

Legislative Assembly of Alberta

Title: Tuesday, March 3, 1998 1:30 p.m.
Date: 98/03/03
 [The Speaker in the chair]

head: **Prayers**

THE SPEAKER: Good afternoon. Let us pray.

O Lord, we give thanks for the bounty of our province: our land, our resources, and our people.

We pledge ourselves to act as good stewards on behalf of all Albertans.

Amen.

Please be seated.

head: **Reading and Receiving Petitions**

THE SPEAKER: The hon. Member for Airdrie-Rocky View.

MS HALEY: Thank you, Mr. Speaker. I would ask that the petition that I presented yesterday be now read and received.

THE CLERK:

We, the undersigned residents of Alberta, ask the Legislative Assembly of Alberta to urge the government to reassign the instructional stipend of \$3,700 to the independent school of the parent's choice.

head: **Notices of Motions**

THE SPEAKER: The hon. Deputy Government House Leader.

MRS. BLACK: Thank you, Mr. Speaker. Pursuant to Standing Order 34(2)(a) I'm giving notice that tomorrow I will move that written questions appearing on the Order Paper stand and retain their places with the exception of written questions 17, 18, 19, and 25.

I'm also giving notice that tomorrow I'll move that motions for returns appearing on the Order Paper stand and retain their places with the exception of motions for returns 15, 16, 21, 22, and 23.

head: **Tabling Returns and Reports**

MR. JONSON: Mr. Speaker, I am pleased today to table with the Assembly four copies of the Public Health Advisory and Appeal Board 1996-97 annual report. Copies have been provided to all Members of the Legislative Assembly.

Thank you, Mr. Speaker.

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

MR. MacDONALD: Thank you, Mr. Speaker. I rise this afternoon to table over 400 responses on last fall's Dialogue on Unity from the Edmonton-Gold Bar constituency.

Thank you.

head: **Introduction of Guests**

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

MR. LOUGHEED: Thank you, Mr. Speaker. It's my privilege to introduce 27 grade 6 students from Ministik elementary school.

They're accompanied by their teacher, Mr. Duncan, and parents Mrs. Sherbank and Mrs. Minchin. I'd ask that they please rise and receive the warm welcome of this Assembly.

MR. MITCHELL: Mr. Speaker, it's my pleasure to introduce to the Assembly 43 grade 6 students from Good Shepherd school in the riding of Edmonton-McClung. They are accompanied today by teachers Mr. Milson and Mrs. Jonzon, student teacher Miss Yedlinski, and a parent, Mrs. Pye. I'd ask that they all stand in the gallery and receive the welcome of the members.

MS EVANS: Mr. Speaker, it is my pleasure today to introduce to you and through you to the members of this Assembly two guests seated in the members' gallery: Mr. Ross Bradford of the Better Business Bureau and co-ordinator of project Phonebusters, Detective Staff Sergeant Barry Elliott of the Ontario Provincial Police. Members of the Assembly, I'm pleased to advise you that these two gentlemen are here today. You may have read today about Detective Staff Sergeant Barry Elliott and project Phonebusters, which is to trap, in fact, scam artists, those fraudulent telemarketing people that try and prey upon our seniors and others who are vulnerable in society. Barry has been very instrumental across Canada in project Phonebusters. Our consumer affairs branch of Municipal Affairs is just delighted to have him as a guest here today. Would you join me in welcoming these gentlemen. Please stand.

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

MS LEIBOVICI: Thank you, Mr. Speaker. It gives great pleasure this afternoon to introduce 38 seniors from the Edmonton Self Starters Organization in my constituency. They are seated in both the public and the members' galleries. If they would please rise and receive the warm welcome of the House.

Thank you.

THE SPEAKER: The hon. Minister of Labour.

MR. SMITH: Thank you, Mr. Speaker. I'd like to introduce to you and through you an old friend of mine who used to work in the oil patch and has now gone on to do some other things and wants to see what things are like up here in Edmonton. George McIntosh is seated in the members' gallery. I'd ask him to please stand and receive the warm welcome of the Assembly.

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

MRS. SLOAN: Thank you, Mr. Speaker. It gives me great pleasure today to rise and introduce Dale and Glenda Stewart, both friends. Dale in particular is a colleague who for over 30 years served Alberta's health care system as a representative for Baxter, Abbott, Ivac and Sorrenson Research. I would ask Dale and Glenda to rise and receive the warm welcome of this Assembly.

THE SPEAKER: The hon. Member for Livingstone-Macleod.

MR. COUTTS: Thank you very much, Mr. Speaker. I'm just noticing in the members' gallery two constituents who just walked in for some meetings this afternoon. One is the mayor of the fine town of Granum, Larry Demaere. The other is the mayor from the very, very fine town of Claresholm, Ernie Patterson. I'd like

them to please rise and be recognized and appreciate the warm welcome of this Assembly.

head: **Oral Question Period**
Health Care System

MR. MITCHELL: Mr. Speaker, the Premier says that he will be monitoring for health care pressure points and that just maybe he'll put up some money in the first quarter or maybe he'll put up some money in the fourth quarter, and he's not even going to meet with the regional health authority for almost another month. If we leave the health care system in this Premier's hands, he'll still be checking the pulse long after the patient is dead. To the Premier: will the Premier define once and for all just exactly what a pressure point is and tell us why he's taking so long to acknowledge that they exist?

MR. KLEIN: Mr. Speaker, I've always acknowledged that if there are pressure points and they can be clearly identified and justified, we will address those pressure points. It's not nearly a month; it's 20 days from now. I understand that the hon. Minister of Health will be meeting very shortly with all senior officials of the health authorities throughout the province. I think it's only reasonable that we have a clear identification of the problem, especially those problems that might be sustainable, ongoing. We're always going to have problems in the system relative to disasters or this very serious outbreak of flu. We have no control over these kinds of things, but perhaps there are some things in the system that are sustainable problems. If we identify those problems, then we'll provide the resources, we'll find the resources to deal with those problems.

MR. MITCHELL: If, perhaps, whenever, whatever.

Mr. Speaker, why doesn't the Premier know exactly what the pressure points are when he has been hearing consistently from the Edmonton regional health authority, from the Calgary regional health authority that they need millions of dollars to fix their problems now? Doesn't the Premier listen to these people when he's talking to them?

MR. KLEIN: Mr. Speaker, you know, it's interesting that the leader of the Liberal opposition would be talking about the millions and millions of dollars that are required by the regional health authorities to meet the ongoing needs of providing health services. I go back to the Liberal election document. It's less than a year ago. The Liberals were looking at spending an additional \$191 million in health care. Our proposal was something like \$314 million, and we met those commitments.

1:40

MR. MITCHELL: Mr. Speaker, we were giving him the benefit of the doubt. It's way worse than even we thought it was.

Why should anyone believe this Premier when he says that he's going to fix these problems, when his 1995 90-day health care plan didn't work, the Oberg special task force failed, he ignores Provincial Health Council recommendations, and he didn't keep his word about electing regional health authorities? Why would anybody believe him now? He doesn't even know what a pressure point is.

MR. KLEIN: Well, Mr. Speaker, obviously some people believed us, because when I look, there are far more Conservatives than there are Liberals.

Having said that, Mr. Speaker, we will diligently try to identify the problems in the health care system, as indeed we did in 1995. We provided resources to address pressure points that were clearly identified and clearly justified.

MR. SAPERS: It didn't work.

MR. KLEIN: It did not fail.

There are problems throughout this country in health care, and I would suggest that if the leader of the Liberal opposition has a target in this particular case, that target should be the Prime Minister of this country, his Liberal cousin. Going to New Brunswick and dropping \$10 into a pot and saying to doctors and medical care workers in that province – that is not the way to address this issue. The problem is not only in Alberta; it is a nationwide problem. And I would remind the hon. leader of the Liberal opposition and his cohorts over there that we absorbed something like \$370 million in reduced Canada health and social transfers, much of that money earmarked for health.

Mr. Speaker, so sad is the situation that the Premier of Prince Edward Island has written a letter to Mr. Romanow. Mr. Romanow is now the chairman of the Premiers' council this year. He says:

I am deeply concerned by the failure of the federal budget to address the unanimous request of Provincial and Territorial Leaders that health care be the top priority for increased federal funding.

I am angered by comments made by the Prime Minister and members of the Federal Cabinet in defence of their decision.

He goes on to say that he wants an emergency meeting of the Premiers and the Prime Minister to get to the bottom of this issue.

For the Prime Minister to say that he can't trust the provinces, including the Liberal provinces in Atlantic Canada, to deliver health care services is absolutely disgraceful, and this leader of the Liberal opposition has done absolutely nothing with his federal counterpart to address this situation.

Mr. Speaker, I would like to table four copies of this letter. Thank you.

THE SPEAKER: Official Opposition second main question. The hon. Member for Calgary-*Buffalo*.

MR. DICKSON: Thank you, Mr. Speaker. [interjections]

THE SPEAKER: Hon. members, the floor is with the hon. Member for Calgary-*Buffalo*.

MR. DICKSON: Mr. Speaker, speaking of trust, last week the Health minister acknowledged that health spending has been cut in this province 12 percent since 1993, but he insisted that with his recent announcements we are now back to the 1993 health spending level. My question this afternoon to the Premier would be this: Mr. Premier, what comfort should Albertans take in that assurance from your Health minister when an adjustment to the 1993 spending level for population growth and aging population and inflation would require \$4.7 billion to establish the equivalent level?

MR. KLEIN: Mr. Speaker, I'll repeat that we are carefully monitoring this situation. We are trying to get a clear identification as to the sustainable problems within the system. One of those problems is the long-term problem related to an aging population; there's no doubt about that. But you can't cure that

problem overnight. It needs a plan. We need to work co-operatively with the regional health authorities throughout the province.

Quite simply, I'll have the hon. Minister of Health supplement.

MR. JONSON: Mr. Speaker, I think we should keep in mind that this was part of what was necessary, yes, in terms of reducing across all of our departments. Certainly priority was placed relatively speaking on education and health in those reductions that had to be made. I think the reductions caused the system to, yes, become more efficient and more directed at its performance. It was necessary as part of the overall effort of government to balance the books of this province and be able to afford to reinvest logically and carefully and methodically in the years ahead to make sure we have the best possible services in this province.

MR. DICKSON: Mr. Speaker, to the Premier again: given that his government has axed some 9,000 nursing positions, some 15,000 other health care jobs, cut approximately 6,500 hospital beds, just how does the Premier plan on achieving in the immediate term adequate access to quality health care? How is he going to do it?

MR. KLEIN: Mr. Speaker, for the most part the health care system is working and it's working fine. You know, rather than picking out small problems in the system – and we're working on those problems in the city of Calgary, and he knows the city of Calgary quite well. If he doesn't, he ought to. All one needs to do is to sit down – I'd be glad to sit down with the hon. member and with the chairman of the Calgary regional health authority and go through with him the pathway to health. Bud McCaig in the city of Calgary will say that generally and overall the system is working very well and very well indeed. It is a much better, much more efficient, and much more effective system than it was some years ago.

MR. DICKSON: Mr. Speaker, my final question to the Premier would . . .

MR. JONSON: I'd like to supplement that, Mr. Speaker, just on one point because I do not think those statistics should be let just go by. I don't think there is any health care practitioner or health care planner in this province that is suggesting we need to have 6,500 more beds in this province. We've made considerable progress in terms of home care, in terms of prevention. That is part of restructuring the health care system. To think that they would, if they could, put 6,500 beds back into the system is just poppycock.

MR. DICKSON: Mr. Speaker, given the Premier's reference to efficiency, I want to ask: why does the Premier persist in his boast that he has eliminated 200-odd health boards when at the same time he won't acknowledge that he has also created 17 new RHA boards, Cancer Board, a mental health advisory board, 36 faith-based boards, countless community health councils, and a committee of Tory-only MLAs with an increased budget of 89,000 tax dollars?

MR. KLEIN: Well, Mr. Speaker, I take it from that that the hon. member is suggesting we go back to something like 200 separate health boards. In the city of Calgary alone – and I know; I served

on a health board there for about nine years – we had the General and the Lougheed hospital health board, we had the Foothills health board, we had a separate health board run by the Salvation Army for the Grace hospital, we had the Children's hospital health board, we had district 93, which was responsible for the Holy Cross and the Rockyview, and we had auxiliary district 7, responsible for long-term care and auxiliary hospitals. There were seven health boards in the city of Calgary alone; now there is one.

Does he want to go back to seven competing health boards with seven individual administrations? Is that his idea of efficiency? If it is, Mr. Speaker, his values related to efficiency and the proper use of money are a lot different than mine, I'll tell you that.

Speaker's Ruling Decorum

THE SPEAKER: Hon. members, I say this first of all to the Opposition House Leader. Would you kindly exercise your prerogative to control the interjections, please.

We'll move forward now with the Official Opposition third main question. The hon. Member for Edmonton-Riverview.

1:50 Health Care System (continued)

MRS. SLOAN: The Premier attributes the current health care crisis to flu, western Canada trends, and pressure points. Joining us in the Assembly today is a gentleman recently diagnosed with cancer of the lung. He was informed last Thursday that his surgery, required to remove part or his entire lung, had been canceled. He was subsequently told that his surgery could not be rescheduled until March 13, a date five and a half weeks after his diagnosis. Mr. Stewart does not have the flu, he does not care about western Canada trends, and he is vividly to me, Mr. Speaker, a human being, not a pressure point. My question is to the Premier. Mr. Premier, what do you say to Mr. Stewart to explain why he should have to wait five and a half weeks for surgery for cancer of his lung?

MR. KLEIN: Mr. Speaker, the health care of an individual person is a very highly personal and highly confidential thing. I do think it is so very, very inappropriate to bring up one case.

To put it in context, if we didn't have this flu outbreak, if there weren't extraordinary pressures on the system, as I understand it, a lot of the elective surgery that was scheduled would have taken place. The problem is that people came into hospitals on an emergency basis with very serious flu. It was an extraordinary outbreak of flu, and that put, unfortunately, pressures on other parts of the health care system, particularly as it related to emergency care.

Relative to the individual in question, I would suggest – and I am sure that the hon. Minister of Health will sit down with the individual and do an investigation as to what the situation actually is. There are two sides to every story, Mr. Speaker, and I think it's very highly unfair to use an individual, to hold an individual up in public. While it's very, very unfortunate relative to the individual's case, there are still thousands of people, literally thousands each and every day, who access the health care system and come out healthy and alive and are very, very satisfied with the treatment they get.

MRS. SLOAN: For the record, could the Premier tell us today

what exactly is the standard of care in this province? Is it the standard that you received, four days immediate admission for cracked ribs, or is it the standard of care that Mr. Stewart is being forced to wait, five and a half weeks?

MR. KLEIN: Mr. Speaker, if this is an example of a leadership quality, let her run and let's hope she wins, because the people will boot her out. The people of Alberta will not stand for that kind of claptrap.

MRS. SLOAN: The Premier said: identify the pressure points; tell us and define for us the clear problems, and we will act. I have identified a clear problem to the Premier today. Will he commit to provide the money and the plan to put an end to the inhuman delays in our health care system?

MR. KLEIN: Well, Mr. Speaker, my answer to that question is the answer I provided to the leader of the Liberal opposition, and that is that we will monitor the situation. We will try to get a clear identification of the pressure points, those pressure points that can be identified as sustainable problems, and we will address those problems. It is our attitude that we work co-operatively and in full conjunction with the regional health authorities to identify these problems and deal with them.

MR. JONSON: Mr. Speaker, if I might just add, I have very recently received correspondence from the individual that I expect is the one in question today. I would like to assure the Assembly that we are investigating the situation.

Speaker's Ruling Provocative Language

THE SPEAKER: I can assure hon. members that hon. members do not gain much advantage in the public eye with provocative, chastising questions that involve innuendo. The purpose of question period is to seek out government policy and to be brief and not to be provocative and not to be inflammatory.

Hon. leader of the ND opposition, I call on you to show an example in terms of the question.

MS BARRETT: Our Speaker's in a good mood today anyway. And it ain't even Thursday.

Doctors' Fee Negotiations

MS BARRETT: Mr. Speaker, the president of the Alberta Medical Association in a recent letter sent to members of this Assembly outlined job action that the AMA is considering, including rotating office closures, study sessions, no extra services, and rotating direct billing days, if there's insufficient progress made in their negotiations with the government. My first question to the Minister of Health is: can he explain what contingency plans his department has should physicians begin taking job action to ensure that the health of the Albertans is not jeopardized? What's he going to do about it?

MR. JONSON: Mr. Speaker, I think the very important thing to emphasize in this situation is that the negotiating committee for Alberta Health, for the government, is willing and ready to meet and to resume negotiations with the Alberta Medical Association. I have indicated that personally to the president of the AMA. Certainly we on both sides of the table should be making every effort and having a mind-set which is directed towards reaching

a settlement in these negotiations. I hope that is the perspective from which all members of the Assembly would be wanting to proceed at this time.

In terms of contingency plans, that is something we certainly do not want to have to activate. I hope there would not be any of the different types of job action that have been – I have to go by the media, I guess – referred to there. These would be very disruptive to the health care system. In terms of contingency plans, certainly if that became necessary, we would want to confer with the College of Physicians and Surgeons. We would want to make every effort to make sure that the health care system is there for the situations which would arise.

