LEGISLATIVE ASSEMBLY OF ALBERTA

Title: **Tuesday, May 21, 1985 2:30 p.m.**

[The House met at 2:30 p.m.]

PRAYERS

[Mr. Speaker in the Chair]

head: INTRODUCTION OF VISITORS

MR. SCHMID: Mr. Speaker, it's a special privilege tor me today to be able to introduce to you and to members of this Assembly His Excellency Eliashiv Ben-Horin, the Ambassador for Israel, and Mrs. Ben-Horin. He has a very distinguished career, having been at the embassies of Washington and Ankara, Turkey; Ambassador to Burma, Venezuela, the Federal Republic of Germany, Belgium, Luxembourg, and European communities. Canada is fortunate to have such an outstanding diplomat representing his country in Canada.

Also, it may be of interest to our members, Mr. Speaker, that we are selling to Israel wheat, barley, canola oil, and Alberta's yellow gold, namely sulphur — last year alone to the value of $35 million. I would ask His Excellency and his wife to rise and receive the welcome of the Assembly.

MR. GOGO: Mr. Speaker, I welcome the opportunity to introduce to members of the Assembly a good friend of AADAC in the person of Mr. David Archibald, who is seated in your gallery. Mr. Archibald is president of the international Council on Alcohol and Addictions based in Lausanne, Switzerland, and is here to confer with me and others on the very exciting centennial ICAA conference this August in Calgary. Early in 1950 Mr. Archibald came to Alberta to confer with the late hon. J. Donovan Ross, and the establishment of the alcoholism foundation of Alberta resulted. Mr. Archibald is also the founder of the prestigious addiction research foundation of Ontario. He recently served as a one-man royal commission appointed by the Governor General of Bermuda to conduct an inquiry into the problems of alcohol and drugs in Bermuda.

In his position as president of the ICAA, Mr. Archibald has actually been to every continent and has recently been addressing the problems of the hill tribes in Thailand whose economic survival depends on the growing of opium poppies. Mr. Archibald has offered recommendations for crop substitutions to form an alternative, solid economic base. I ask members to join with me in a warm welcome to this great-great-grandson of one of our Fathers of Confederation. I ask Mr. Archibald to stand and be recognized by the Assembly.

head: TABLING RETURNS AND REPORTS

MR. STEVENS: Mr. Speaker, I'm pleased to table with the Assembly the annual report of the Public Service Commissioner for the 1984 calendar year.

head: INTRODUCTION OF SPECIAL GUESTS

MR. ALEXANDER: Mr. Speaker, it is my pleasure to introduce to you today and to other members of the Assembly 26 students from grades 5 and 6 from one of the province's outstanding community schools. Steinhauer elementary. The excellent part of these community school projects is that they not only make maximum use of the facility — they have excellent and constructive programs day and night — but these people, in keeping with the theme of International Youth Year, are indeed Young and Alive in '85. They are accompanied by their teacher Mrs. Cathy Cruikshank and parent Mrs. Janet Sewell. They are seated in the members' gallery, and I ask if they would please stand and receive the welcome of the House.

MR. DIACHUK: Mr. Speaker, it's my pleasure today to introduce to you and to members of the Assembly some 30 grade 6 students from the Abbott school in the constituency of Edmonton Beverly. They are accompanied by their teacher Mrs. Audrey Charchuk. I want to particularly welcome Mrs. Joy Martin, an exchange teacher from the land down under. Australia. They're seated in the members' gallery. I ask that they rise and receive the usual welcome.

MR. COOK: Mr. Speaker, I'd like to introduce to you, and through you to members of the Assembly, 54 students in the grade 9 class at St. Cecilia junior high in the Edmonton Glengarry constituency. They're seated in the public gallery and are accompanied by two teachers, Mr. Stephen Lee and Brenda Seibért, and, I believe, Lester Wasylisia. I'd also like to point out that St. Cecilia has a line record in both academics and athletics. I'd like to ask them to stand now and receive the warm welcome of the House.

head: ORAL QUESTION PERIOD

Income Tax

MR. MARTIN: Mr. Speaker, I'd like to direct the first question to the Premier, now that we have a chance. It has to do with communiqué 2 on taxation from last week's First Ministers' Conference. It talked of the urgent need for tax reform, the need in the provinces to lower the tax burden and to "distribute the burden of taxation more fairly among taxpayers." My question to the Premier is: what progress is being made in Alberta on developing a minimum tax on wealth for those with incomes over $50,000? I would point out that 1,824 Albertans in that category paid no tax at all in 1981.

