Criminal Code.

Obviously this is needed because the intent of what the machine is used for is very important in determining whether or not it is, in fact, a video lottery machine. So it's necessary to include in the legislation the use of the machine, because if you wanted, you could take a PC and play video games on it. That is not a video lottery terminal. [interjections]

We're getting all kinds of comments from opposite, but obviously, Mr. Speaker, we have just been sitting here for the past hour listening to members opposite deal with a very simple piece of legislation that is dealing with some very simple definition clarifications and seeing it being used for nothing more than political gain and trying to read in all kinds of things that aren't in this legislation.

Mr. Speaker, at this point I would like to move that we adjourn debate on this bill so that members opposite have a chance to maybe read the bill and be able to deal with it in a little bit more intelligent manner next time it comes up on the Order Paper.

THE SPEAKER: Having heard the motion by the hon. Member for Medicine Hat, does the Assembly agree with the motion.

SOME HON. MEMBERS: Agreed.

THE SPEAKER: Opposed?

SOME HON. MEMBERS: No.

THE SPEAKER: Carried.

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