MS BARRETT: Well, Mr. Speaker, given that the minister recently acknowledged that the remaining issue in the negotiations with the AMA is money, why has the minister backed away from his September 1997 discussion paper, which said that the government's priority was to find alternatives to the fee-for-service approach to paying physicians because fee for service is – and I quote the minister himself – a “treadmill” approach to health care.

MR. JONSON: Mr. Speaker, without getting too far into the details of discussions, certainly that very issue has been the subject of negotiations between the Alberta Medical Association and ourselves. We have looked at the whole idea of moving ahead with alternative payment approaches for physicians in this province. I think that there has been some good progress made both in terms of looking at alternative approaches to rural physician payment as well as looking at primary care models of physician payment. We certainly on our side of the table are very anxious to move ahead with these models of payment.

MS BARRETT: That's not what they say.

MR. JONSON: I hear some comment to the right. Nevertheless, to answer the question directly, we are addressing that issue in the course of negotiations. The negotiators at the table, of course, I'm sure have communicated that to their membership. We hope to go on to conclude a successful agreement.

2:00

MS BARRETT: Mr. Speaker, given that the AMA has said that it's developing a comprehensive guide for physicians on how to legally opt out of medicare and directly bill patients, how is the minister going to prevent physicians from opting out of the health care insurance plan in large numbers just to ratchet up pressure during the negotiations and then opt back in after they get an agreement that they like. Is that Bill 21?

MR. JONSON: Mr. Speaker, I think it has to be emphasized first of all that ever since the Canada Health Act came into existence there has been the opportunity, if you want to use that term, for physicians to opt out of the public system. Certainly we want to make sure that any opting out provision is fair to physicians but also does not jeopardize the ability of the public health care system to function, and that is the goal we will pursue.

THE SPEAKER: The hon. Member for Athabasca-Wabasca, followed by the hon. Member for Edmonton-Mill Creek.

Alberta-Pacific Forest Industries Inc.

MR. CARDINAL: Thank you very much, Mr. Speaker. My

question today is to the hon. Provincial Treasurer. The Alberta-Pacific project, which is in my constituency, is a very important economic initiative for Alberta. Their annual payroll is over \$75 million. Over \$200 million worth of purchases are done locally, a lot, in fact, in Edmonton – the Liberals should listen to this: a lot of their constituents. I understand that Crestbrook, one of the Al-Pac pulp mill partners, is selling their joint venture interest in Al-Pac. If this is true, how does this affect the government's relationship with the Al-Pac partners?

MR. DAY: Mr. Speaker, there are some internal corporate restructurings going on with that entity. As a matter of fact, I believe that today they're trying to conclude some structuring there, and it involves Crestbrook, who has been a 40 percent owner in that entity, making some corporate decisions, as I understand it, to move out of that particular entity. They feel that they're not willing to possibly sustain the risks that are involved in that operation in the long term. I understand that between Crestbrook and Oji and Mitsubishi there is some restructuring and some buying out going on of the Crestbrook position.

I can assure you, Mr. Speaker, and assure Albertans that any change in the structural corporate picture is not in any way going to affect the fact that there is a loan agreement in place and that if Oji and Mitsubishi in fact do conclude the restructuring that is being discussed right today, they will assume any of the liability that is effected related to Crestbrook's involvement. So nothing changes in terms of the government of Alberta and their particular agreement and understanding with that entity.

MR. CARDINAL: Thank you very much, Mr. Speaker. As the Al-Pac pulp mill is in my constituency and does play a major economic role in that particular part of the province, of course my constituents and many others that live in Edmonton that supply to that particular company are no doubt interested to know, with the proposed change in the structure of the company, what this will have in relation to the existing negotiations you have with Alberta-Pacific at this time.

MR. DAY: Well, Mr. Speaker, just as way of a reminder, the government has been talking with the corporation for some period of time recognizing that we would like to conclude a deal related to the principal and the interest that is owed there, which is \$260 million: \$250 million is the principal and \$10 million is the interest. In fact, if these discussions are successfully concluded today with the corporate restructuring, it appears that we will in fact be able to conclude that particular deal and in fact realize for Albertans \$260 million.

The Speaker and members will remember that this loan guarantee, which was constructed and put together in 1991, is not something that would be done today. It was done in those times with all good intent, I'm sure. The problem with the particular loan as far as any realization back to the taxpayer is that it's written in such a way that a number of factors have to fall into place before the company is required even to make interest payments. That's part of the loan; it's part of the agreement. The company has not reneged on anything here, but in fact those particular things that have to align themselves before we even get a payment have just never happened. It's never lined up according to the agreement. In fact, Mr. Speaker, the company does not have to make a final payment on this until the year 2011. That's in a highly volatile market, a very high-risk industry, some considerable softening on the Asian commodity market. This is

a loan guarantee in, in fact, a business that carries some risk to it. Rather than put the risk of Albertans' dollars at such a high rate, we have, following a lot of consultation, made the decision that it's better to take \$260 million now, put it in our heritage fund bank, let that create interest, rather than wait until the year 2011 and hopefully get money at that point. We think we've made the wisest decision here.

MR. CARDINAL: Mr. Speaker, my final supplementary to the Provincial Treasurer. I know we've been criticized a lot, especially by the Liberal opposition in this House in relation to the ongoing negotiations. I'd like to ask Provincial Treasurer: is this the best deal you can get for Albertans?

MR. DAY: Well, Mr. Speaker, we believe it is. Acting on behalf of Albertans and taxpayers, we've looked at this situation. I mean, you can narrow it right down. Let's shrink it right down to a micro level. If somebody owed you \$38 today and they told you that maybe in 13 years you might get it with interest or you could take \$26 right now, would you be willing to take the \$26 rather than wait 13 years for the \$38? So multiply by a hundred million, which is a lot of money. Run the comparison or the ratio any way you like.

You know, it's interesting, Mr. Speaker. I have a nephew who lives in the north, and in the year 2011 he will be a voter and hopefully a taxpayer, with the good economy that we will still have at that time. I don't want him looking at me and saying, "Uncle, are you trying to tell me that you could have taken \$260 million and put it in the bank and had it earn interest and get close to that same amount by the year 2011, and you didn't do it, and maybe it's all gone now?" I don't want to face that particular question.

I think that on behalf of taxpayers we've weighed the risk. We know part of the risk is taking criticism from the opposition. They tell us: try and get out of these deals. When we get out of them, they say: you shouldn't have got out of them. We think we did the best thing for Alberta taxpayers.

THE SPEAKER: The hon. Member for Edmonton-Mill Creek, followed by the hon. Member for Banff-Cochrane.

MR. ZWOZDESKY: Mr. Speaker, I had a question prepared on CIC Canola, but I can't resist the temptation to understand from the Treasurer . . .

THE SPEAKER: Well?

MR. ZWOZDESKY: Well, I'm here.

THE SPEAKER: Well, are you going to raise the question?

MR. ZWOZDESKY: Yes.

THE SPEAKER: On CIBC or canola or . . .

MR. ZWOZDESKY: Yes. This is my preamble. I'm simply . . .

THE SPEAKER: Ask the question.

MR. ZWOZDESKY: I want to understand what the Treasurer just said, because I listened intently. The principal on this loan is \$250 million, Mr. Treasurer. The interest on this loan accumu-

lates now to \$390 million with principal, and you're telling us you're accepting \$260 million. What's going to happen to the other \$130 million? Are you just kissing that goodbye?

MR. DAY: As I just indicated, Mr. Speaker, the opposition tells us: try to get out of these deals; try to get out of them. When we do get a deal, then they criticize us for doing that.

What's going to happen to the \$130 million? Mr. Speaker, I'm sad to report that we don't have it. We don't have a dime of it. We don't have a nickel of it. And maybe in the year 2011 we might be able to have payment in full. So I'll repeat again: we have the opportunity to get our entire principal back, dollar for dollar, every dollar of principal back, \$250 million. We said, "We'll take that, and as a matter of fact, we need some interest on this too," and a lot of hard negotiations going on: \$10 million in interest.

Is this a perfect deal? No, it is not. Is it \$260 million of Albertans' money that can go into a bank account and start to accumulate interest now? Yes, it is. And is that better than waiting until maybe the year 2011, according to the contract – maybe the year 2011 – and then maybe getting full principal and interest? I say it again. I know we'll be criticized by some people. I think we made the best deal here.

MR. ZWOZDESKY: Mr. Speaker, the Treasurer left millions on the table with Millar Western. You left millions on the table with the Bovar deal, and you forgave millions on the Husky upgrader deal in Lloydminster. How can you assure this House that this is the best deal? Will you table the documents that back up your claim?

2:10

MR. DAY: Mr. Speaker, I'm glad he mentioned those documents, because as the final deal is put together and as the t's are crossed and the i's are dotted and hopefully before this week draws to a close, we will have that final tabulation there, and the member across will see what the private-sector evaluation of this property was and how we dealt with that. That'll all be very, very clear. I just can't repeat often enough: this deal, signed in 1991, would not have been signed today, but it was signed then for a variety of reasons, and we are now moving to realize the maximum return that we think possible on this deal.

Now, Millar Western was a deal where one-tenth, only one-tenth, was being realized on a shotgun deal that we had to take. This is a far better deal. We have not been able to collect any of that money yet today, but now in signing this deal we will have \$260 million coming back to Albertans to be invested, to grow, and to meet the needs of Albertans.

MR. ZWOZDESKY: I want the Treasurer to tell this House on what date exactly this \$260 million is going to flow in, and will it be in installments, or is it one lump sum? What's the magic date there, Mr. Treasurer?

MR. DAY: Mr. Speaker, only a few days ago the member opposite stood in the Assembly and read a letter which I had written to the partners when these original negotiations started. In that letter, representing the government of Alberta, I said: we will not even entertain discussions unless this is what we call a clean deal, with cash, in a lump sum. That is the nature of this deal. By the time negotiations and refinancing, corporate restructuring happens – all that takes time. The entity has to go and look at their bankers and their syndication. We would put an

end date of possibly May 15, in that neighbourhood. I wouldn't see why we would want to go any later than that. Hopefully, these discussions will be concluded and signed, if not today, then tomorrow, and that would be an end date. So the money would be soon, and the money would be cash on the barrel.

THE SPEAKER: Hon. Member for Edmonton-Mill Creek, I rose and I interrupted you when you were giving your question because I heard the word canola. Yesterday we had dealt with a situation whereby I intervened on anticipation. I thought you were going to be addressing a question to the hon. Minister of Agriculture, Food and Rural Development, so I apologize for that interruption on my part.

The hon. Member for Banff-Cochrane, followed by the hon. Member for Spruce Grove-Sturgeon-St. Albert.

Kananaskis Alpine Resort Inc.

MRS. TARCHUK: Thank you, Mr. Speaker. As noted in the province's public accounts, Alberta has loan guarantees in support of Kananaskis Alpine Resort. We have been hearing rumours that there have been changes with respect to the largest of these guarantees in support of Kananaskis Alpine Resort Inc., commonly known as the Lodge. My question is to the Provincial Treasurer. Can you provide us with some background regarding Alberta's guarantee on behalf of Kananaskis Alpine Resort and its current status?

MR. DAY: Mr. Speaker, back in 1986 the government guaranteed a loan through Treasury Branches for covering possible losses that might be incurred by the entity just mentioned by the hon. member. That could have resulted in losses if the company wasn't successful and they ran into difficulties. We could have been liable for losses of up to \$8 million. Again, that was 1986. That was the nature of the particular agreement and the commitment backstopping that ATB loan.

MRS. TARCHUK: Mr. Speaker, again to the Provincial Treasurer: will you comment on what this means to the average taxpayer and clarify whether there was any financial loss on this transaction?

MR. DAY: Mr. Speaker, I'm happy to report that there was no financial loss on the transaction. As a matter of fact, as of February 27, just last week, a deal was concluded. There was some restructuring that happened within that particular entity, and our loan guarantee position has been totally bought out and removed and not at the loss of one cent to Alberta taxpayers.

MRS. TARCHUK: Mr. Speaker, my final question to the Provincial Treasurer: given the total amount of guarantees overall that are still on the books, can the Treasurer give an indication of progress being made on eliminating these guarantees?

MR. DAY: Mr. Speaker, in 1993 Premier Ralph Klein indicated that there would be a concentrated focus in terms of bringing down the amount of liability the government has related to all loans and loan guarantees. He also made the very clear commitment that we were staying out of that business, that we weren't getting back into picking winners and losers. In fact we have laws in place now in this Assembly which keep us from doing that.

At that particular time, '92-93, public accounts will show that

we had liabilities of about \$3.6 billion related to these loans and loan guarantees. Last week when we looked at being absolved and cleared now of the loan related to Kananaskis Country on that particular lodge and should the deal related to Al-Pac be concluded today, as we think it will, that now brings our total in terms of liability on these loans and loan guarantees from about \$3.6 billion down to below a billion dollars. I think that's pretty good progress.

THE SPEAKER: The hon. Member for Spruce Grove-Sturgeon-St. Albert, followed by the hon. Member for Bonnyville-Cold Lake.

Hunting and Fishing Licences

MRS. SOETAERT: Thank you, Mr. Speaker. Anglers, hunters, and small business owners are expressing concerns over the environment minister's lack of knowledge about his own wildlife identification number card and licence privatization scheme. The whole scheme is supposed to be up and running in a few days, yet the minister doesn't seem to be able to explain exactly how it's going to work. So I would like to have the minister make crystal clear a few important points for hundreds of thousands of Alberta anglers and hunters. To the minister: will these new WIN cards actually be produced in Alberta or British Columbia?

MR. LUND: Mr. Speaker, we have a contract with ISM to provide those, and I don't know where they're going to be printed.

MRS. SOETAERT: I told you he didn't know. I rest my case.

My second question: can the information from this WIN and licensing database be shared with or sold to local police services, the RCMP, or the federal gun registry administration?

MR. LUND: Mr. Speaker, all the information that will be gathered by ISM will be the property of the province of Alberta.

MRS. SOETAERT: My final question, Mr. Speaker: given that the real value of any database is in the personal information it contains, will ISM or this government be allowed to sell the names, addresses, and phone numbers of people contained in the database to private businesses?

MR. LUND: Mr. Speaker, it's not the intent that any of this information would be used for sale to the private sector. The information that we need in order to do a proper job of policing and issuing the fishing and hunting licences in the province will be our property, the property of the province of Alberta, and will be used for our purposes. We're not collecting it for sale, and certainly, if in fact ISM were to renege on the contract or give us notice under the contract that they are going to get out of the contract, then the information is ours and it does not belong to ISM. It is not for sale, and we will not be turning it over to other jurisdictions. If there is a prosecution being pursued by another police force or another jurisdiction or agency, then that information could possibly be used under those circumstances. That is exactly what's in the Freedom of Information and Protection of Privacy Act.

THE SPEAKER: The hon. Member for Bonnyville-Cold Lake, followed by the hon. Member for Edmonton-Centre.

Adult Education

MR. DUCHARME: Thank you, Mr. Speaker. In June of 1997 Lakeland College closed its adult education centres in the constituency of Bonnyville-Cold Lake. Private adult education businesses have since replaced the services provided by Lakeland College on a cost-recovery basis. Compared to publicly funded adult education providers, the tuition fees for courses are much higher due to the cost-recovery requirements. To the Minister of Advanced Education and Career Development: due to the fact that Bonnyville-Cold Lake has no publicly funded adult education centres, is it fair that they have to pay a higher fee for adult education courses compared to Albertans who have a college in their city or town?

MR. DUNFORD: Well, Mr. Speaker, we do have 27 publicly funded institutions in this province, and I think we all recognize that we won't be able to have one in every community. It is unfortunate that Lakeland College had to make the decision which the member has referred to, but we're trying to do a number of things to replace that opportunity specifically in those two areas. It's my understanding that the Alberta Vocational College of Lac la Biche is currently operating in both Bonnyville and Cold Lake in providing upgrading programs, and I believe they're doing it both from an on-site situation as well as delivery. There is nothing that prevents in any community – and our members of the Legislature might be interested in this – brokerage arrangements being set up between public institutions and private institutions in a community. So that would be another possibility to try to fill some of the need that's been identified today.

2:20

Also, I'd like to brief the House on recently approved funding to support the Alberta north initiative, which gives residents in these areas electronic access to distance learning. Hopefully with the combination of those three areas, we might be able to fill the needs those communities are experiencing.

MR. DUCHARME: Thank you, Mr. Speaker. To the same minister: will the minister consider reimbursing the extra costs in course tuition fees that these constituents have to pay compared to the cost of courses delivered by the public institutions?

MR. DUNFORD: Well, Mr. Speaker, students of course can choose between courses offered at a public institution or a private one. I would think, just based on the economics that I'm aware of, that if it's full cost recovery, there's likely to be a similarity of cost. I want to point out to the member and again to Albertans wherever they may be, especially in rural areas, that if they enroll in a program that has been approved by our department, they then become eligible for the fine student assistance program that we have in this province. So I don't know that there's a need to deal with the situation exactly as the member is presenting it.

MR. DUCHARME: Thank you, Mr. Speaker. To the same minister: since no publicly funded institutions are located in Bonnyville-Cold Lake, is it possible that government-funded adult education course programs could be provided at no charge to these private providers so that they can further reduce the fees they must charge these students?