MR. LOUGHEED: Mr. Speaker, perhaps I'm not clearly understanding the question. Does it stem from a premise from the Leader of the Opposition that Alberta should assume its responsibilities under the Constitution and arrange and administer our own personal income tax?

MR. MARTIN: I didn't know I was in question period.

No, Mr. Speaker, I'm referring to a statement that was made by the premiers, communiqué 2. If we agree to "distribute the burden of taxation more fairly among taxpayers," my question to the Premier is: what progress is being made by this government on developing a minimum tax on wealth for those making over $50,000?

MR. LOUGHEED: Mr. Speaker, I'm still having difficulty with the question and the reference to the minimum tax. If the Leader

of the Opposition is referring to the personal income tax system, we're now under the auspices of a tax collection arrangement in which those matters are resolved by the federal government. But perhaps I'm again misunderstanding the import of the question.

MR. MARTIN; A supplementary question. Recognizing that's the case, there are ways other provinces are moving in that regard. My question is simply this: has the Premier or the government given any thought to moving in that direction whether in consultation with the federal government or on our own in developing a taxation system where all people over $50,000 would at least pay a minimum tax?

MR. LOUGHEED: Mr. Speaker, again the difficulty with those questions is that they imply an involvement by the government of Alberta in the personal income tax structure. It's been our view — and I'll remind the Leader of the Opposition of the references within the white paper on industrial and science strategy — that the question should be looked at, but in terms of incentives with regard to the development of the particular economic base of this province. Matters which come within the ambit of the hon. leader's question relate, in my view, to the administration of the personal income tax system. If the hon. leader is proposing we do that and as I'm anxious to get support in that particular direction, I'll be interested to know whether or not his position is somewhat different than I thought it was.

MR. MARTIN: A supplementary question. Has the Premier made any representation to the federal government that there should be at least a minimum tax on people that make over $50,000 or whatever figure the Premier might want to make? Has any representation come from this government in that direction?

MR. LOUGHEED: No, Mr. Speaker.

MR. MARTIN: A supplementary question. In view of the fact that the western premiers agree that they want a taxation system that is spread more fairly among taxpayers, has the government initiated any special study here in the province to ensure that all Albertans pay their fair share? For example. I point out that we have more than twice the national average of wealthy citizens who pay no tax. This must be of some concern to the provincial government. Has there been any study to look at this problem administered by this government?

MR. LOUGHEED: Mr. Speaker, our view has been that what's important overall is for us to constrain our expenditures, have fiscal policies in which a very limited percentage of our expenditures or our revenues is required to service debt, and that we maintain the lowest taxation, in almost all the areas, across the country. We, of course, have that in the personal income tax system. It wouldn't be our view that we would get extensively involved in matters such as are part of the question by the hon. Leader of the Opposition, unless it was part and parcel of a review that the personal income tax system should be under the jurisdiction of the province.

MR. MARTIN: A supplementary question. I would say to the Premier: yes, they may be pretty low taxes; it's especially low for the wealthy in the province when they pay nothing, in some cases. I mentioned twice the national average. If we don't seem to be looking at a minimum tax on the wealthy and we haven't consulted with the federal government, are any other measures being contemplated to ensure that wealthy Albertans pay taxes? It affects our Treasury also.

MR. LOUGHEED: Mr. Speaker, the whole thrust of these questions has been with regard to the personal income tax system. As hon. members are aware, the personal income tax system in this province is administered by a tax collection agreement with the federal government. Some believe there should be a reassessment of that position; others feel that the administrative costs are such that that should not be done. That's been a matter of public debate. In view of the responsibilities of government, we've not felt that major changes, considerations, or studies of the personal income tax system should be taken by this government until we come to grips with the issue of responsibility for that system, which now rests with the federal government.

MR. SPEAKER: Might this be the final supplementary in this series.

MR. MARTIN: A supplementary question, flowing from the premiers' conference. We were told there was a lot of discussion about the across-the-board, flat taxation system. Could the Premier update us? Is this now a concept we agree with the government of Saskatchewan on, or are we looking at this at this time?