MR. DUNFORD: Well, Mr. Speaker, we're not prepared to start to offer grants to private businesses. I just want to again affirm

to all Albertans that if they enroll in a program, whether it be through a public institution or a private institution, if it's an approved program by our department, then once again, if they need assistance, if the student needs assistance, they can access funding through our Students Finance Board.

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

Domestic Violence

MS BLAKEMAN: Thank you, Mr. Speaker. This province needs to have a zero tolerance policy for all cases of domestic abuse. My questions are to the Minister of Justice. Is it this government's policy that straight men and women should have access to court orders under family violence legislation to assist them in leaving a battering spouse but that same-sex couples do not deserve the same assistance?

MR. HAVELOCK: Well, Mr. Speaker, it's the policy of this government with respect to family violence legislation to protect those who are in a relationship which we consider to be a family. The legislation very clearly states that a family is a relationship between a man and a woman, extended family members, children. That's the way the legislation was drafted. As the hon. member is well aware, there is an issue before the Supreme Court, which I'm not entitled to comment with respect to, but we are awaiting a decision in that area.

We looked at the legislation, we studied the legislation across the country, and the concept was to protect those in a relationship who were at some disadvantage. Typically in most relationships between a man and a woman one of the spouses is at a disadvantage, and that's the reason the legislation was developed in that manner.

MS BLAKEMAN: Thank you. Given that police departments in Alberta already respond to incidents of violence between same-sex couples as they do other domestic assaults, why doesn't this government follow their example and treat all Albertans equally?

MR. HAVELOCK: Well, Mr. Speaker, I think I just explained that. However, if the police are responding to issues of violence between same-sex couples, then quite frankly I don't understand what the problem is. The problem is already being taken care of by the police departments.

To reiterate, this bill was designed to protect families and family relationships. That family relationship as defined in the bill relates to a man and a woman and their extended family and their children.

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

Intensive Livestock Operations

MR. McFARLAND: Thank you. Mr. Speaker, yesterday the county of Lethbridge accepted a draft bylaw restricting intensive livestock developments in the middle of our constituency. Feedlot Alley, as it's commonly known, stretches through six communities from Coalhurst through Picture Butte in turn, and it's a major part of Alberta's cattle feeding industry. My question is to the Minister of Agriculture, Food and Rural Development. Given the enthusiastic growth in agriculture in this region, Mr. Minister,

what's your department going to assist the municipalities with in terms of managing this growth?

MR. STELMACH: Thank you, Mr. Speaker. The growth that the hon. member is referring to is market driven. It's a result of principally two policy changes. One is the elimination of the Crow rate and, secondly, the demand for value-added products, especially in Asia. We are now in the midst of putting together a discussion paper that will go to the AMD and C and AUMA at the end of this month. Following review of local municipalities we will take that further and hold public consultations across the province of Alberta, bring those findings back to the SPC on agriculture, and if there are any regulatory changes that are required, we will bring them to this House.

MR. McFARLAND: Thank you, Mr. Speaker. My supplemental to the same minister: what changes to the anticipated codes of practice does the minister expect from his department and when?

MR. STELMACH: Mr. Speaker, I hate to prejudge the total review. However, it has been brought to our attention that we should look significantly at changing the area of manure disposal, going from a system where we have so many acres per animal units to one of soil audits. Those audits will be the responsibility of the intensive livestock operators, the municipal council, and the provincial government. That's one area where we are working with the livestock organizations and the municipal authorities.

MR. McFARLAND: Thank you, Mr. Speaker. My final supplemental, which a lot of the constituents ask, Mr. Minister, is: will the province be in a position to support these municipalities in the enforcement of the code of practice?

MR. STELMACH: Mr. Speaker, there is no doubt that we can't hire enough manure cops to cover this province from boundary to boundary. That's why we're looking at participation, a co-operation agreement with the local municipalities. The local municipal officials, agricultural service board officials, are traveling throughout their local municipalities on a daily basis and they will bring those issues forward to the departments of Environment, Health, or Agriculture as required.

head:

Members' Statements

THE SPEAKER: Hon. members, today we have three members who've indicated their intent to provide a member's statement. We'll proceed on the following basis: first of all, the hon. Member for Calgary-Cross, followed by the hon. Member for Edmonton-Mill Woods, followed by the hon. Member for St. Albert.

Northeast Calgary Community Celebration

MRS. FRITZ: Thank you, Mr. Speaker. The fifth annual Celebrating Family and Community Pride in North East Calgary was held at Lester B. Pearson high school this past Sunday. This wonderful event brought families and community members together to celebrate all that is special about living in our area of the city. It provided an opportunity for people's hard work and dedication to be recognized. Over 500 people attended and celebrated with pride the community's cultural diversity, sense of co-operation, and individual commitment.

2:30

The invitation to this event read, "Let your neighbours and the rest of Calgary know what it is you love the most about living in North East Calgary." Residents and workers in the northeast were encouraged to have fun and participate by writing or telling a story, a letter, or a poem, writing or singing a song, making a videotape, or simply interviewing a friend. All of the submissions were outstanding, Mr. Speaker, and represented family and community pride.

The following is a list of award categories and criteria of the community. *Unsung Hero* has risked for the benefit of others. *Mother Nature's Ambassador* is concerned about the environment. *The Jovial Joker* brings joy and laughter to others. *The Heartbeat* demonstrates commitment in the community. *Wise Owl* brings wisdom to others. *Open Arms* is welcoming of others. *Wheeler and Dealer* recruits volunteers and fund-raises. *The Eager Enterpriser* brings to life creative and innovative ideas. *The Mover and Shaker* is able to get things done. *The Total Team Player* award winner works well with others, while the *Above and Beyond* always make time in their busy schedule. *The Utopian Uniter* brings about understanding of different cultures, religions, and ethnic groups.

My hon. colleagues from Calgary-Montrose, Calgary-McCall, and Calgary-East joined me in congratulating our award winners.

Mr. Speaker, I would ask the Assembly to join my colleagues and me in congratulating a very special woman, Rose Lamoureux, who is our community social worker, and the Celebrating Family and Community Pride Committee for organizing this wonderful, highly motivating, and successful event.

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

Student Achievement Tests

DR. MASSEY: Thank you, Mr. Speaker. *Wag the Dog* is the name of a movie playing in local theatres. It could also describe the role of achievement testing in Alberta classrooms. First proposed as a way for the province to determine how well the Alberta curriculum was being followed in schools, the purpose has been distorted and moved to making judgments about individual students, to evaluate teachers, to rate particular schools, to determine school district effectiveness, and to rank order schools in the newspaper. Frighteningly, the notion of financially rewarding schools who do well on these tests is also being bandied about.

Just what is going on in our classrooms? A study indicates that teachers are teaching directly to the exam. Some admit to dropping desirable educational activities to focus on these tests. Even in grade 3, old exams are being used for practice and teachers are teaching students how to write the tests: all strategies unrelated to the curriculum.

Just what do high scores on these achievement tests really mean? A Calgary study looked at the differences among schools. Where you write the exam makes a difference. Forty-five percent of the variation in achievement test results could be explained by socioeconomic class. Students in schools in high-income areas had a 14 percent better average than their peers in lower income areas. Who you write the test with also makes a difference. Exclude special-needs and English as a Second Language students, and your average will increase 6 to 11 percent. And if your school principal is enthusiastic and if you have an experienced teaching staff, you can expect a further gain of 3 to 6 percent.

The conclusion of the study states:

In sum, the provincial achievement testing program should be reviewed. In its present form it is unfair to students and teachers. Thank you, Mr. Speaker.

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

Victim Services

MRS. O'NEILL: Thank you, Mr. Speaker. I rise today to speak of a program that exists in my community and I know in other communities around the province. This is a program offering timely assistance for victims, victims of violence or victims of circumstance. It is called victim services and its mandate is people helping people.

In St. Albert we have such an association that is in its sixth year of operation. There are nine members on their organizational board, chaired by Gareth Jones, and 22 advocates who are trained in counseling and masterfully scheduled to be in readiness to respond 365 days of the year, 24 hours a day. When someone has been victimized, a trained member of the community is there to comfort and guide them. Victim services advocates work alongside our police force and firefighters to lend a helping hand to those in the midst of a traumatic event or sometimes eventually, as in some cases, a bewildering court experience.

In addition to the direct and ready aid provided by all these volunteers in our community, two weeks ago I became aware of a value-added service in St. Albert over the past one and a half months. Victim services was running out of resources. They themselves were in financial need. Many individuals and organizations rallied round, and they raised \$15,000 through donations, a dinner and roast of the past chamber of commerce president, an outgoing city manager, and a number of other fund-raising ventures. This was a case of people helping people who help people.

To those who volunteer with victim services in St. Albert, I offer you my sincere appreciation. To those who contributed to sustaining the work of victim services, I applaud your recent outstanding and generous efforts.

Speaker's Ruling Anticipation

THE SPEAKER: Before proceeding with Orders of the Day, the chair would like to make several comments as a result of a number of notes that have been received here in the last few minutes. First of all, for clarification, which I'm always pleased to provide the hon. members, the hon. Member for Edmonton-Centre rose in a series of questions, and a number of members then responded by sending notes to me. It says: if you have a bill before the House, are we permitted to ask a particular question on the subject matter?

I've indicated time and time again in this House that this chair will provide a wider rather than a narrower interpretation in dealing with subject matters. This chair will give the greatest degree of flexibility to private members when they choose to rise in this particular Assembly. In this case, if the questions would have been of a debating nature and we would have got into a debate on the bill, then the chair would have risen and said that this precludes the opportunity we have in question period. However, in this case, the questions that were directed were framed with words such as: is it government policy? That, in the chair's subjective view, took it out of the realm of debate on a particular bill.

Then the chair also received questions with respect to permitting the question by the hon. Member for Little Bow in light of the comments that were raised yesterday in terms of anticipation. It's quite clear that tonight in the estimates one of the departments will be the estimates of the Department of Agriculture, Food and Rural Development. The chair listened very attentively to the framing of the question by the hon. Member for Little Bow as the hon. Member for Little Bow arose in response to a constituency concern, and again, dealing with policy rather than specific expenditures of money permitted that question to proceed as well.

It's on the basis of that subjectivity, along with a wider rather than a narrower interpretation, and that will be the style that I'll always follow because the hon. members are elected and they have the responsibility and they have the right. We'll find the greatest amount of bounds we possibly can within the question period to afford that kind of flexibility.

Later on this afternoon when this Assembly goes into committee, the Deputy Speaker will be in the chair, and he will provide an additional bit of guidance to the Assembly on how hon. members can deal with certain procedural matters dealing with private bills and private motions. I would encourage all members to listen very attentively to the advice that will be provided by the Deputy Speaker at that time in terms of dealing with an issue that a number of hon. members have brought to the attention of the chair as well.

head: **Orders of the Day**
 head: **Public Bills and Orders Other than**
 head: **Government Bills and Orders**
 head: **Second Reading**

Bill 206
Human Tissue Donation Procedures
Statutes Amendment Act, 1998

[Adjourned debate February 25: Mr. Bonner]

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

DR. OBERG: Thank you very much, Mr. Speaker. It certainly gives me pleasure today to speak to the Human Tissue Donation Procedures Statutes Amendment Act, 1998. It's a rather long name for something that is extremely important.

Mr. Speaker, what I would like to do today is talk a little bit in general about human tissue donation and then get into a few of the principles of the bill. I feel that the whole issue of human tissue donation is something that's extremely important, and I certainly commend the member across the way for doing this. I think this is an extremely important bill.

2:40

Mr. Speaker, human organ donation, human tissue donation is something that has been medically feasible and medically possible since the 1960s. It used to be that renal transplantation, heart transplantation was something that you only read about in the newspapers. It was something where you never saw anyone who had actually had it done to them. I would put it to you now that if you were walking down Jasper Avenue, there would be a very good chance that you would run into someone who has actually had a tissue donation. We now transplant things such as lungs and hearts. Heart/lung transplantation is something that we're seeing more and more. It's something that the surgeons are becoming so efficient at and where the medications are becoming

so good that it's something that's an important adjunct to medical therapy. People that would in the past have died are now living because of human tissue donation.

Mr. Speaker, we all tend to think of some of the rather large organs as what is being donated, but there are things such as skin. Quite frankly, skin donations are extremely important when it comes to burns. There are corneal donations. There are essentially donations of almost every organ, and again, I think it's extremely important.

Mr. Speaker, today I went through the Internet and looked at human tissue donation. There are a lot of different sites on the Internet when it comes to human tissue donation, and there's one that captivated me. It was the 10 most commonly asked questions about human tissue and organ donation. I would love to go over some of these.

The first one I think is probably the most important. It says: "I do not want my body mutilated." This is a fear that a lot of people do not speak about, but in actual fact it's one of the most common ones. Quite frankly, Mr. Speaker, the organs that are donated are removed surgically, removed professionally, and there is no fear that medical students or anyone else is going to go in and essentially mutilate the body.

Mr. Speaker, the second most common one. It probably applies more to the U.S. than it does in Canada, but it still certainly could be a concern in Canada. "My family would be expected to pay for donating my organs." In Canada there is no cost. In the U.S. there is no cost to that as well.

Mr. Speaker, the third most common one is interesting: "I might want to donate one organ, but I do not want to donate everything." I could see, no pun intended, donating a cornea, but I don't want to donate my liver, I don't want to donate my heart, because obviously they're important to me even after death. You can specify what organ it is that you want to donate, and some people want to donate whatever organ they want to charity.

The fourth one is, again, a very important one: "If I am in an accident and the hospital knows that I want to be a donor, the doctors will not try to save my life." Again, that seems like common sense. Especially as someone from the medical profession, Mr. Speaker, I will assure you and I will assure the people that wrote this that there is nothing further from the truth. Certainly physicians think about whether or not a potential organ donor is before you as you are working to resuscitate them, but I will guarantee that every physician, every health professional first and foremost wants to resuscitate the victim, and then only when it is beyond hope, beyond any help, will you be considered for tissue donation.

Mr. Speaker, the fifth one is quite interesting too: "I am not the right age for donation." You can donate organs from almost any age. A cornea of someone who is 85 is just as good as a cornea from someone who's 15. So using the excuse - and I'll use that term "excuse" - why people will not donate organs as being because they're not the right age is absolutely wrong.

The sixth most commonly asked question when it comes to tissue donation:

If I donate, I would worry that the recipient and/or the recipient's family would discover my identity and cause more grief for my family.

First of all, Mr. Speaker, there is a lot of effort put into keeping the identity of the organ donor private, and that's extremely important. But in the cases that have been reported where the recipient has tracked down the donor and talked to them, in the majority of cases the donor's family, the people who are still alive, are extremely happy about what has happened. There have been no consequences from that.

Mr. Speaker, the seventh one is quite an interesting one too: "My religion does not support donation." What it states here is that "all organized religions support donation, typically considering it a generous act that is the individual's choice."

The eighth most commonly asked question: "Only heart, liver and kidneys can be transplanted." As I stated earlier, you can, essentially, transplant almost anything. You can use bone transplants, pancreas transplants, blood transplants; you name it. The technology is growing extremely fast when it comes to transplants, and, Mr. Speaker, you can even put organs back on people these days.

The ninth most commonly asked question: "Wealthy people are the only people who receive transplants." If I have more money than you, I will be the one at the front of the list. Mr. Speaker, in Canada it is purely who needs it the most. If you were at the front of the list, if you are waiting for a transplant, you will be there and you will receive it in Canada today.

The 10th most commonly asked question: "I have a history of medical illness. You would not want my organs or tissues." For example, if at the time of death you were a heavy drinker, probably we would not want your liver. If you suffered from diabetes, we probably would not want your pancreas. But, Mr. Speaker, there are a lot of other organs that can be transplanted. It is extremely, extremely rare – well, perhaps Creutzfeldt-Jakob would be the only reason that you would not transplant a cornea. To put it quite briefly, there is always an organ available to be transplanted if you so wish.

Now, Mr. Speaker, if I can draw your attention to the bill itself, the first part of the bill states that common-law spouses will have the ability to give consent for donations. This is common sense. We recognize in society today that there are common-law spouses and that they have the same rights and responsibilities as a true spouse, so doing this is just common sense.

The act currently doesn't include the definition of a "potential donor." A potential donor is extremely important in defining who could be a donor for the organ transplant. Again, it's very important in this legislation.

The most interesting one I find though, Mr. Speaker, is that there are no legislated provincewide bylaws, policies, or procedures for the process of tissue donation. Today I received a copy of *How Healthy Are We?* It is the health status report of the Capital health region, a technical report, 1997. What this does is explain pretty well everything there is to know about the Capital health region. There are some 215 pages of what the health status is in the capital city region, and equally the hon. Member for Calgary-Buffalo has been holding up the one from Calgary. When you go through this, there is absolutely nothing in here about tissue donation. There is nothing in here about what the waiting list is for tissue donation. There's nothing in here about the frequency of tissue donation. There's nothing in here that is professing that tissue donation, first of all, is quite simply a positive thing and, second of all, that it is a goal they are working towards.

Mr. Speaker, by enacting this bill, Bill 206, it gives the minister the right to make reporting procedures mandatory, to make reporting procedures standard when it comes to tissue donation. Again, that's a huge step in the right direction. The bill itself outlines several different things that can be done with regards to this, such as "a process for assessing potential donors."