MR. LOUGHEED: As I believe I answered the members of the media on a similar question when I was in Grande Prairie. Mr. Speaker, arising out of the white paper Industrial and Science Strategy for Albertans 1985 to 1990, we have a number of task forces and groups assessing our position. One of them involves the area of taxation. We have citizens involved, and we have members of the government caucus involved. They're looking at a number of options. One among many is the flat tax approach.

Travel

MR. MARTIN: I'll direct my second set of questions to the Provincial Treasurer. It has to do with government expenses. If we're not going to collect it on the one hand, we have to restrain ourselves. The Treasurer has said this many times. I see. Mr. Speaker, that government travel outside the province continues unabated. The papers released that from November 1983 through February 1984 — four months — we spent roughly $360,000 on travel and hospitality. This does not include government travel within the province or private members' travel outside Alberta. We're probably still spending about $1.5 million. There has to be some bang for the buck, if you like, accountability. Could the Treasurer indicate how these trips are monitored and how the government determines if these trips have an economic value for Alberta taxpayers?

MR. LOUGHEED: Mr. Speaker, I'd be pleased to answer that question. I think a similar question was directed to me. I don't have the precise *Hansard* reference. | believe it was May of last year when I was asked by the Member for Little Bow whether or not travel by the government of Alberta outside the province would increase. I said that I thought it would. It certainly was my instruction to the government caucus and to the members of the Executive Council that, for a multitude of reasons, we should expand our communication in all parts of the world and all parts of Canada in terms of our responsibilities. That's the directive they received from the President of Executive Council.

MR. MARTIN: I recognize that they probably received it and they're doing it. That's not my question. The reason given is that it would increase business chances for Alberta. But there has to be some accountability. I don't care if it's the Treasurer or the Premier; I ask how these trips are monitored and how we determine i f , in fact, they do have an economic value for Alberta taxpayers.

MR. LOUGHEED: Mr. Speaker, there's no possible way in any marketing or selling situation in which you can monitor it precisely. Intangibles are really involved. Sometimes you create good relationships that open the door for private-sector entrepreneurship. Sometimes you create an interest in coming to visit Alberta by a mission that would come to this province and then have an interface with the private sector. We're not just involved in the economic field. We believe it's important for us to know what's going on in the various other fields of government activity, and it's necessary for us to move, to search out new ideas and new approaches, to invite people here. This government, since elected in 1971, has consistently been of the view that we have to have broad horizons and that those horizons should be continually expanded. We're part of a federal system in which we own the resources, have exclusive jurisdiction in many areas. We should clearly recognize that we're in a global village and in an international community.

MR. MARTIN: A supplementary question. It seems there is no policy; it's just a blank cheque: "Go out and have a good time."

MR. SPEAKER: Order please. Let's get to the question, if there is one.

MR. MARTIN: Of course there is, Mr. Speaker. Of the more than $360,000 spent in the period November 1983 through February 1984, I notice that nearly $200,000 was spent by nonministerial and non-Executive Council staff. My question is to either hon. gentleman: what measures is the government taking to see that travel outside the province by bureaucrats is limited to those occasions where the travel is absolutely necessary?

MR. LOUGHEED: Mr. Speaker, it's a matter of judgment. Certainly I would expect that, quite properly, we retain a number of people in the public service of the province, outside Executive Council, that would have responsibilities to conduct marketing, intelligence, or communication.

The concept in the preamble that this is just a matter of having a good time: I've had enough experience with the individuals involved to recognize that there is a misconception, if the hon. leader has it, that these trips are a matter of having a good time. Most of them involve extremely hard work, distance away from family, and personal sacrifices. If we left it entirely to a matter of choice. I'm sure the majority of them would not go.

MR. MARTIN: That's what we're trying to find out: policy and guidelines. Obviously, there are working trips. That's what I'm trying to nail down, but we don't seem to have any policy guidelines. Let me give you an example, Mr. Premier, of how vague it is and ask why we would accept this. There were 24 such trips with the single explanation that they were meetings with the private sector. Does the government monitor these journeys? Can he indicate why specifics of these vague meetings are not listed? Surely "meeting with the private sector" can mean anything. It could mean a meeting with anybody.

MR. LOUGHEED: Mr. Speaker, it would not be our practice to monitor or to set guidelines. It's the responsibility of the individuals, through the elected ministers, to determine that interface with the private sector, and I encourage it very much. I don't believe it should be specifically elaborated in terms of whom they meet with at a particular time. It's not my practice in my office, and I wouldn't expect it is with the ministers.