"The role of hospital staff." As hospital workers, what is the role of the nurse, and what is the role of the doctor? Is the doctor the person who must approach the family? Is the nurse the person

who must approach the family? At the moment, today, it is done on an ad hoc basis. Quite frankly, I've been in that scenario. If the doctor remembers, if the doctor thinks about it, then they will go and talk to the family. That just isn't satisfactory in this day and age when there is a shortage of tissue organs for transplant.

2:50

The "required training for hospital staff." Hospital staff must know whether or not there is a transplant available, whether or not there are suitable transplants. Quite frankly, Mr. Speaker, they must ask, because after the person dies, there is a limited amount of time during which the tissue can be transplanted from the body.

"Communications with the donor's family." Mr. Speaker, there is absolutely nothing worse when a donor dies than when some callous health care worker goes and says to them half an hour or 15 minutes after their loved one has died: "Oh, by the way, can we have the heart?" or "By the way, gee, can we have the lungs or the cornea or whatever?" That's extremely callous, and that will lead to a lot more problems than can be looked at.

Mr. Speaker, in summary I commend the hon. Member for Calgary-Fish Creek for bringing this bill forward.

THE SPEAKER: I hesitate to interrupt the hon. Minister of Family and Social Services, but Standing Order 8(5)(a) provides 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 of Bill 206, I would invite the hon. Member for Calgary-Fish Creek.

MRS. FORSYTH: Thanks, Mr. Speaker. I appreciate all the comments I've heard in the last couple of days on Bill 206. Organ donation and transplantation presents a sad paradox. As a result of advanced surgical technologies, immunosuppressive therapies, the science of transplantation has progressed to the point where medical miracles have become almost routine. Transplantation is a solution for many kinds of organ failure, allowing thousands to live healthy lives.

While medical progress has been impressive, many whose lives depend on receiving transplants are not helped because there are too few organs to meet their needs. A crisis of enormous proportions results in death for thousands of people who are waiting for donations. Tens of thousands more are bound to dialysis or insulin treatments when a new kidney or pancreas could restore them to health. This shortage occurs despite the fact that there are more than enough potential donors to meet the current needs for organs.

Mr. Speaker, every year several thousand people die because too few organs are available for transplantation. These are not people coming to the natural end of a long life. Mainly they are children in grade school or men and women raising families and pursuing productive careers. Prospects are bleak for many whose names appear on the waiting list. Kidney patients can be sustained by a dialysis machine, and insulin treatment is available to patients where pancreases have failed, but there are no reliable mechanisms for sustaining the lives of patients whose hearts, livers, and lungs fail while they wait for a transplant. Nearly one-third of the patients waiting for hearts, for example, will die before a donor is found.

For those fortunate enough to receive organs, prospects are bright. With improvement in surgical techniques and the availability of drugs that prevent rejection, the success rate of transplantation has become impressively high. One-year patient

survival rates are 92 percent for kidney transplants, 83 percent for heart transplants, and 76 percent for liver transplants. An average recipient lives more than eight years with his or her new organ, and it's not unusual for people with transplanted organs to live 15 years or more.

Mr. Speaker, the purpose of Bill 206 is to amend the Hospitals Act, the Human Tissue Gift Act, and the Regional Health Authorities Act to increase the number of human tissue donors in Alberta and, subsequently, to reduce the number of recipients on waiting lists for tissue donation. An increase in tissue donation will lead to safety and health spending for those who need specialized care and services to maintain healthy lifestyles while awaiting transplants.

Mr. Speaker, I'd like to close with a poem if I may. It's called *In Memory of My Heart Donor* by Miriam Newby.

A loving heart still beats
Two healthy lungs still breathe
Two eyes see their loved one
As no one else can see.
No special day is needed
For me to think of you
For you will always be remembered
Since the day you gave me part of you.
I hold you close within my heart
And there you shall remain
To walk with me throughout my life
Until we meet again.
If I could write a story
It would be the greatest ever told
Of a person so kind and loving
Who gave me a heart of gold.
As I sit and write these words
They often make me cry
For the one who died and did so much for me
Is resting at God's side.

Mr. Speaker, I'd like to call for the question on Bill 206.

[Motion carried; Bill 206 read a second time]

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

[Mr. Tannas in the chair]

THE CHAIRMAN: I'd like to call the Committee of the Whole to order.

Bill 204

Workers' Compensation Amendment Act, 1998

THE CHAIRMAN: First of all, we'll call on the hon. Member for Calgary-Egmont.

MR. HERARD: Thank you, Mr. Chairman, for the opportunity to speak in committee to Bill 204 and to report the progress of the consultation that I committed to in second reading of this bill.

I think it's important to bring hon. members up to date on what has taken place since Bill 204 passed at second reading. There's been a great deal of interest in Bill 204 in the last few days. Many of you will have no doubt received numerous letters from employers and other stakeholders. It's therefore important for me to deal with the objections that you've been bombarded with and to provide you with the reasons why you should continue to support Bill 204.

First, let me share with you the reasons for the knee-jerk reactions that you all have experienced. The WCB has been communicating with stakeholders and using language that unfortunately is bound to elicit the type of response you have seen. As an example, let me quote from their February 25, 1998, update document on Bill 204. I quote from the first bullet: the bill proposes changes to the Workers' Compensation Act that would allow personal injury lawsuits against employers or workers in transportation-type accidents where public liability insurance is required; currently employers are protected from this kind of action. Now, if you were an employer and received this type of misinformation, you would certainly have cause to be concerned, and I don't blame employers for writing in opposition to such a change.

Hon. members, I ask you: does the previous quote even remotely resemble the principles that you approved in second reading? Obviously not. So therein lies the crux of the problem that all interested parties face, and that is that for the most part their objection to this bill is not based on due diligence but on relying on information from the WCB that is not correct. This frustrates the legislative process because I did commit to doing consultation, and I'll have more to say about that later.

3:00

I've had an opportunity to discuss the principle of this bill with a number of stakeholders who clearly do not understand the intent of Bill 204. I certainly am open to dialogue with interested parties who have done some due diligence on Bill 204, but so far I find that the reaction is primarily of the knee-jerk variety. There are primarily three areas of concern that have been identified. The first deals with the undermining of the Meredith principle of the current no-fault workers' compensation system. This bill does not undermine the principle because it deals only with transportation-type accidents that occur off the work site, where the employer is clearly not in a position to direct or control such areas as public roads and highways.

The concept of employers being able to direct and control a work site plays an important role in WCB legislation. I would not bring forward legislation that would weaken or otherwise undermine the no-fault Meredith principles, that were the subject of much debate at second reading. There is, however, another extremely important Meredith principle, that we're not hearing very much about, which deals with the very reason that compensation legislation was espoused by the hon. Judge Meredith. I will quote from his final report in October 1913, where he states:

I believe, the true aim of a compensation law is to provide for the injured workman and his dependants and to prevent their becoming a charge upon their relatives or friends, or upon the community at large.

Now, isn't that the Meredith principle that we are talking about in this bill, the principle of fairness that would prevent injured workers from becoming a burden to society without due process? Yes, hon. members, and I believe that Bill 204 strengthens this very important Meredith principle. This truly is the principle that the provisions of Bill 204 address.

I wonder how the hon. judge would respond today to the WCB if he knew how many individual injured workers and their families are on welfare. A recent article in the *Toronto Sun* indicates that in the last two years there's been a 25 percent increase in the number of WCB injured workers on welfare in that province. There are nearly 9,500 WCB cases on welfare in Ontario, according to this article. So how many do we have in Alberta, Mr. Chairman? I don't know. I've asked the Minister

of Family and Social Services for this information, and he has committed to looking at it if the coding that we use allows us to determine the number. In my view we certainly need to know this information and test it against the same Meredith principle that I'm trying to strengthen in this province.

Another very important principle of fairness that the good judge deals with is the need for the impartiality of the organization that is charged with dealing with injured workers. Now, I can certainly understand that in many areas of the private sector workers are rewarded for their productivity by participating in profit sharing or other kinds of bonus systems. The question is whether this type of reward system is appropriate in a public organization that is there specifically to provide an impartial function in administering the WCB Act.

Would it be appropriate, hon. members, for example, to have WCB caseworkers remunerated on the basis of the number of cases that they can get off the books? I wouldn't think so. How could a caseworker maintain objectivity, impartiality, and fairness in such an environment? What would the hon. Judge Meredith have to say to that concept of impartial administration? Could such a concept lead to an increase in the number of injured workers becoming a burden to society as a whole? We must continue to seek the information about how the WCB operates that will hopefully dispel this concern.

So in summary, Mr. Chairman, this bill does not undermine any Meredith principle and in fact strengthens the very reason why the WCB was created in the first place by strengthening the issues of fairness that the good judge espoused.

The second area of concern that is identified deals with the self-review process that the board has undertaken. Those who oppose my bill state that we will likely have to make some changes in the year 2000 anyway, so why don't we wait for the review to be completed? My response is that the bill deals with two issues of fairness that are fair today, will be fair tomorrow, and will continue to be fair after the board has completed its review. There is also considerable debate in many circles as to the process being used by the board in its own review of itself.

Will it be as successful as an independent review ought to be or could be? In my view there could be cause for concern if the review is done behind closed doors and if the comments of the injured workers are not recorded or otherwise available to the public. So far I understand this to be the case. In fact, I met this morning with a business stakeholder who felt very strongly that this review will accomplish very little, and he recommended that I seek an independent review. So would it be wise to wait until we're into the next century to act? I don't believe we need to wait to ensure that due process and fairness are available to injured workers.

The third area of concern primarily deals with the perceived intrusion into the ability of the WCB to make policy, as opposed to the Legislature passing principles of fairness that would influence the way the WCB deals with difficult and serious injury cases. The history of the WCB in Alberta and the role of the Legislature is both interesting and instructive on this point. From 1982 to 1984 the Legislature had a standing committee with a mandate to recommend policy for the WCB. Since the board is no longer funded by government, this committee is no longer required.

What I found most interesting in my research for the bill is that for 60 years some of the principles that we're talking about in this bill were available to injured workers. In 1976 Bill 41 was passed, which changed many policies and benefits for injured

workers and their families. I read the bill and the *Hansard* record of debate. I would have expected that there would have been much debate around these important changes, but what I found, Mr. Chairman, is that many changes were made without a single word of debate in this Chamber. I'm thankful for the full debate that we are having this time around and for the process that has been improved since 1993 to allow this kind of debate and, incidentally, on a private member's bill.

In summary, I believe it is appropriate that we debate WCB issues of fairness that impact our constituents and in particular those who are injured workers. The principles of fairness that were there in 1913, when Judge Meredith produced his final report, are as important today as they were then. Have some of these principles fallen into disfavour with society? I don't think so. Have these principles simply been eroded by a monopoly who is both judge and jury when it comes to injured workers? Where are their rights? I believe that it's important for the legislators of today to be very clear in articulating the intent of this Legislature on these principles of fairness.

3:10

This brings me to deal with the dilemma that we currently face in this House. We have a bill which has generated a great deal of interest from stakeholders, and this is good. However, the stakeholders have been given misinformation, on which many base their opposition to this bill. This puts all of us in a position where we cannot have a meaningful discussion with the stakeholders until the true facts are placed before them for their due diligence and response. This also places the minister in a very precarious position.

I'm therefore suggesting that we delay committee on this bill for approximately one month to allow all stakeholders to do their due diligence based on the facts. This has the advantage that in the event that problems do surface during the consultation process, we can bring amendments to satisfy the deficiency, if any. This simply delays the bill and is not to be confused with a hoist.

I've distributed a motion to all members, and it reads:

Be it resolved that when the committee rises and reports, it recommends deferring consideration of Bill 204, the Workers' Compensation Amendment Act, 1998, until April 1, 1998, or until the first day for consideration of private members' business after that date.

I would ask the chairman to call the question on this nondebatable motion.

Chairman's Ruling Private Members' Public Bills

THE CHAIRMAN: Before putting the question on the motion by the hon. Member for Calgary-Egmont, the chair would like to briefly explain the nature of the motion.

First, it should be pointed out that the motion is not a hoist. A hoist is an amendment to the motion for second or third reading which has the effect of defeating that bill. This motion is one to postpone consideration of the bill to a date certain of the type specified in Standing Order 41(c).

Members who were present during the last Legislature will recall that the Member for Edmonton-Beverly-Clareview moved a similar motion at committee stage on March 13, 1996, so there is a precedent for this type of motion.

In his February 11, 1997, ruling Speaker Schumacher clarified the process for delaying consideration of private members' bills. He indicated that the motion at committee stage should take the form of a request or recommendation to the Assembly to delay

consideration of the bill by the Committee of the Whole to conform to parliamentary practice. He also indicated that only the sponsor of this bill could make such a motion to accord with the principles of private members' bills.

This is a form of motion that has arisen as a result of the 1993 changes to the Standing Orders with respect to private members' business. As these bills must proceed on a strict timetable, there is no other avenue by which to get off the treadmill, as it were, if, as is the case here, the member wants to await the results of a consultative process.

Now, on the motion proposed by the hon. Member for Calgary-Egmont, are you agreed?

[Motion carried]

THE CHAIRMAN: The hon. Deputy Government House Leader.

MRS. BLACK: Mr. Chairman, I move that the committee now rise and report.

[Motion carried]

[The Deputy Speaker in the chair]

MRS. GORDON: Mr. Speaker, the Committee of the Whole has had under consideration a certain bill. The committee reports progress on the following: Bill 204. I wish to table copies of a resolution agreed to by the Committee of the Whole on this date for the official records of the Assembly. I'd also like to table copies of a statement delivered during Committee of the Whole this day for the official records of the Assembly.

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

HON. MEMBERS: Agreed.

THE DEPUTY SPEAKER: Opposed? So ordered.

head: **Public Bills and Orders Other than**
 head: **Government Bills and Orders**
 head: **Second Reading**
(continued)

Bill 207
Whistleblower Protection Act

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

MR. MacDONALD: Thank you, Mr. Speaker. I'm pleased to stand this afternoon and speak in support of Bill 207. Before I start my remarks, however, I would like to thank the hon. Member for Calgary-Buffalo for his comments and his advice in the preparation of this bill and also on the Liberal staff Laurie Weir, our legal counsel, and Kevin Bosch. They have worked very hard on this particular piece of legislation since December of last year.

This bill, Mr. Speaker, will enshrine legal protection for any government employee or any employee of a company contracting with the government who alerts the provincial Ombudsman to dangerous or illegal activities occurring in government. The bill sets out a definite process for the Ombudsman to investigate an

employee's complaint and, if necessary, make the inquiry report public. The types of wrongdoing targeted by the bill include acts or omissions by government departments, agencies, or contractors that constitute a contravention of Alberta's laws and regulations. This is very important in light of the strong push by this government to contract out services or set up delegated administrative organizations to take over many of the functions previously performed by government departments.

The identity of any employee is protected from disclosure during the Ombudsman's investigation as well as in the final report. The bill would further protect employees by prohibiting adverse employment action against any employee who made a complaint in good faith.

There is need for broader protection, and I want to submit to all members of this Assembly that Bill 207 presents, I think, a perfectly appropriate and logical companion to a strong freedom of information law. Bill 207 is in the public interest. It only ensures that we have an open and accountable government. Accountability will be improved by providing information to the public, the taxpayers of Alberta, of serious government wrongdoing. This legislation will also help the government achieve its objective to help promote a society in which it is possible to speak out without reprisal about corruption, dangers to the public, and other vital social issues and help those who speak out in this way to assist in an increased efficiency, in the streamlining of government.

Mr. Speaker, I think that any large corporation or government department can expect from time to time to encounter serious wrongdoing. This is a fact. Serious government wrongdoing means

an act or omission of an institution or of an employee acting in the course of his [or her] employment and includes . . .

- (i) contravening a statute or regulation,
- (ii) gross mismanagement,
- (iii) gross waste of public money,
- (iv) abuse of authority, or
- (v) causing or allowing a grave health or safety hazard or grave environmental hazard.

We should consider each of these definitions of wrongdoing. When we look at some of the areas where there has been mismanagement by government, perhaps having even one of these sections in place would have saved the taxpayers of this province millions upon millions of dollars.

We would have a better province if, for instance, an employee from the Alberta employment standards office in the Department of Labour could come forward and speak out about the industries which are not obeying the regulations outlined in the employment standards branch. Let us think of the young people, the students, and those workers toiling for very little in the workplace. Their interests would be better served if someone could stand up and speak out regarding the lack of enforcement and commitment to the workplace regulations which are there to protect them while they are performing their jobs.

3:20

Current protection, Mr. Speaker, in Canadian common law is seen by some experts to be inadequate. The employee's only protection from retaliation that falls short of criminal behaviour is his right to damages for wrongful dismissal. Those damages may be inadequate in those circumstances in which the government is a near-monopoly employer, such as health care, the delivery of social services, and education, because job replacement may require changing jurisdictions. Also, damages would not normally

be payable for the more common forms of retaliation such as harassment on the job or unusually negative job performance appraisals.

In the past annual reports by the Ombudsman this type of protection has been repeatedly recommended. The office of the Ombudsman has also been recommended for its administration and enforcement. There has been much evidence provided by the Alberta Union of Provincial Employees and others that tend to show that whistle-blower protection is required.

This bill, Mr. Speaker, is consistent with the Charter in its protection of the right of free expression within limits, demonstrating justifiably in a free and democratic society. Any attempt by the government to gag its employees in respect of its own serious wrongdoing may in fact violate the Charter guarantee of free expression, although this has not, to my knowledge, been tested at law in Canada.

Mr. Speaker, in preparing Bill 207, we on this side of the House read about various statutes in the United States and other jurisdictions. More than 30 American states have whistle-blower protection. Not only do they have in all of these states whistle-blower protection for government employees, but I believe there are 11 or maybe a greater number that have whistle-blower protection for private-sector employees as well. The province of Ontario also has comprehensive whistle-blower legislation. One difference between the Ontario legislation and our bill is the use of a special council in the Ontario act to handle investigations.

In public discussions on this bill, everyone wants to talk about the role of the Ombudsman. In all the years that we've had an Ombudsman in this province, the office has continued to gain more respect and trust from the people whom it was created to serve. In Bill 207 the Ombudsman's office is a means that would not only advise government employees in terms of speaking out when they encounter serious government wrongdoing but would also have the apparatus in that office for a government employee who sees serious government wrongdoing to be able to go to the Ombudsman and seek redress. The idea of creating a whole new level of bureaucracy to administer this whistle-blower legislation is not necessary when the office of the Ombudsman already exists.

It was the Liberal Party in this province, Mr. Speaker, that attacked the very thought of the loan guarantees in assistance to corporations that proved so unsuccessful and only achieved this idea of creating a \$30 billion debt. This Conservative debt has now caused the overcrowding in the hospitals and the overcrowding in our classrooms. Municipalities are now having to deal with the problems created by this provincial government.

We're not advocating that there should be another level to this. We are saying: use the Ombudsman's office. We on this side of the House understand fiscal responsibility. In fact, it was the Alberta Liberals who first alerted Albertans to grave financial dangers that previous Conservative governments placed this province in by spending wildly on poorly planned industrial strategies. We are, as I said before, not anxious to see new government infrastructures, new organizations with all the costs built in in terms of administration. This is why it's very important that we use the existing office of the Ombudsman. It is a perfect agency not only to advise government employees in terms of speaking out when they see serious wrongdoing, but it would also have the apparatus in that office for a government employee who encounters serious government wrongdoing to feel free to approach the Ombudsman and his office. Employees do not have to hire a lawyer if they see some serious government wrongdoing. They can instead see their Ombudsman. The Ombudsman in his annual reports has repeatedly recommended this type of protection, and he has recommended that we use his office.

This bill does not protect other methods of whistle-blowing, such as leaks of confidential information to the media. In this fashion, confidentiality of government operations is maintained unless and until a finding of serious government wrongdoing has been attained.

Consequential amendments are made to other legislation to effect the main purpose of this bill. The Public Service Act is amended in three sections. The Public Service Employee Relations Act and the Legislative Assembly Act are also amended. This Bill 207 can be seen as an important companion, again, to the strong freedom of information legislation. Section 76 of the Freedom of Information and Protection of Privacy Act has provisions for the actions of whistle-blowers. The Privacy Commissioner "must investigate and review any disclosure" made by the whistle-blower, but section 77 of the same act does not deal in any way with what the public body may have done. This is dealt with by the rest of the act. This is very important because this is the difference between the Freedom of Information and Protection of Privacy Act and our Bill 207.

By whistle-blowing, the employee has breached a contract of confidence and possibly the Freedom of Information and Protection of Privacy Act. The purpose of section 77 is to review and possibly forgive that breach by the employee. If the employee acted properly, the whistle-blower will be afforded some protection under section 77, but the disclosure must be determined to have been made "in good faith." The idea of "good faith" is of paramount consideration. Sections 3(4), 3(6), and 11(1) of Bill 207 require "good faith." There is a need, Mr. Speaker, for wider protection, and Bill 207 provides this.

It is important that the whistle-blower be subject to a review of his or her actions. The disclosure under Bill 207 may only be made to the Ombudsman. There is an assurance that personal information or information which could do real harm is not made public. If the Ombudsman's review concludes that there is no wrongdoing or that the whistle-blower acted in good faith, there should be no further disclosure of information whatsoever. The whistle-blower must accept the Ombudsman's determination and make no further disclosure of the information.

Mr. Speaker, a law to protect employees who blow the whistle on the Alberta government is needed now more than ever. The government's ability to adequately monitor what is being done in the name of taxpayers has been weakened by privatization and deregulation. I remind this House of the toxic spills and releases that have occurred in Swan Hills at the waste treatment plant. Year after year it's the same thing: one news story after another. There are contradictions there. Environment department officials say one thing, and the First Nations people say something else.

THE DEPUTY SPEAKER: I hesitate to interrupt the hon. Member for Edmonton-Gold Bar, but the time for consideration of this item of business on this day has concluded.

head: Motions Other than Government Motions

3:30 Video Lottery Terminals

505. Mrs. Gordon moved:

Be it resolved that the Legislative Assembly urge the government to act upon the recommendation included in the report of the Lotteries Review Committee, New Directions for Lotteries and Gaming, whereby changes should be made to the VLT, video lottery terminal, computer chip to slow down the speed of games and to alter other properties of

VLTs, video lottery terminals, in order to provide consumers with more accurate accounting information and better entertainment value.

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

MRS. GORDON: Thank you, Mr. Speaker. Before I begin speaking to Motion 505 in earnest, I would just like to take this opportunity to remind all members that what we are debating this afternoon is a private member's motion, not a government initiative. This motion first appeared on the Order Paper on January 28, 1998, and as all backbenchers know firsthand, all relevant and necessary paperwork must be filed with the Clerk's office approximately four to six weeks prior.

You asked: why did you bring this up? Well, Mr. Speaker, apparently, the Leader of the Official Opposition gives no credence to endeavours by private members or this motion. According to an article that appeared in the *Edmonton Journal* on January 28, he dismisses this proposal as a distraction. Interesting that he would brush this off as a mere distraction without the benefit of listening to the debate or undertaking any research himself.

Well, hon. members and hon. Leader of the Opposition, I hope you and your caucus colleagues will listen to the contents of this speech carefully, paying close attention to the opinions of many highly qualified individuals. This motion with its three recommendations is not a creation of myself but, instead, a collaboration of expertise garnered over time, some going back as far as 1995, from some very highly respected professionals, many of whom have been studying gambling and, in particular, electronic gaming for years.

The motion before you reads as follows:

Be it resolved that the Legislative Assembly urge the government to act upon the recommendation included in the report of the Lotteries Review Committee, *New Directions for Lotteries and Gaming*, whereby changes should be made to the VLT . . . computer chip to slow down the speed of games, and to alter other properties of the VLTs in order to provide consumers with more accurate accounting information and better entertainment value.

I'm pleased, Mr. Speaker, to have the opportunity today to speak regarding this motion, as lotteries and gaming, particularly in Alberta, have long been an important subject matter for me.

I'd like to begin by recognizing the fact that VLTs do have a negative impact on some Albertans and their families. We all know that any behaviour done to extreme over time will eventually produce devastating effects. I think back to one of my favourite uncles who drank heavily for years and finally died of alcoholism. Not only did his illness suck the very life out of him, but it also sadly impacted many others along the way: his wife, his children, his extended family. In the end he lost his job, his family home, their car, his health, his very being. Whose fault was it? The bottle? Or did this gentleman have a predisposed, probably genetic addiction to alcohol?

Can the same be said for individuals who gamble extensively, particularly those that play VLTs to extreme? Yes, I would say so. Notwithstanding the continued public focus on VLTs, this must be said: abuse of alcohol still remains the most serious social issue affecting individuals, families, and communities. Over 90 percent of AADAC's clientele come to them with a problem associated with either alcohol or drugs.

Recent data suggests that approximately 4 to 5 percent of the

adult population suffer from varying degrees of a gambling addiction. During a recent telephone conversation, Dr. Robert Hunter, a clinical psychologist and founder of the Charter Hospital Compulsive Gambling Program in Las Vegas, stated that the same percentage holds true in Nevada. Dr. Hunter talked at length to me about the approximately 93 percent of the population who gamble without incident. Many of these people would be termed frequent gamblers, those who gamble regularly, sometimes more than three hours per week without experiencing negative effects.

However, his concern was the same as that of many of the other professionals I talked to: those individuals within that 5 percent who very much need a safety net. Psychiatrists and mental health practitioners refer to these people as pathological gamblers. Recognized by the American Psychiatric Association as a mental disorder in 1980, this condition is defined as a chronic and progressive failure to resist impulses to gamble. Behavioural traits of a pathological gambler include a continuous or periodic loss of control over gambling, an increase in frequency of betting and amounts wagered, a preoccupation with gambling and with obtaining dollars with which to gamble, and a continuation of this behaviour despite negative consequences for the individual, his family, and society in general.

Dr. Hunter, who was a participant in the first think tank on compulsive gambling at Harvard, recently attended the VLTs and Electronic Gambling Conference in Edmonton. He spoke at length about the popularity of video poker machines in Las Vegas. His speech included the following remarks:

A predisposition for addictive gambling is probably genetic – the condition is not in the machine but in the individual, and although video poker machines can be addictive and destroy lives, they shouldn't be banned any more than skiing should be banned because some people get hurt.

I sincerely appreciated the time Dr. Hunter gave me, his candour, and the insight and expertise he offered. Having reviewed this motion in its entirety, Dr. Hunter has sent me a letter of support. This letter along with several others will be tabled at the end of my speech.

The first proposal identified in Motion 505 is not new, nor is the following statement. VLTs operate much quicker than most forms of gambling including regular slot machines. Recommendation 4.10 in the 1995 report of the Lotteries Review Committee, *New Directions for Lotteries and Gaming*, reads: "Changes should be made to the VLT computer chip to slow down the speed of games." Mr. Speaker, I am still of the opinion that this, if done, will go a long way in assisting those approximately 4 to 5 percent that are truly addicted. The quickness of the game and the rapidly changing colour variations both are contributing factors to their continued play. The slowdown of play would reduce the excitement and/or high that these types of players seek.

What did others I contacted have to say? In writing to offer his support for this motion, Dr. Harold Wynne writes:

My research in Alberta and that of colleagues in other Canadian, American, and foreign jurisdictions leaves no doubt that continuous-play games are the most highly addictive form of gambling. Continuous-play games may be described as those in which the sequence of laying down the bet, engaging in play, and waiting for the win/lose outcome occurs very rapidly and can be instantly repeated over and over again. No continuous-play game offers the rapid speed of play that VLTs allow. For instance, the VLT reel games, which require no cognitive effort other than deciding the amount to wager, can be played repeatedly in time

sequences from [as little as two to as much as] 6 seconds by the average player. Other continuous-play games [such as] blackjack, roulette, dice, poker, and bingo take considerably longer to cycle through the bet-play-outcome sequence, especially when other players are participating. Even coin-out slot machine reel games are generally slower in their spin cycles than VLTs and, when the player wins, this often slows the play further as the winner must invariably handle the coinage in the tray at some point [during the exercise]. It is conceivable that slowing down the VLTs may have an effect on the desire of individuals to play in the first place.

Thank you, Harold.

Leonard Blumenthal, chief executive officer of AADAC, writes:

We, at AADAC, continue to support the recommendation of the Lottery Review Committee to slow down the speed of the play of VLTs . . . While slowing down the play of machines is very important, it should be accompanied by very thorough research to determine what, if any, effect increasing the gap [or interrupting play] between various [spins] produces.

3:40

Dr. Garry Smith, organizer of the VLTs and Electronic Gambling Conference, was interviewed following the conference on a local radio talk show, and when asked, "What's the consensus? Are these things good, bad, or completely benign?" he said: "Well, no. It would be hard to arrive at a consensus because there are so many different views. What can we do to make our policies better without outright banning them? Can we soften them in some way by making them take longer to play, better payouts, changing the lights, or other stuff on the machine?" Thank you, Dr. Smith. Garry, too, has endorsed by letter his support for Motion 505.

I would hope that if this motion receives the support of the majority of members in this Assembly this afternoon, the government would feel compelled to act posthaste, quickly initiating the necessary changes presummit.

In my opinion, the first game that should be looked at is the very popular if not the most popular William's 5 Line, now offered on two machines in Alberta, namely model 200 and model 250. It should be slowed down.

The second initiative I am proposing: I would like the banking of credits now identified on the screen eliminated and, instead, show the actual dollars in, the actual dollars out. I believe this would be a reality check and would go a long way in giving the player a much more accurate and easily understood accounting of how much they have played, won, or lost. The credit system psychologically separates the player from the value of the amount wagered. Credits add an unreal element to the VLT playing experience. The Red Deer *Advocate's* editorial of February 2, 1998, summed it up well: changing the machine's display from credits to dollars and cents will have a similar effect in bringing VLT gambling from fantasy back into the realm of real life. I do not agree with Alberta Gaming and Liquor Commission's assessment when they say both should be displayed to reduce player confusion. People have been dealing in dollars and cents all of their lives.

Thirdly, I am recommending an increase to the payouts, allowing the playing customer a better return. Presently we are paying out 92 percent on the first spin. I would like this increased to either 95 or 96 percent.

Again, I will have to say not all of those playing experience problems. Many play occasionally, sometimes sporadically, for strictly entertainment, recreational, and/or social reasons. These are the very people that this recommendation is intended for.

They deserve a better return on their entertainment dollar. Let's give it to them.

According to a recent discussion I had with Dr. Bill Eadington, University of Nevada at Reno, 92 percent payout is common to Canadian jurisdictions because these jurisdictions have in fact a monopoly market. No competition. Dr. Eadington, with some 30 years of respected research to his credit, told me that it's time we send a strong message to manufacturers. New technology must be responsive to Canadian markets and Canadian views. The public is demanding a social conscience. He also told me that the manufacturers are not overly receptive to changing their machines' image and will balk loudly at any such suggestion. However, changes are possible. He was adamant when he also told me that any jurisdiction that tries to make a popular form of gambling illegal is going to run into a number of problems socially, economically, and legally. I also wish to inform this House that he, too, supports all aspects of Motion 505.

Before I close, Mr. Speaker, I would be remiss if I didn't mention two more items. Firstly, research indicates that most gamblers, especially problem gamblers, do not know the true odds of the various games of chance. I am told that one of the strategies used in treatment is to divulge the true odds of the various games and reinforce in players that they have absolutely no control over random, independent events such as the spin on a VLT. As such, I would encourage this government to publicize the true odds of winning for all forms of gambling, not just VLTs.

Secondly, I must state emphatically that this motion was not predicated on money. Instead, it focuses on people and people needs. Through this motion I am attempting to simply lessen the negative impact of VLT play for some individuals, those individuals that fall within that 5 percent. Obviously, if these recommendations are implemented, net return to government in vendor commission will be affected. The net effect, however, would be in direct relation to the extent and/or magnitude of any changes considered and implemented.

I urge this Assembly to vote for this motion. Now is the time to act, presummit. Let's show Albertans that our intentions are good. Need I remind this Assembly that one of these recommendations, a vital one, goes back to 1995. Professionals then said it would work; professionals now say it will work. How much more time do we need?

I would like to close, Mr. Speaker, by thanking my other speakers. I have asked to speak today other members of the Lottery Review Committee and the now chair of AADAC. As well, I would personally like to thank each of the gentlemen mentioned in my speech for their professionalism and their willingness to share their expertise. They made research enjoyable. Also a big thank you goes to my very capable researcher, Chris Ghazouly.

Mr. Speaker, I would also like to table for the records of the Assembly the several letters of support I referred to earlier. In closing, I would ask the two gentlemen to stand in the members' gallery and receive the warm welcome of this House, Dr. Garry Smith and Dr. Harold Wynne.

Thank you.

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

MR. GIBBONS: Thank you, Mr. Speaker. I'm pleased to stand to speak to this Motion 505, which refers to the slowing down of VLTs. The main focus of this bill is to urge the government to

slow down the actual pace of the game played on video lottery terminals. I commend the Member for Lacombe-Stettler for acting on what I believe is a deep concern and grave apprehension that people have about the number of fellow Albertans addicted to VLTs.

The motion is designed to slow down the pace of the game on VLTs, thereby making the machines less addictive, assuming that gamblers will get bored with a slower speed and quit. Could this be an admission from the government Member for Lacombe-Stettler that the VLTs are addictive and dangerous? I suggest that this tactic is simply too little too late. It is nothing more than a half measure to fight a serious problem afflicting more and more Albertans: gambling and addiction.

The same Member for Lacombe-Stettler compiled a very comprehensive report entitled Community Lottery Board Program. This member diligently toured Alberta, gathering information at various roundtables. Even though the study has been referred to countless times, it has been virtually shelved for more than two years. This was not a VLT study. It was on how lottery moneys were to be distributed throughout the province.

Now we're hearing that the Premier is talking about holding a gambling summit this spring. That idea is just like this motion, a total ignoring and deflection of the real problem. It is nothing more than a poorly concealed attempt to delay, delay, delay, hopefully delaying the issues until after October 16, 1998, when the municipal elections are being held. I believe that they think this would deflect much attention and resistance away from the provincial and municipal governments.