MR. MARTIN: A supplementary question. Is the premier saying he accepts from all government employees that if, all of a sudden, they are on a trip to anywhere outside the province, all they have to do is put down "meeting with the private sector", and that is good enough for him as far as government accountability and taxpayers' money goes?

MR. LOUGHEED: Mr. Speaker, when a minister is leaving the province, they communicate with me and explain to me the objective and purpose of their trip. When a member of the public service is making a similar trip, they deal with their immediate superior and probably, in most cases, through to the minister who would authorize the trip. We believe in the judgment of the people of senior management, almost all of which. I believe, would be included in that category, and that their judgment would be appropriate as to whether or not the trip is in the public interest of the province.

MR. MARTIN: A supplementary question.

MR. SPEAKER: Might this be the final supplementary in this series.

MR. MARTIN: To bring it to a specific, Mr. Speaker. Could the Premier indicate on what basis Alberta's Agent General in London is permitted to use taxpayers' money to go to a cultural event such as Shakespeare festivals at Stratford-on-Avon? How can we justify economic returns on that? Where do the economic returns come from something like that?

MR. LOUGHEED: I'm puzzled that the Leader of the Opposition does not see the clear-cut connection. In relation to this specific question, what we are involved in with the Agent General is relationships between the province of Alberta and the United Kingdom. It's been my experience in terms of travel that the relationships that develop from cultural, athletic, or other points of view very much lead in due course to a stronger personal relationship and then in due course, in the public interest, to economic progress and trade in both goods and services between our countries.

MR. MARTIN: A supplementary . . .

MR. SPEAKER: Perhaps we could come back to this topic if there's time.

Genesee Project

MR. R. SPEAKER: Mr. Speaker, my question to the Minister of Utilities and Telecommunications is with regard to the specific decision on the Genesee plant. Has the minister been able to review the report given last week and determine whether the cabinet now endorses the recommendations, or at the present time are there to be changes to those recommendations?

MR. BOGLE: Mr. Speaker, I indicated on Friday during question period — the hon. member may not have been in at that time; I'm not sure — that we would be very carefully reviewing

the recommendations of the Energy Resources Conservation Board and that it was my hope that a decision would be made within a three-week period of time.

MR. R. SPEAKER: Mr. Speaker, a supplementary question. Could the minister indicate, in terms of economic growth or the factor of need in terms of electrical energy, whether the forecast of the Provincial Treasurer, the ERCB, or the EUPC of the government would be taken into consideration?

MR. BOGLE: Mr. Speaker, the hon. member would be aware that the Electric Utility Planning Council forecast was certainly taken into account by the Energy Resources Conservation Board in making its decision. I expect that in the discussion which will develop between members of the two caucus committees and our cabinet, we'll have a full discussion on that matter before a final decision is made.

MR. R. SPEAKER: Mr. Speaker, a supplementary question to the Provincial Treasurer with regard to the financing of the Genesee plant. The Heritage Savings Trust Fund has been used to finance Hydro-Québec and TransAlta Utilities. Is there any consideration by government in terms of financial assistance to that plant?

MR. HYNDMAN: Mr. Speaker, it's been the history of the province and the policy for well over a decade, since 1971, that while many hundreds of millions of dollars are made available to municipalities for general public works, as is the case this year and in past years, under the existing policy those moneys would not be available to electrical utilities under normal circumstances.

MR. R. SPEAKER: Mr. Speaker, a supplementary question. Could the minister indicate the differences between, say, a loan under the Alberta investment division to TransAlta Utilities and Edmonton Power, other than public and private ownership?

MR. HYNDMAN: Mr. Speaker, as members know, that loan was made under the Alberta investment division some years ago when the situation with respect to moneys that were available was quite different. I might point out, however, that the moneys were made available under the market interest rates at the time.

MR. R. SPEAKER: Mr. Speaker, a supplementary question to the hon. Provincial Treasurer. Would the Edmonton Power Genesee plant qualify under the same terms as Hydro-Québec, which is a publicly owned utility?

MR. HYNDMAN: Again. Mr. Speaker, the loan to that entity some four to five years ago was at market rates at a time when there were a number of loans being made under the Canada investment division of the heritage fund. There have been no loans of that kind for more than three years, so the question isn't relevant in that sense.

Sales of Amino Acids

MR. LEE: Mr. Speaker, my question to the Minister of Consumer and Corporate Affairs is with respect to the federal government's decision to remove amino acids, apparently without justification, from the shelves of health food stores in Alberta. In view of the significant concern expressed by many citizens, has the minister taken any action to cause the federal government to reconsider this decision?

MRS. OSTERMAN: Mr. Speaker, I'm sure the hon. member is aware that both content and labelling are a matter for regulation by the federal government, and in this particular instance it's the Department of National Health and Welfare. As I recall, sometime last summer there were concerns raised about side effects of the particular product that the hon. member mentions. As a result of that, a number of them were taken off the — I believe it was mostly being sold through the health food stores. I've had a number of people raise that concern with mc and have forwarded their letters to the appropriate Members of Parliament so they can raise the question with the federal minister.

MR. LEE: A supplementary, Mr. Speaker. In view of the fact that while some concerns to one or two amino acids have been raised; the bulk that have been removed have indicated no difficulty whatsoever, can the minister indicate if, in fact, any reconsideration is being taken with respect to this blanket ban of amino acids from health food stores?

MRS. OSTERMAN: Mr. Speaker, while I can't be completely precise, as I would like to be. I understand that the federal government had contemplated and in fact sometime in December completed a list, or at least going to the marketplace with respect to those in the business, consumers, and so on, and putting a committee together to study the matter. I have not gotten information from the federal minister at this time, though I was informed earlier this committee would be studying the complete range of amino acids that were available and trying to identify those particular ones which had the side effects and in the other cases make sure they could go back on the market with the appropriate labelling and so on.

MR. LEE: A supplementary, Mr. Speaker. In view of the significant health impact this decision has had for many Albertans, would the minister consider expressing concern, by way of a letter or telegram, that this review take place with urgency so that those products that can be returned safely to the shelves will be in the near future?

MRS. OSTERMAN: Mr. Speaker, while I'm no judge of the length of time it would take to study the particular ones that are in question in terms of their side effects and what deleterious effects they may have on any particular person's health, I could certainly recommunicate, if you will, to the federal government those observations that have been made.

Farm Development Guarantee Program

MR. GURNETT: Mr. Speaker, I have a question for the Minister of Agriculture. It relates to the farm development guarantee program announced earlier this winter for farmers who weren't able to obtain operating loan financing anywhere else. I wonder if the minister could advise roughly how many applications for guarantees under that program have been received and how many of those have been approved.

MR. FJORDBOTTEN: Mr. Speaker, I don't have that information with me, but I'll be happy to check into it and report back.

MR. GURNETT: A supplementary question, Mr. Speaker. Could the minister advise whether he has any information about whether or not, because of the large number of applications, ADC offices and loans officers are backlogged one, two, three weeks with applications under the program?

MR. FJORDBOTTEN: Mr. Speaker, I don't believe that's the case. I believe that in each instance there has to be a workout plan established to qualify for the guarantee. That takes some effort on behalf of a number of individuals, but I understand that there isn't really any backlog and everything is moving as quickly as it can, recognizing that these are difficult loans. We're making steps that no one else is doing at the present time. There must be an assurance, with the use of public money in cases like this, that the workout plan can be established and that the individual can repay that loan over a period of time. I don't believe there is a backlog. However, all care is taken to make sure that the loan is a viable one.

MR. GURNETT: A supplementary question, Mr. Speaker. Does the minister have any indication at this point whether or not the funding initially announced for the program will be adequate, and is that funding as it was announced a ceiling for the program or simply an initial fund to operate from?

MR. FJORDBOTTEN: Mr. Speaker, we're really blazing a new trail with this program. It's going to take about six months. I believe, before we can really find out how well the program is working and make some modifications to it as we work our way through. The dollars in the program were the recognition that likely they would be adequate: however, if they're not, that's certainly another part that I'm prepared to review.

MR. GURNETT: A supplementary question, Mr. Speaker. Does the minister have any indication at this point as to how many farmers in Alberta this spring have been refused operating credit under this or any other program and as such have no access to operating money?

MR. FJORDBOTTEN: Mr. Speaker, I don't believe I can give that answer because, of course, I don't know the business of every farmer in the province. However, when I report back I would be able to advise of the ones that have qualified under our farm development guarantee. But there's no way I would have access to information of all farmers in the province and which ones have been turned down and which ones haven't.