We all know that these machines are very addictive. Last year the government collected \$460 million in revenue from VLTs plus another \$164 million from the less addictive forms of gambling such as 6/49 and bingos. VLTs remove millions of dollars from our communities, putting it into the government's general revenue, more than these communities will ever see in return.

Why don't they admit that these revenues are just another form of tax? The Member for Vermilion-Lloydminster has gone on record as saying that this is a tax. The same member stated of the rising lottery revenues on November 21, 1994: it is now up to \$387 million and moving quickly. This even shocks me.

From the VLT conference the figure given from Drayton Valley was that \$4 million left their community last year. Their town budget, Mr. Speaker, was \$5 million last year, and they would get back approximately \$240,000 from the province.

3:50

Mr. Speaker, it is really apparent that this government is addicted to the revenues from VLTs. Their behaviour regarding this issue resembles in many ways the behaviour of the addicted: deny, deny, deny.

A new study of poverty in Edmonton highlights the fact that we must deal with the VLT issues and have public discussion and debate on the presence of VLTs in our community. Often the most vulnerable and the poorest of our citizens will get caught up in VLT traps, which only adds to this poverty and increases the level of poverty in our community.

Many of the social programs, skating rinks, and playgrounds in communities were built around the revenues from bingos and casinos. Consider this: until April 1 of this year it has been more than two years since the Gordon report, and there hasn't been any VLT money coming back to the local level except through general revenue. It has always seemed to me to be a lot more sensible to put local money to work on local needs without the provincial government skimming off the profits to pay for bad business deals

and decisions. Unfortunately, this provincial government saw and bought into the potential of mixing high-tech gambling and human weakness. Make no mistake about this; without sin, especially without VLT sin, this provincial government wouldn't appear nearly as fiscally brilliant as they fondly tell us that they are.

Why did we not get into a debate on converting these machines into coin to coin instead of what we have now, coin to debentures? Did we let Albertans debate whether or not these machines would be intruded into every community in Alberta? [interjections] Did the minister of gambling come into this Legislature to debate the Sunday gambling issue? [interjections] Why are the provincial police . . .

THE DEPUTY SPEAKER: I don't think we need an echo chamber going here. Hon. members on both sides, it's a private member's motion, and we'd like to let the hon. Member for Edmonton-Manning continue his speech.

MR. GIBBONS: Why are the provincial police, for example the RCMP, beginning to speak out about crimes related to VLTs? When we stop hearing about the destruction of families around Alberta – and let's go into an example of what's happened in Camrose over the last couple of weeks. I'll let people from the government side check into that one. Every town I travel to and visit has horror stories to tell. The overwhelming concern that I hear from the government side is the possible loss of 11,000 jobs. But I do not hear from the same people what their concerns were with the amount of thousands of jobs lost when the government was downsizing.

I'd like to relate, Mr. Speaker, to letters to the editor from the *Edmonton Journal* on February 16. Some of these are very interesting. One is entitled "All to charity."

I'm not against gambling. Every business and financial decision we make is a gamble. We gamble that the interest on our RRSPs will be higher than inflation. I consider myself a good Tory but I am against VLTs. I wish we could return to the days when the government's role in gambling was to see that games were fair and that all proceeds went to charity.

In Nevada the machines pay 97 percent and spit coins when you win. You have to put them back into the machines. This is what I heard from the VLT conference. If you bent over and picked up the coins and put 'em back in, you wouldn't be affixed to the machines like the people are that are addicted right now.

Here you have to gather up your belongings and go to the bar to cash in and most people won't do that for a 10 or 20 credit win.

They don't want to give up their machine. I watched 10 or so people play in a local pub and in two hours, only one person took a pay out slip to the bar for cash. One woman put in a \$20 bill, and it was gone in one minute. The next \$20 lasted a little longer but after five minutes the score was Machine \$40, Woman 0. Of the people I watched, only one didn't end up with \$0.00.

Now, the motion that is being put forward relates to this next one I'm going to speak about. It's called "Smaller liquor bottles."

So, the VLTs should pay more and should run slower. "The manufacturers say when you slow them down, people get bored with them and therefore they play them less." Wow! What insight and astounding perception.

Following this logic, we can reduce alcoholism by making smaller bottles and the neck size should be skinnier. That way, it will take longer to pour out the liquor, beer and wine and people will get bored with it and drink less.

Mr. Speaker, I think we should really ask whether this should not be going back to the ministry of gambling to decide whether

or not it is really true that changing the chips is as realistic as what has been presented. The fact is it will take six months for any machine company that makes VLTs to even think about doing this. And the fact of the revenue: have we really looked at the projection of the revenue? Not that I'm for machines, but the deflection of this should be put back into the ministry of gambling. Tampering with machines will change the whole game. The game can be conjectured as changing the provincial budget.

Thank you, Mr. Speaker.

THE DEPUTY SPEAKER: The hon. Member for Livingstone-Macleod.

MR. COUTTS: Thank you, Mr. Speaker. I would like to thank the Member for Lacombe-Stettler for allowing me this opportunity to speak to Motion 505. The member has raised a number of important issues and has brought to our attention over the last years the issues that this motion I feel addresses, a real problem area. While there has been much heated debate on both sides of the VLT issue, there is one major problem area: the machines have caused a specific problem for some gamblers. While we can all concur that some individuals have had a problem, this is not the case with the majority of Albertans who gamble for recreational purposes.

The motion seeks to focus on a specific problem that affects 3 to 4 percent of truly addicted gamblers. Initial studies have shown problem gamblers are attracted by the extremely fast play. Compounding this factor with the banking of credits, there is no information that tells the player how much they have wagered and therefore how much money they have either won or lost. Slowing the speed of the games may reduce the players' attraction, their well-known high, to the speed of the games and thus reduce the effects on the player. Furthermore, altering other properties of VLTs, such as showing the actual dollar amount wagered by individuals, would provide the player the opportunity to make an informed choice if they wish to continue to play. These changes could and would in effect address the problems experienced by the minority of gamblers by reducing some of the properties associated with their addiction.

The fact of the matter, Mr. Speaker, is that most Albertans gamble responsibly and are not affected by VLTs. The proposed motion does not serve to hamper the majority of Albertans but rather assists the minority who have problems with VLTs. This is a sensible, sober solution to a targeted and identified problem area. While there have been demands by the opposition and other groups to ban all VLTs, this action would not address the problem. Numerous studies have shown that gambling is an addiction, whether it be VLTs, poker, or in my case particularly enjoying going to a day at the races, or any other form of gambling. While pulling VLTs may be seen by some as a solution, such as the opposition may advocate today – I think that's what their position is today – one must consider all the facts.

4:00

In 1996-97 AADAC treated over 2,000 clients for problems associated with gambling. Of those, it's likely that 60 percent had problems with VLTs. While any person with a gambling problem is one too many, this is not a large amount of people. The fact of the matter is that 2 percent of all people who have contacted AADAC have had a problem strictly with gambling. It is estimated that anywhere from 3 to 5 percent of gamblers have an addiction problem with VLTs. The question arises: how do we

address this problem while allowing the majority, who are not affected, to enjoy their freedom of choice?

Well, Mr. Speaker, I believe that the Member for Lacombe-Stettler has taken that sensible approach. The concept to slow down the machines and alter other properties of VLTs was supported by AADAC in the 1995 Lotteries Review Committee report, *New Directions for Lotteries and Gaming*. Many clientele, psychologists also support that alterations to the speed of the games or other forms of interruptions in game play will reduce the addictive nature of VLTs. I firmly believe that this is a well-thought-out approach and that the motion is the fruition of the member's past five years of experience with the gaming industry, which includes heading the Lotteries Review Committee.

The motion itself was formalized back in December of 1997, which shows that this is not some quick, makeshift program but rather a well-thought-out plan to address a relatively new problem area that many jurisdictions around the world, I might add, are still coming to grips with. What the opposition would have us do, their current stance anyway, is to remove all VLTs. Mr. Speaker, we have past experience in many jurisdictions in Canada, including this one, which clearly indicates that banning the machines will not eliminate the problem but more than likely exacerbate the situation. Whether we are dealing with alcohol or gambling, from past experience prohibition just does not work.

In British Columbia, for instance, where VLTs are prohibited, it is estimated that there are anywhere from 8,000 to 10,000 illegal machines in operation. In 1994 the province of Quebec estimated that there were 25,000 illegal machines operating in the province's bars, pool halls, restaurants, and laundromats. After legalization of the terminals the province estimates the number has been reduced to 2,000. A similar finding was indicated in Ontario, where police sources estimate anywhere between 5,000 to 20,000 machines were operating illegally.

Mr. Speaker, these figures read loud and clear. Banning VLTs will only push the machines underground and facilitate financing for our criminal syndicate that already exists and could very well add fuel to their fire. The question of VLTs is not just a simple issue, as the opposition would have Albertans believe. In fact, their stance has wavered over the past few years from phasing them out over a three-year period, which they advocated during the last election, to the current stance of banning them with a stroke of the pen.

Speaker's Ruling Referring to Party Affiliation

THE DEPUTY SPEAKER: Hon. member, I just want to caution you. These are private members' public bills and public motions, so let's try not to characterize them as government or opposition. If you could take a little care there. Thank you, Livingstone-Macleod.

MR. COUTTS: Thank you for that notice, Mr. Speaker. I will take that into consideration in my comments.

Debate Continued

MR. COUTTS: The government has implemented 35 out of the 45 recommendations from the Lotteries Review Committee, which included consultation with over 20,000 Albertans. VLTs today are capped at 6,000 terminals, with the number of terminals allowed in bars and lounges being set at seven.

In the government-funded AADAC, which has made problem gambling a top priority, funding for that agency has increased by

\$800,000 from 1992 to 1996. An additional \$300,000 was directed to that agency in 1997. In addition, the government has accepted the recommendation of the committee to allow Albertans to decide on the presence of VLTs in their communities through plebiscite. Today five plebiscites have been held.

Mr. Speaker, it's interesting to note that all the arguments we hear today from the opposition and from other groups are similar to the Prohibition era in Alberta between 1916 to 1924. I actually did a little research into this area and found some interesting parallels in a history book on my own riding of Livingstone-Macleod, a history book *Crowsnest and Its People: Prohibition in Alberta 1916 to 1924* and in particular the Crowsnest Pass. The article revealed that in early days in this province visible drunkenness was quite prevalent, and there were no restrictions on drinking.

Arthur Sifton, who was the Liberal Premier of Alberta from 1910 to 1917, caved into the pressure put on him from prohibitionists, and in the Legislature he moved that a prohibition bill be submitted to the electors. Speakers favouring prohibition were imported from the United States, while church leaders and people like Nellie McClung, an MLA from Edmonton, spearheaded an attack on drinking in all forms. A plebiscite was held on July 22, 1915, and Alberta voted dry.

Mr. Speaker, prohibition in conjunction with other provinces created a liquor drought in Alberta and consequently contributed to the proceeding bootleg bonanza, much of it originating from down in my area of the world. [interjections] Yes. That's awful.

Liquor was illegally dispersed in private homes, restaurants, poolrooms, hotels, and other establishments. In addition, police were bought off. Liquor-running had made many criminals wealthy, and a division was created between the wet and the dry Albertans.

It took two plebiscites to abolish prohibition. By the time the second plebiscite took place, conditions had become so unacceptable that even the moral reform people were asking for a change.

MR. LUND: They just couldn't get a beer anywhere.

MR. COUTTS: Anywhere.

Almost eight years of prohibition did nothing to suppress drinking. James Kerr concluded in his history of the Crowsnest Pass: the prohibitionists surely have learned that you cannot legislate the abolishment of liquor; man has used it since the beginning of time.

It is also interesting to note that Nellie McClung, MLA for Edmonton and one of the strongest advocates of prohibition, was quoted in a compilation of *Hansard* clippings from February 16, 1924.

. . . the problem with the prohibition legislation in force the last few years is it did not provide for local [opinion] . . . it would not be desirable to ignore the local [opinion] when or if prohibition again became in force . . . and in the meantime we must play fair with the moderation people.

Mr. Speaker, we do have a local opinion in place in Alberta: allow communities the right to remove VLTs if they wish. We know that removing VLTs provincewide will not solve the problem at hand but will likely exacerbate the situation.

Motion 505 addresses the specific problem suffered by a minority of VLT players. By supporting this motion, Alberta would be the first jurisdiction in North America to address the speed of VLTs and other properties to reduce the addictive nature of the game for some problem gamblers. I firmly believe Motion

505 is the right direction to take, as I did sitting on the directions in lotteries committee with the hon. Member for Lacombe-Stettler. In supporting it, we will take steps in Motion 505 to address the speed and the impact of VLTs.

Thank you, Mr. Speaker.

4:10

MR. MITCHELL: Mr. Speaker, I'm not supporting this motion, and I'm not supporting it for a number of reasons, many of which have been already argued by my colleague from Edmonton-Manning.

A startling thing occurred in the House today. In question period the Premier inferred, maybe even more than inferred – it was actually quite explicit – that we shouldn't be talking about individual cases in this House and that it was somewhat inappropriate for our colleague to raise . . .

AN HON. MEMBER: It's got nothing to do with this.

MR. MITCHELL: I'll get there. [interjections]

Speaker's Ruling Decorum

THE DEPUTY SPEAKER: Hon. members of the government bench to the right of the chair, we'd like to ask your indulgence and courtesy, which one would expect, to hear the comments that are on our private member's motion.

The hon. Leader of the Official Opposition.

MR. MITCHELL: Thank you, Mr. Speaker. I'm happy that they're anticipating my arguments.

Debate Continued

MR. MITCHELL: I saw and we saw a startling thing today. The Premier said that it would be inappropriate and was inappropriate to raise an individual's case in this Legislative Assembly. Our colleague from Edmonton-Riverview raised a case about an individual who has a health care problem. Now, funnily enough, health care is about – I'll get there – people. The health care system is supposed to address people, but somehow we can't talk about individual cases in this Legislative Assembly. That was the indignant, self-righteous response we got from the Premier.

Mr. Speaker, what these VLTs come down to is people. They come down to people's lives, to children, to families, to communities. It's people. We can push aside all of the specifics, the emotional . . .

DR. TAYLOR: That's what you did with Principal: ripped off all kinds of people, Grant.

Speaker's Ruling Decorum

THE DEPUTY SPEAKER: Hon. minister for science, research, and information technology, I wonder if you could listen, and we'll put your name down on the list and then you can speak to this motion. Right now we have the Leader of Her Majesty's Loyal Opposition speaking to a private member's motion.

Hon. leader.

Debate Continued

MR. MITCHELL: Thanks, Mr. Speaker. I just want to make a couple of points here. If it's bothering the members across the

way so much, I can understand why, because we're not talking about statistics. We're not talking about some studies that are indefensible and for which there is no documented evidence. We're talking about people, for whom we have a greater responsibility than we have for anything else that we do in this Legislative Assembly. We're talking about people. It is very, very, clear from all the studies, much documented evidence, that video slot machines, as they should properly be called, in fact hurt people. There are studies, documented studies, that will show the Member for Livingstone-Macleod that in fact there is a difference, a fundamental difference in these machines. It is documented that the normal kind of gambling addiction – he mentioned that he's really interested in horse racing; he likes to spend a day at the horse races. With that kind of gambling, when gamblers addicted to it hit rock bottom, it takes them 22 years on average to get to rock bottom. It takes somebody who hits rock bottom with video slot machine gambling two years to get there.

There is a fundamental difference. While we are all intrigued by his reference to history and by his grasp of some historical facts, what he doesn't point out is that if he really was opposed to prohibition, then he would allow all kinds of other choices to exist in our society, choices which now are prohibited by law. What he is underlining really is that society makes choices. Otherwise, he would be advocating next to legalize heroin, or he'd be advocating to legalize prostitution. Those are choices too. But our society makes decisions about value-based issues, and the fact is that there are kinds of gambling, which many people disagree with, which are not as corrosive and are not as addictive as video slot machines are.

I do not accept this argument that somehow it's going to lead to 15,000 hidden, illegal, video slot machines in Alberta. That would be 15 video slot machines in every one of the 1,000 establishments that are allowed now to have them. I suppose it would be really difficult to hide those in those bars. You might walk right in and not actually see them. The police, you know, wouldn't have a really tough time finding them; would they? They'd just walk in the front door and say . . .

MR. DICKSON: Put a plant pot on top of them.

MR. MITCHELL: Yeah, they could hide it with a plant pot on top. That's how they'd hide those machines.

My colleague from Calgary-Buffalo painted a very interesting word picture as we were listening to this argument that somehow these machines are going to go underground. He said that here are all these Albertans standing there in somebody's garage with their gloves – you know, the gloves with the fingers cut off so they can get the coin in – and they're shaking and playing in a garage. As if their lining up and down the road isn't going to come to the notice of the neighbours, who might then phone the police and get them, if they were ever there, arrested for having them and get rid of them. Mr. Speaker, it's a ridiculous argument. It's a ridiculous argument.

If we prohibit video slot machines, we can police and manage the ones that might be undertaken illegally. And if he wants to take his illogical argument to its logical conclusion, then he will allow far more choice about things than his government is willing to allow choice about today in this very province. It's a hypocritical argument, Mr. Speaker, and I withdraw it even as I said it.