MR. GURNETT: A supplementary question. Mr. Speaker, in relation to the workout plans that farmers develop in connection with receiving these guarantee programs, can the minister fill us in on the guidelines that are used and how significantly factors such as weather or pest problems would figure in looking at a farmer's proposal and whether or not it had a reasonable chance of success?

MR. FJORDBOTTEN: Mr. Speaker, I'm sure that would be a best estimate, recognizing that there may not be any equity left and the only equity there might be is the crop growing in the field. Of course, they would have to look at the risk factor, the weather being one of them and the pest problems. For example, we know that this year in southern Alberta there could be some grasshopper concerns. So that, of course, would be part of the risk factor that would be taken into account in looking at the workout plan. All of those factors are part of the final decision that would be made on giving him a loan.

MR. GURNETT: A supplementary question, Mr. Speaker. In addition to the loan guarantee program that is at the market interest rate and in view of the ongoing problems being faced by many farmers, does the minister at this time have any intention to look at such things as debt adjustment or fixed low-interest loans for farmers for more than just operating capital?

MR. FJORDBOTTEN: Mr. Speaker, the whole area of credit is always under continuous review, but I think it would be prejudging the present program we have in place. It will take the next three, four, five, or six months in order to see how the program is working. We think it will meet the challenges. We will, of course, look at other areas. With respect to debt adjustment, that's something we feel is retrogressive and something we aren't considering as a way for individuals to work out of financial difficulties.

Prince Rupert Grain Terminal

MRS. CRIPPS: Mr. Speaker, my question is to the Premier. What assessment does the government have that the opening of the Prince Rupert terminal will aid Alberta's determination to improve marketing of Alberta's grains?

MR. LOUGHEED: Mr. Speaker, I presume that the question has to do with the validity of our investment in a major construction project in another province. I believe, as I've answered previously in the House and could reiterate, the situation with regard to having a Prince Rupert Grain Terminal has these advantages for grain producers in western Canada and Alberta in particular. Number one, because the time for a ship to travel across the Pacific and back is reduced by two days — I believe it's some 700 kilometres shorter from Prince Rupert to the Pacific Rim ports — that obviously is a saving of cost. Secondly, because of the nature of having such a modern terminal that is so efficient, it should be possible as they go into full operation to in fact carry out the operations at less handling cost to the operation, which again comes back to the pocketbook of the grain producer in western Canada.

Thirdly, it provides an alternative in the case of circumstances in which the terminals in Vancouver are not able to operate at either full or partial capacity because of some circumstance where there's a transportation disruption. I think the hon. member may recall where there was a bridge out in the Fraser Valley for quite a period of time. In that circumstance we had really no alternative to ship our grain except through Thunder Bay or Churchill or, on a very limited basis, through the old terminal in Prince Rupert. It's our view that the major point, at least the one that's always impressed me, is the demurrage cost of seeing all those ships waiting to get into the Vancouver harbour. The demurrage cost comes back to the pocketbook of the farmer here in western Canada. The prospects of such demurrage charges are considerably reduced by having the alternative at Prince Rupert.

Off the top of my head, those are the three main reasons.

MRS. CRIPPS: Could the Premier give the Assembly an outline of the importance of a reliable supplier to our trading partners?

MR. SPEAKER: With great respect to the hon. member, this would appear to be the kind of research that any hon. member might undertake. I'm sure the information is publicly available.

MRS. CRIPPS: A supplementary, Mr. Speaker. While I think of how I'm going to change this other one, were there any foreign buyers represented at the opening of the Prince Rupert terminal?

MR. LOUGHEED: There were representatives of a number of the foreign buyers there. The Canadian Wheat Board were involved as well in meeting with them during the course of the opening of the terminal in Prince Rupert. During the proceedings in Prince Rupert there was one representative of the foreign

buyers, the one from China, who made some remarks. The point that he was making, which may answer the hon. member's attempt at a second question, is that in the view of the buyers it was certainly an important development because it's not just Canada's ability to supply but to supply on time and on schedule that is important to them. They were very positive about the terminal for that reason, which should improve our prospects of retaining our grain sales and establishing longer term commitments with many of the foreign buyers.

Young Offender Program

DR. BUCK: Mr. Speaker, my question is to the hon. Solicitor General. This has to do with the new Young Offenders Act now that we're taking 16 and 17 year olds into the Youth Development Centre. Can the minister indicate what increased staffing and increased facilities are in place to accommodate this increased workload?

DR. REID: Mr. Speaker, it's not a matter of increased staffing and facilities, because with the Young Offenders Act the Youth Development Centre, which used to contain the young people under the old juvenile delinquency Act, instead of accepting an age group between 5 and 16 is now accepting an age group between 12 and 18. The facility is not the only one in the Edmonton area being used. So far the facility and the staffing appear to be completely adequate for the need that's been shown.

DR. BUCK: Mr. Speaker, can the minister indicate if he's aware that the bed count has increased from approximately 90-plus to almost 150?

DR. REID: Mr. Speaker, the situation is, of course, that the facility is being used for a somewhat different purpose. The previous juvenile delinquency Act was essentially a care and custody philosophy and concept. With the development of the Young Offenders Act, the young offenders are now required to exhibit some sense of responsibility for their actions, and the nature of the function has changed somewhat. The staffing pattern is different from the old juvenile delinquency Act, and the result of those changes is that it appears to be an adequate facility for the present numbers.

DR. BUCK: Mr. Speaker, a question to the minister. In light of the fact that there's been a change from the Act as it was before, where we were looking mainly at custodial, is the minister indicating if there's been a change in philosophy? Will it be a rehabilitative program — he's touched on that — or will it be strictly custodial?

DR. REID: The program is much more oriented towards education than it is custodial. The aim of the Young Offenders Act, as has been well expressed in other legislatures and in the federal Parliament, is to try to avoid recidivism by the young offenders. Many young offenders will not be taken even to court. They will be diverted to alternative programs operated by the Attorney General. The intent of the Youth Development Centre is to function essentially as a closed custody facility under the Young Offenders Act. It is anticipated that in the future there will hot be a significant increase in numbers, and of course there is flexibility by applying to the judge for a reclassification of a young offender from closed to open custody status. That particular provision is being used currently quite successfully.

DR. BUCK: Mr. Speaker, maybe the minister is aware of the news story in Toronto, I believe, where this young man who was under the age of 12 knew the police couldn't do anything to him. Can the minister indicate what provisions are in place for these people under the age of 12, because several years ago we did have a tragic incident in this city where a young person. I believe the age of seven, was accused of murder?

DR. REID: Thus far in Alberta there's been little indication of any requirement for changing the age group, and certainly, if one is going to take the concept of increasing responsibility during what are the equivalent of the high school years, it would be inappropriate to extend the concept of responsibility in general to children under 12. The provision is also within the Young Offenders Act for serious offences over the age of 14 to be sent to the adult court and the adult system, and indeed that provision will be used where it is indicated as well.

ORDERS OF THE DAY

MR. SPEAKER: Might we revert briefly to Introduction of Special Guests?

HON. MEMBERS: Agreed.

head: **INTRODUCTION OF SPECIAL GUESTS**
(reversion)

MR. PAPROSKI: Mr. Speaker, it's my pleasure to introduce to you, and through you to members of this Assembly. 20 students attending grade 6 classes at Inglewood school in the constituency of Edmonton Kingsway. They are accompanied this afternoon by two teachers. Mrs. Sheilagh O'Dwyer and Mr. Darrin Cross. I'm looking forward to meeting them shortly after question period and getting a picture taken with them. They are seated in the members' gallery. I ask them now to please rise and receive the warm welcome of the Assembly.

MR. MARTIN: Mr. Speaker, I would like to introduce to you and members of the Assembly some 25 grade 6 students from Spruce Avenue school in the heart of Edmonton in the constituency of Edmonton Norwood. They are accompanied by their teacher. Mrs. Sharon Whillans, and parents Mrs. Brett and Kathleen Howard. They are seated in the public gallery. I would like them to stand so they can receive the traditional welcome of the Assembly.

MR. HORSMAN: Mr. Speaker, I move that motions for returns 138, 141, 142, and 145 stand and retain their places on the Order Paper.

[Motion carried]

head: **GOVERNMENT DESIGNATED BUSINESS**

head: **GOVERNMENT BILLS AND ORDERS**
(Second Reading)

Bill 1
Alberta Order of Excellence
Amendment Act, 1985

MR. LOUGHEED: Mr. Speaker, Bill 1 has as its purpose to change the provision that's now within the statute so that a member of the council for the Order of Excellence can continue for an indefinite period of time. It's been the experience of those involved that because of the nature of the nominations that come from time to time, the continuity is very important.