Mr. Speaker, I want to say that there is one thing I can see that motivates this, because it's not the facts that motivate this particular motion. There is not evidence to say that reducing the speed is going to somehow make it better. The fact is that it's like painting rust. It will be covered momentarily perhaps, but it

will percolate up again and we will see its ugly underside. They'll get another two or three years where they can argue that there are no studies, nothing to support it, and as sure as we are sitting and standing here in this Legislature today, again we will see that slowing them down doesn't work. In fact, what it might tend to do is just cause the people who are addicted to them to spend more time away from their family because it takes them longer to get to wherever they never seem to be able to get anyway. It is an initiative that does one thing: it assists that member and perhaps others in attempting to salve their consciences about something that is unconscionable.

The Member for Lacombe-Stettler is touted as an expert somehow because of her study. In fact, her study is used as a justification on behalf of Albertans for having VLTs in this province. But her study never asked the question, which was: do you want them, or don't you want them? Her study only asked: what do you want to do with the money now that we're getting it? It is not a justification for video slot machines. There is not a justification, I would argue, that's sufficient to slow these things down.

[The Speaker in the chair]

It is nothing but an effort to salve a conscience, and I'll tell you that in the long run it isn't enough and we're not going to support it. I'm not going to support it because I absolutely am not going to stand here and be party to this member and others trying to make themselves feel better when it's not really going to address the problem that is making some people hurt extremely badly in this province. You know what? We can do something about it, and that's why we should do something about it. That's why we must do something about it. One thing to do about it is to vote against this motion so that we can get on with the real solution, and that is to do away with VLTs altogether.

Thank you.

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

MRS. BURGNER: Thank you, Mr. Speaker. I would like to focus the discussion back on the motion that's before us. It was mentioned earlier that AADAC had a role to play in identifying and treating addictions. I want to start from that premise, as chairman of AADAC, and recognize that addictive behaviour in this province does create serious problems for us. With all due respect to the member who has brought this motion forward, she is well aware that quite often our problem gamblers present themselves with other addictions, most often alcohol. One of the things I'm encouraged about in this discussion is the fact that as we look at addictive behaviour and its destructiveness within our community, we might be mindful of the impacts of alcohol and the cost of over three-quarters of a billion dollars being spent each year to deal with that problem.

When you look at the statistics with respect to problem gamblers, a total of 7 percent of the clients that we see have a problem with gambling only or alcohol and other drugs. So it's been stated that we're dealing with a small percentage of the problem. Having said that, Mr. Speaker, we are dealing with a serious problem. I can just give you some statistics that we deal with. Treatment admissions for problem gamblers have increased by 13 percent over 1995-96 numbers. Problem gambling was added to our mandate in 1994 to broaden our numbers. New programs continue to be implemented, and we are funded for those through the Provincial Treasury and AGLC. I want to just put on the record that it's close to \$3 million that we receive to

deal with that. The mandate review that we have and the direction we have through the government is to ensure that funds are there to deal with the problem gamblers that present themselves.

4:20

In 1996-97, 2,617 problem gambling clients were admitted, and that's 7 percent of the total of those who presented themselves for treatment in other areas. The percentage that most frequently uses VLTs has increased from 57 percent in 1995-96 to 64 percent in 1996-97. The gambling help line has dealt with 11 percent more crisis counseling calls in '96-97 than compared to the previous year. Mr. Speaker, we do have a problem.

As chairman of AADAC I want to support the motion that's before us. We're not charged in any way with regulatory responsibilities, nor do we deal with social policy at AADAC. Now, in relation to gambling, Mr. Speaker, we deal with a mandate which includes preventing and treating problem gamblers and making sure that we do this in relationship to the research that is available to us and our training. We also have a very extensive education component that we bring to bear on our understanding of this issue.

Mr. Speaker, I'm very pleased to have this debate in the House this afternoon, because clearly it's evident that this is a new phenomenon in our society and that accurate data and research is important. It is difficult to see a community fragmented over whether you should do this or should do that or whether one machine is better than the other. I have spoken to the hon. member about the fact that accurate and up-to-date valuable research is a key component, and AADAC supports that.

In terms of the speed of play, we do support slowing down the speed of play. In our clinical studies and some of the developments that we use in treating our problem gamblers, they have identified to us that the speed is certainly a factor. Mr. Speaker, it doesn't matter whether it's two seconds or 10 seconds or interruptions that have a variety of issues presenting themselves. The people who come to see us said that they are seduced by the speed of the game, and it has an element of excitement to it which, particularly if you recognize the dual addiction component, is exacerbated. So we're very pleased to deal with that.

We're not aware of any empirical research to support either increasing or decreasing the payout of machines and the effects this might have on problem gamblers. But, Mr. Speaker, when you look at the increase in revenues coming from those members of the community who are problem gamblers, it would be clear that some investigation of this issue should be looked at, and the motion urges the government to do so. It doesn't specify how it will do that, but it's clearly saying that we have a role to play in looking at the research about the impact of payouts.

AADAC clients tell us that when they have problems with VLTs, near wins or small wins do maintain their interest and their excitement in playing, so we have to look at the speed of the payout as well. Some of the issues that the hon. member has raised in her research lead us to some further discussion on that.

Mr. Speaker, what I find very interesting about this is that it has galvanized a fair amount of focus around what we should be looking at in the community. I've mentioned the issue of research, and I've also mentioned the fact that we support that. We did a prevalent study in 1993. A current one is under way. The research has been collected, and it's being tabulated. We look forward to finalizing that document not only for use in our treatment of the problem gamblers that present themselves and to assist our staff and various organizations that relate to us but also

to assist us in giving government some support for further policy discussions that are going to be required.

I'd like to just conclude my comments by speaking as the MLA for Calgary-Currie, because clearly this is not a debate that's restricted to my role as chairman of AADAC. Mr. Speaker, I think one of the issues that really encourages me about the motion being brought forward today – and I do acknowledge the fact that these types of discussions have to be formulated with the Clerk's office several months in advance of the opening of session. The gambling review recommendation 9.1 clearly said that we had to review our gambling policy. This gives us one of many initiatives, and I encourage all MLAs to take this issue as it's debated today back to their communities and provide feedback so that when we do review the overall policy under section 9.1 of the review, we have good, solid, factual information to deal with.

Thank you, Mr. Speaker.

THE SPEAKER: I'll recognize the hon. Member for Calgary-Buffalo for 30 seconds.

MR. DICKSON: That's fine, Mr. Speaker.

[Motion carried]

THE SPEAKER: The hon. Member for Calgary-Mountain View.

Capital Gains Tax

506. Mr. Hlady moved:

Be it resolved that the Legislative Assembly urge the government to press the federal government to introduce legislation to repeal the capital gains tax.

MR. HLADY: Thank you, Mr. Speaker. Rather than getting into it at this time, I would propose that we would move on to government business at this time and start the motion next week. May I do that? Can I not do that? Okay. Well, thank you very much.

Mr. Speaker, thank you very much for recognizing me today. In speaking to my motion in regards to urging the federal government to remove the capital gains tax, I believe this motion is a very important thing in regards to investment in the province as well as across the country. Our position in this country compared to the rest of the world has been a very negative position, dealing with investment as an important part of our economic growth.

The capital gains tax has affected investment in this country in a very negative way. The investment that has gone offshore over the last 20, 30 years has been immense. One of the most negative parts of the capital gains tax is the fact that investors that have a lot of wealth have the ability to move their wealth around the world today. Money really has no borders. The rich have been able to take their money outside of the country, invest it through other countries, and bring it back into Canada through protected mechanisms of dealing with other countries. The average Canadian and Albertan doesn't have the ability to do this particular form of investing. Because they don't have the ability to do this form of investing, they don't have the ability to protect their investments through minimizing the tax that they have to pay.

The average investor who invests in be it a small business, a public company, a private company – whatever type of investment they are doing, they do have a lot of problems being able to take that money and see a very reasonable profit. Being taxed at 75

percent of your normal tax rate affects your ability to get a great rate of return.

Removing the capital gains tax would certainly allow the average investor to have a better rate of return and to save for their future retirement, when they decide they would like to retire. The individuals moving along and not investing inside the country and taking their money outside the country and bringing it back into the country have protected themselves and have a much greater possibility and opportunity for a return over a longer period of time. Again the smaller individuals investing inside the country do not realize the great rates of return.

I've spoken with the Canadian taxpayers association and the Canadian federation of small business. Both of these organizations are in very strong support of . . .

THE SPEAKER: I hesitate to interrupt the hon. Member for Calgary-Mountain View, but the time allocated for this type of business today has now concluded.

head: Government Bills and Orders
head: Second Reading

4:30 **Bill 3**
School Amendment Act, 1998

[Adjourned debate March 2: Mr. Hancock]

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

MRS. SOETAERT: Thank you very much, Mr. Speaker. I know some of my colleagues on this side of the House have already spoken to Bill 3. I just want to express one brief concern I have about it that I'm hoping the minister will address when we go into committee with this bill, and it is specifically concerned with the wording of - what's it called? - "off-campus education programs." I guess I'd like a better definition of that, maybe defining what "programs" mean and who can deliver them.

I think many of us are very familiar with work experience. I know that that has been very successful. Some of us may have had some work experience students in our own offices. I also know that Ernie Oginsky out of Sturgeon composite does a phenomenal job and even got recognition for his work with work experience students.

If that concern is addressed, hopefully, by the minister when we get into committee, I would appreciate that, because off-campus programs could be quite a wide scope. I'd like that defined before I support this bill one hundred percent.

With just those brief words of concern, I would hope they would be addressed in committee.

THE SPEAKER: The hon. Minister of Education to conclude debate.

MR. MAR: Question, Mr. Speaker.

[Motion carried; Bill 3 read a second time]

Bill 20
Fair Trading Act

[Adjourned debate March 2: Mr. Sapers]

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

MR. BONNER: Thank you, Mr. Speaker. I rise today to speak

to Bill 20, the Fair Trading Act, and I'd like to congratulate and thank the Member for Bonnyville-Cold Lake for the tremendous work he's done in getting this extensive bill together. He did go through quite a consultation process that involved a wide range of interested stakeholders and certainly is to be congratulated on the product.

In looking at Bill 20, the Fair Trading Act, it is an act which has many objectives. Of course, the most important one is that it does give us increased consumer protection for a group of vulnerable consumers in our province, the seniors. It cuts red tape, it provides a modern legislative framework for the Alberta marketplace, it strengthens marketplace rules and penalties where consumers have been most vulnerable, and it harmonizes Alberta's legislation with other Canadian jurisdictions in several key areas.

It was 30 years since this bill was last worked on, and there are a number of new marketing techniques that are in the marketplace today. Of course, we all know how easy it is to use a credit card, to give the number over the phone and have bills paid for in this way. We have direct payments. All of these do include a great number of new risks for the consumer. So what this bill does is it does protect the consumer.

It also will protect Albertans from unethical out-of-province telemarketers. Vulnerable consumers will not be losing their hard-earned dollars to scams. It will also protect other consumers who reside outside of Alberta from the unethical businesses situated within the province. This bill is also progressive in that it not only protects businesses and consumers from problems that exist today but is also flexible enough to keep us up with the rapidly changing developments in the marketplace due to technology.

Mr. Speaker, Bill 20 will consolidate seven acts into one. There is nothing that has been taken out of the previous acts in this piece of legislation. On the other hand, there are a number of additions that will strengthen this particular act. The Fair Trading Act will make Alberta's legislation relevant to the way consumers shop and the way they pay for their goods and services not only today but in the future.

There are a number of highlights in this Fair Trading Act that I would like to go through right now. Part 2, the unfair and negative option practices: much of this section was brought in from the current act, but an addition that was made that is significant at this point is that presently there is no prosecution for people who violate this act, and in the new act there will be provisions made for prosecution. Presently Alberta is the only province in Canada that cannot prosecute. So this definitely is an addition that I welcome. As well, fines will be increased up to \$100,000 or three times the money generated by these unethical practices. There is also a jail term added, which can be up to two years, and there can also be restitution provided to the victims.

In looking under division 2, the civil remedies against suppliers, when a consumer has suffered damage or loss due to an unfair practice, presently the department on behalf of this consumer can take action in the Court of Queen's Bench, but what this addition will do is it will also allow the consumer to take his own action even if the department doesn't.

Another part that I like about this particular bill is section 21: "This Division applies to a negative option practice." Again, this is something that consumers need. A few years ago we had the practice here in Alberta where a number of us were given channels on our cable TV that we could use as a trial, but the onus was on us to indicate to the company if we did not wish these particular channels, and this practice will stop under this

particular act. I also look at division 1, section 27, the direct sales contracts, and "a consumer may, without any reason, cancel a direct sales contract at any time," and from the time the sales contract is entered into, they have 10 days after to withdraw from that particular agreement.

In division 2, section 37, we have some new sections added at this particular point, and this here is one of the sections that I mentioned earlier that harmonizes our legislation here in Alberta with the rest of the country. What it does in the case of time-share contracts is it gives anybody that signs a time-share contract seven days in order to have a cooling-off period and gives them the opportunity to cancel this contract. As well, it was noted by the Member for Bonnyville-Cold Lake that in his consultations with time-share companies here in Alberta they strongly supported this legislation.

Another section I'd like to look at here – and again this is a significant new part to the act – is under part 5, credit and personal reports, section 43. Presently Alberta is the only province where the consumer cannot access his file. This legislation will not only give the consumer that opportunity to access his file, but it also gives that person the opportunity to point out any errors, and if these errors are in fact true, they must be removed. As well, it gives the wronged person the opportunity to write a 500-word statement which would explain how these things happened, and again it adds significantly more protection to the consumer.

4:40

As well, under part 5, the credit and personal reports, a great addition here is that a reporting agency may not include some of the following information – and I refer particularly to section (i) – "information about the race, creed, colour, ancestry, ethnic origin, religion or political affiliation of an individual." Again a very positive step in legislation.

A new part of this act which will help many Albertans is part 7, fees charged by loan brokers. In the province it is now possible for people to go to people and apply for loans and a fee will be charged. Now, if this person has a bad rating or whatever, they probably will not get a loan, yet they are still held accountable for the fee. Under this section that fee could not be charged unless the loan was approved.

Another section here that a lot of parents will like, particularly those parents with young people in their home who are graduating from high school, has to do with credit cards. Many of us in this room that graduated from college – one of the things we did get upon graduation was numerous credit cards, which were unsolicited, from various companies. What this piece of legislation says under section 86 is that "a credit card issuer must not issue a credit card to a person who has not applied for the card." Again a very good piece of legislation.

Under collection practices, part 11. What happens today is that there are people out there who have bills and haven't paid their bills and they're sent forward to collection agencies. They're harassed at work. They'll get off the phone with some of these collection agencies, and two minutes later the phone will ring again. It ties up the phone lines of the business that this particular person works at. The change here will be that when that collection agency phones, the person will be able to make an agreement with them where the collection agency will phone them at night. At that point the collection agency cannot phone them back at their workplace unless the agreement that they made has not worked. Certainly it helps the person who is having difficulty with loans, because it doesn't put them in a bad light in the eyes

of their employer, and as well it does give them the opportunity to settle up with this collection agency.

Another section that I'll touch on here – and I'm going to leave a few here for my colleagues that are speaking after – is another change and a good one. There is at this time no obligation on auctioneers when they sell, for example, a new car to investigate to see if there are any liens or to collect on those liens. So what this will do is it will protect the purchaser of any objects that they get at an auction to not have to pay out the liens.

There are a couple of more points here that I wish to make before I turn this over. Again, one of those is part 14, remedies and enforcement. Under extreme conditions when there is an investigation and an inspector is investigating, if he feels at that point that a delay could involve the collection of evidence – where he walks into a particular office and material could be being shredded or burnt or whatever, it will allow him to gather that evidence without a search warrant. So again this will help in the process.

One last area that I would like to look at here is again under part 14, remedies and enforcement. The changes here in the act, in the penalties and enforcement, will certainly move Alberta into the upper one-third of all the provinces. As well, some of the penalties in this act will for the first time make us front-runners in the country.

So, Mr. Speaker, with those comments I would like to once again say that I support Bill 20, the Fair Trading Act. Thank you.

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

MR. DICKSON: Thank you, Mr. Speaker. A number of observations I wanted to make with respect to Bill 20. The bill is an interesting one, and I might say straight off, anticipating concerns that may come up in the course of my discussion, that this is a bill that has no single statement of principles. It's an amalgam, as best I can determine, of amendment of a whole series of different statutes. It's what we might call a consolidation or a housecleaning bill, and because there is no clear statement of principles and in the absence of a preamble, I'm going to be talking about some specific sections. That's not because I want to jump to the committee stage, but because in a bill like this one can argue that there isn't a single overriding principle or a set of overriding principles.

The history of the bill has been accurately and I think fully expressed by my colleague a moment ago. I remember being quite excited when Muriel Abdurahman, who was then a member in this Assembly, had spent time putting together an omnibus consumer protection bill. I encouraged her to do that. I thought it was a great initiative, and I'm pleased that the government now has also come to recognize the value in putting consumer legislation under a single statute to the extent possible. It was hopelessly confusing to people who wanted to know what their rights and obligations were and had to sort through a large number of different statutes. So I think that's very positive.

There are some questions I have in terms of going through the bill, and I want to start with some of the ones that attracted my attention in particular. Section 17 of the bill is interesting. This is a provision, Mr. Speaker, that allows court action by consumer organizations; in other words, "a group of consumers may commence and maintain an action . . . against a supplier who is engaging in or has engaged in an unfair practice."

Now, what's interesting, Mr. Speaker, is that we've listened to

the Minister of Justice repeatedly respond to calls for class action legislation, a statute that allows class action legislation, saying that it encourages frivolous litigation, that it's a scheme to compensate lawyers, that there's not enough money that ends up in the pockets of plaintiffs, of litigants. Astonishingly, if we look at the provision in section 17, we see the very same government the Minister of Justice is part of contemplate that when it comes to certain kinds of consumer litigation, it makes sense. It makes sense from a system perspective, it makes sense from a consumer perspective, and it makes sense from a taxpayer perspective to allow representative actions, to allow this kind of an action that's contemplated by a group of consumers. So one might then ask, after we try and wrestle the obvious contradiction between what the Minister of Justice told us as recently as I think last Thursday – his concern about somebody who had a defective jaw implant device installed and then experienced problems after – why we didn't have class action legislation. Members will recall the Minister of Justice said with no equivocation, no hesitation, no qualification that this is an idea that's bad in the province.

4:50

Well, Mr. Speaker, here – and members can understand the confusion of this member and perhaps other observers – we have a provision for a limited kind of class action legislation. I'm not sure how we reconcile this with what the minister has told us. So that's a concern I have, and I need some help from the mover of this bill to help understand what is the position of the government of this province. And if in fact it's appropriate that we allow a group of consumers to bring this kind of an action that's provided for by section 17 – and indeed I support it and think it's useful – why would we insist on it being such a narrow class of action? Why is the opportunity for this so narrowly defined? I don't understand that. Hopefully, we'll get some explanation before we have to vote on Bill 20.

The other thing I found particularly interesting was section 42. That's the provision, Mr. Speaker, that deals with “the Minister may make regulations” with respect to the marketing of goods and services through various electronic media, including the telephone, television, or the Internet. All members are mindful of the division of powers. I think members recognize the important role played by the government of Canada when it comes to regulating telecommunications. The Internet in particular is a medium that's notoriously difficult to regulate.

The late Mr. Justice John Sopinka of the Supreme Court of Canada spoke at a conference that was held in Edmonton. The provincial government was one of the sponsors of that conference. He talked about the difficulties in terms of trying to police the Internet. I'm interested that the government of Alberta has bravely decided to leap into the business of regulating the Internet through section 42. There are some very serious questions that I think members would like some clarification on in terms of whether this is in fact *intra vires*, whether this is within the legislative competence of the government of Alberta. Mechanically, if someone can help us understand just how it is that in this province we're going to manage to police a supplier in California or New Hampshire or France or South Africa who advertises a product on the Internet. Whether we should or shouldn't is a secondary question, but I'm always interested, Mr. Speaker. I'm always interested in creativity on the part of government and in government departments. So I'm going to be very interested in finding out just how the government proposes to undertake that.

I'm a bit troubled because this is all going to be done by regulation. There's a fundamental rule of law that says an

Albertan should know whether a particular course of conduct they're engaged in offends the law or complies with the law. We've got an area that is notoriously difficult to regulate, that has challenged legislators and policy analysts at all different levels of government throughout the western industrialized world, but here we're going to do it by regulation. In Alberta regulations of course are not subject to any sort of all-party scrutiny. The first time we find out about them is when we sit in our constituency offices and we see the announcement through the government information network, and then we search to see what the OC says. That's how we discover what the regulation is.

I think section 42 makes one of the most compelling arguments I could think of of why you need all-party oversight on regulatory lawmaking. There are some members who still aren't quite persuaded. I counted up the number of times that I and my colleagues have suggested we can do a better job of managing regulation. I think it's well over 50 or 60 times that those proposals have come forward, and they'll continue to come forward.

DR. TAYLOR: Has it had any effect?

MR. DICKSON: Well, freedom of information was introduced by the Liberal opposition I think at least six different years before the government appropriated it. You know, I've only been an MLA five years. I'm hopeful, Member for Cypress-Medicine Hat, that we're yet going to see another good idea picked up by the government.

I was keying specifically on section 42, and I think that may be one of the most serious areas where we have subordinate lawmaking in a hugely important and largely uncharted area given to basically secret backroom lawmaking.

But there are other provisions that also create law through regulation. One can look at section 41. One can look at section 12. One can look at section 45(3)(l). One can look at section 57. One can look at section 51. If ever, Mr. Speaker, we needed to consider how significant, how important, the making of regulations are, then this bill points out – that's really where the rubber hits the road. That's where we're going to see a direct impact on Alberta businesspeople, on Alberta consumers, but it's all done by way of regulation. That gives me a great deal of concern.

If we look at section 41, we've got:

The Minister may make regulations

- (a) respecting the form and contents of time share contracts;
- (b) respecting the giving of a notice of cancellation of a time . . .

If we look at section 12, the provision there is:

The Minister may make regulations

- (a) specifying unfair practices . . .
- (c) respecting the records to be maintained . . .
- (d) prescribing information that must be given . . .

Mr. Speaker, I'm not such a Luddite that I would argue that these things ought not to be done by regulation. I think there are compelling reasons why it should be done by regulation, but the subordinate lawmaking process has got to be more open and more transparent. This is a bill where I think that point has to be made.

Now, if one looks at sections 20 to 23, this is something I applaud. I think it's important to ban negative option practices. I think this is a very positive element in Bill 20 and one I support without hesitation.

Part 5, frankly, I find a bit disappointing. It seems to me, Mr. Speaker, that we had a great chance in this bill to deal with video surveillance. Now, that's going to be addressed in another bill

coming in front of the House – that's Bill 210 – but here was a government bill that could have addressed the whole issue of video surveillance. Members understand, I think, the extent to which there's a record of us in terms of every time we go to an ATM, every time we go into a 7-Eleven or a Mac's, every time we do a host of other things. If you stand on a C-Train platform in Calgary, there's a video record. But it's gone much, much further in terms of department stores and that sort of thing. That's an important consumer practice. I'm not saying that video surveillance should be banned, but I certainly believe that it warrants regulation.

[The Deputy Speaker in the chair]

Mr. Speaker, I want you to know how carefully I monitor whether you're sitting or standing.

The other element of the bill that caused me great concern is section 46. What I found troubling with section 46, the disclosure to the individual – this is part of what we'll call credit and personal reports, sections 43, 44, 45, and 46, and then some other comments.

5:00

Why are we fiddling around with a stand-alone bill when we have in our Freedom of Information and Protection of Privacy Act what we all agreed were five important principles? One of those principles was to provide for independent reviews of decisions made under that act in terms of accessing a record. What happens here, Mr. Speaker, if there's a conflict between a credit reporting agency and an individual consumer over whether the act is being complied with? Where do you go to have that reviewed and assessed by an independent party? Frankly, the consumer is left on their own to try and sort it out.

Well, you may have a great deal of influence when you want to talk to the Alberta vice-president of the Bank of Montreal or the CIBC. Most Albertans are going to be pretty intimidated, and when they have that kind of difficulty, they're not going to have the Minister of Labour or the Minister of Energy to go with them, somebody with some clout in this province to get the attention of that large credit-granting agency. And it seems to me that that's a gap in the bill.

Mr. Speaker, I know I'm running out of time, so I'm just going to highlight some of the other things that give me some concern. When it comes to credit and personal reports, I suggest, Mr. Minister, that what we should be doing is looking at the five principles in section 2 of the Freedom of Information and Protection of Privacy Act. We ought to be using that act and adopting those same principles and bringing them in here. If it was good enough in 1994, when we passed that law, and good enough when we amended the law in 1995 in the spring and good enough when the bill was given Royal Assent and proclaimed on October 1, 1995, surely it's good enough to be brought in and made a part of something as important as this Fair Trading Act. All it does, members, is simply enhance the legislation. I think that's an area that we can do much better in.

The other difficulty. To all of us who watched with some horror, some acute disappointment when the Minister of Labour had a chance to amend the onerous fees that we have in this province under our freedom of information act, some of the highest fees . . . [interjections] Well, I'm going to share with the minister the bill I've got on my FOIP request, Mr. Speaker. I simply can't afford it. If his colleagues were more forthcoming

with information, I wouldn't have to make so many FOIP requests.

The point I think I was trying to make is this. We passed one of the strongest freedom of information laws anywhere in the country.

MRS. BLACK: Well, it's about time you said that, Gary.

MR. DICKSON: I've always said that, Madam Minister.

What happened is that we attached some fees, fees that ended up discouraging people from using the act. Mr. Speaker, at the time it was justified by saying: we want to eliminate frivolous and vexatious requests. Those people who supported that never obviously read the provision in the act that allowed the commissioner in appropriate cases to allow a department to refuse to comply with a frivolous and vexatious request. The safeguard was already there.

In any event, I'm getting too far afield. [interjections] I'm trying hard to stay on topic, but the friendly advice I'm getting from across the way is distracting me, so I'm going to try my darndest, Mr. Speaker, to get back to the principle of the bill.

I think that what we're simply trying to say is this: there have to be some safeguards. In the FOIP Act we've got a provision for some limits on fees. Fees can only be on a cost recovery basis. Fees have to be reasonable. There's provision for waiving fees. We don't find any of those elements in Bill 20, and if they were good enough for the Minister of Energy and for all members of this Assembly when we passed the freedom of information act in 1994, why wouldn't they be good enough now? Why wouldn't we at least take some of those progressive elements and carry them forward in Bill 20? There may be a good reason. I can't for the life of me imagine what that might be, but I'm certainly open to dialogue in response to the bill to find out how I've missed that.

Mr. Speaker, there are a number of other issues with respect to Bill 20 that give me some concern, but I'm going to try and share some of them with the sponsor of the bill because I know he wants this to be the best piece of consumer protection legislation we can have in Alberta. I think every one of us wants the strongest, most effective kind of consumer protection legislation in Alberta. The government has made a very significant step forward, which I salute them for, in terms of consolidating those different bills. That's very positive. But let's not stop only partway.

Mr. Speaker, I move that we adjourn debate on Bill 20.

THE DEPUTY SPEAKER: The hon. Member for Calgary-Buffalo has moved that the Assembly do adjourn debate on Bill 20. All those in support of this motion, please say aye.

HON. MEMBERS: Aye.

THE DEPUTY SPEAKER: Those opposed, please say no. Carried.

Bill 23 Railway Act

THE DEPUTY SPEAKER: The hon. Member for Fort McMurray.

MR. BOUTILIER: Thank you, Mr. Speaker. [some applause] I'm glad many people are anticipating this really good speech, and

I'm glad I'm here, because nature was calling just previous to that, and we would not want to adjourn early.

Mr. Speaker, I move second reading of Bill 23, being the Railway Act.

The present act governs provincial public for-hire railways, commonly referred to as a short line railway. At the time the act was implemented, railways were viewed as public utilities, and regulators sought to control most aspects of their operations. This function was served by the former Public Utilities Board, now the Energy and Utilities Board.

The Railway Act needs to be updated to reflect a modern Alberta. Three gaps in the current legislation are driving this change. First, while there is the potential for the development of short operations in Alberta, the existing Railway Act, with its stringent economic provisions and the requirements for a special act for each new operator, could be detrimental to such activity in the province. Secondly, although the existing act gives the Minister of Transportation and Utilities authority to appoint safety inspectors, there really is no provision which allows the minister to develop safety regulations, which we believe is important to all Albertans.

There are two other types of railway operations in the province which are not addressed by the existing Railway Act; that is, industrial railroads as well as amusement railroads. An industrial railway, sometimes called a private railway, is operated by a company exclusively for its own use, using its own mode of power and crew to move rail cars between the plant and the point of connection to a public railway. There are approximately, Mr. Speaker, 30 such railways operating in Alberta. For example, Novacor Chemicals near Joffre and Lafarge Canada near Exshaw maintain this type of rail operation. While industrial railways are under provincial jurisdiction, the existing Railway Act does not apply, and there are no provisions which allow for the regulation of situations related to public safety; for example, where the railway and the public interact, such as at crossings of public highways.

There are also full-size amusement railways operating in the province, at Fort Edmonton Park, to use one example, as well as the Calgary Heritage Park and the Alberta pioneer railway museum. Now, while Alberta Labour addresses worker safety issues and the inspection of steam locomotive boilers, the monitoring and regulation of safety in the rail operations is not addressed.

That is the intent of Bill 23, which proposes a new Railway Act which will achieve three main objectives: provide for the development of new short lines, ensure that the safety aspects under provincial jurisdiction are adequately addressed, and also provide the Minister of Transportation and Utilities with legal authority to enforce safety procedures.

The new act will establish a system for the approval of construction and safety aspects by the railway administrator under Alberta Transportation and Utilities and an appeal mechanism of the administrator's decisions through the Motor Transport Board. The new act will repeal the existing Railway Act and the Central Western Railway Corporation Act. The new Railway Act would apply safety and some economic provisions to the short line railways, while industrial railways and full-size amusement railways would be subject only to safety provisions.

5:10

Economic provisions on short line operations will be minimal and cover basic entry and exit provisions as well as common carrier obligations. The act also provides for development of a mechanism to address shipper/carrier disputes.

Mr. Speaker, while the minister would be given the authority to develop safety regulations, the onus to operate safely would be on industry. Audits supported by spot inspections would be used to ensure industry is complying with the proposed new provisions of the act. The act would provide measures to address situations between landowners and railway operators through the construction and operation of railways, including initial construction of the railway and any necessary crossings and the ongoing operation. The act provides for reference of land disputes to the Surface Rights Board.

Mr. Speaker, Bill 23 has been developed in consultation with various provincial stakeholders, people that are impacted because of the existence of this proposed new bill. The stakeholders included operators of provincial and federal public railways, operators of industrial and amusement railways, shippers, the Alberta Urban Municipalities Association, the Association of Municipal Districts and Counties, and the other government departments who are clearly closest to our public.

A discussion paper was provided to over 50 external stakeholders in the fall of '97, Mr. Speaker, and meetings were conducted or written comment received from 20 different organizations. So a very comprehensive consultation approach was in fact implemented. The stakeholders agreed with the need for a new Railway Act, and there was an overall good support for the proposed provisions. We want to thank our stakeholders within Alberta, from every corner, for their input.

Finally, Mr. Speaker, members of the opposition also have worked with officials from within the department of transportation. I thank both the transportation officials and the opposition for their good work in coming to this point.

Mr. Speaker, that concludes my opening remarks regarding second reading. Thank you.

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

MRS. SOETAERT: Thank you very much, Speaker. I appreciate the member tabling Bill 23 yesterday. Of course, speaking to it today is a bit short notice, but ever resourceful, here we are today debating it.

I want to point out my understanding of it and ask some questions. I would like to thank the minister of transportation for arranging a briefing session for myself and for other members of the opposition. I appreciate that. I think that's a good first step. That's the first minister that has offered that opportunity to me in my role as critic, and I think that certainly makes for better communication and an opportunity to do some homework. I certainly appreciate the homework that's been done by the staff and their willingness to answer questions and be available for more questions. However, we just got information on this yesterday at 4:30, so I would personally appreciate a little more time to look into it in more detail.

From my understanding of it the short lines that virtually the federal government are getting rid of will now be taken over by the province, and that will be their jurisdiction. So in that role the provincial government wants to make sure that safety standards are adhered to as they have the short lines within their domain.

The safety regulations will come into play here. I would personally appreciate seeing those regulations. It would be nice, for once, to see regulations before a bill goes into place. I appreciate that they're going to be following the federal standards,

but in all fairness, to totally support a bill it would be appreciated seeing the regulations before I vote on it. So I would appreciate that. I realize it's in the works, and hopefully we'll see a draft of that fairly soon. Even if it is a working draft, I would appreciate that.

I want to say one thing. The administration of this will be an appointed person. I'd like to know the background of that person, how the minister will decide that person will be . . .

AN HON. MEMBER: Honest.

MRS. SOETAERT: I'm sure he will be honest.

But just the background: what will be the criteria for appointing that person?

Section 56(1) at first perusal could be outrageous because it actually allows the minister to make any laws he wants. So I see that we're going to need more time to look at this bill, Mr. Speaker. However, I won't get a chance to speak again at second reading except for this opportunity now. I have to express grave concerns right now with section 56, and I'm sure the hon. Member for Fort McMurray is going to look into that himself now, now he knows he's got to do some homework on this because the opposition may be bringing in amendments.

With that, I would move to adjourn debate and look forward to further debate on this piece of legislation.

THE DEPUTY SPEAKER: The hon. Member for Spruce Grove-Sturgeon-St. Albert has moved that we adjourn debate on Bill 23. All those in support of this motion please say aye.

SOME HON. MEMBERS: Aye.

THE DEPUTY SPEAKER: Those opposed, please say no.

SOME HON. MEMBERS: No.

THE DEPUTY SPEAKER: Carried.

Hon. Deputy Government House Leader.

MRS. BLACK: Mr. Speaker, I move that we call it 5:30 and then reconvene tonight at 8 o'clock in Committee of Supply.

THE DEPUTY SPEAKER: All those in support of this motion, please say aye.

HON. MEMBERS: Aye.

THE DEPUTY SPEAKER: Those opposed, please say no. Carried.

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