So I move second reading of Bill 1, the Alberta Order of Excellence Amendment Act, 1985.

[Motion carried: Bill 1 read a second time]

Bill 7
Glenbow-Alberta Institute
Amendment Act, 1985

MRS. EMBURY: Mr. Speaker, as members of the Legislature are aware, the Glenbow-Alberta institute is an outstanding facility in Alberta. These amendments recognize its growth in stature not only in Alberta but also in Canada. Firstly, the board of governors will be increased from 13 to 15 members. Secondly, the number of governors that will be appointed by the Lieutenant Governor will increase from seven to nine. Thirdly, to recognize this outstanding facility for all Canadians, this will permit governors to be elected from different parts of Canada.

I'd like to thank the minister most sincerely for allowing me to take this amendment through the Legislature. When I was first elected in 1979, the first government bill I was privileged to sponsor was also an amendment to the Glenbow-Alberta Institute.

Therefore, I move second reading of Bill 7, the Glenbow-Alberta Institute Amendment Act, 1985.

[Motion carried; Bill 7 read a second time]

Bill 13
Alberta Loan Acts Repeal Act

MR. STROMBERG: Mr. Speaker, the Alberta Loans Act is being repealed because it's legislation that's in a sense deadwood. It's been a great number of years since any money has been lent out.

I would like to move second reading of Bill 13, as amended.

[Motion carried; Bill 13 read a second time]

Bill 11
Crowsnest Pass Municipal Unification
Amendment Act, 1985

MR. KOZIAK: Mr. Speaker, in rising to speak to second reading of Bill 11, the Crowsnest Pass Municipal Unification Amendment Act, 1985, I'd like to pay tribute to my seat-mate, the MLA representing the area, for his advice and support during the preparation of this important legislation for this important part of the province.

As members are aware, the Crowsnest Pass Municipal Unification Act was passed in 1978. At that time the municipalities of Blairmore and Coleman, both towns, and the villages of Bellevue and Frank, plus a part of improvement district No. 5, were amalgamated into a unique form of municipal government. For the most part, this municipality of Crowsnest Pass is much like a town, but it has a larger council, elected by ward to ensure geographic representation across the community.

When the communities were amalgamated into one. Mr. Speaker, we provided for some generous transitional assistance of $2 million over five years to the municipality. In addition, Alberta Transportation provided $750,000 in special assistance over five years to enable the roads in the former improvement district to be upgraded to proper standards. The Act contained a provision that the grants provided to the municipality would be calculated on the basis of the individual municipalities remaining separate, thereby providing a benefit to the municipality. This provision was to be reviewed after January 1, 1984.

Over the past three years, a review of the municipality, of the legislation, and of the circumstances affecting the municipality has been undertaken. We've had important input into that review process by the municipal government in Crowsnest Pass. We've concluded by that review that the new form of municipal government has been successful, that the municipality does have a stable financial base, and that the transitional assistance I spoke of earlier and the additional assistance provided by the Department of Transportation do not need to be extended. However, the recommendations found in the review include provision for the continuation of the calculation of municipal assistance grants and other grants, with the exception of library grants, in the same fashion as under the old, existing legislation. In other words, we would make those calculations based on the municipalities being separate and apart from the whole, again ensuring that the municipality has the benefit of a larger sum than would be the case were the calculations done on a one-municipality basis.

I want to indicate as well. Mr. Speaker, that the municipality does have a very significant encroachment problem. The estimates are that between 1,000 and 2,000 of the properties in the municipality, about a third or more of those buildings, encroach on the neighbouring property or the neighbouring road. This means great difficulties for the owners of those properties when it comes to sale or refinancing. One of the important aspects of this review and one of the difficulties that the Bill addresses is this whole problem of encroachment. It provides for a systematic approach to the determination of where the properties actually encroach and the historical use of properties so as to identify new lot lines that can accommodate the reality of Crowsnest Pass and not the paperwork that was filed decades ago. We hope the process that is identified in Bill 11 will be a successful one and one that can be emulated in other Jurisdictions that have a serious encroachment problem, although it's my understanding that the most serious in the province exists in the Crowsnest Pass area.

With those brief remarks. I urge all my hon. colleagues in the Legislature to support second reading of Bill 11.

MR. BRADLEY: Mr. Speaker, I'd like to rise in support of this Bill. The hon. Minister of Municipal Affairs has well stated the history of bringing into effect the unification of the municipality of Crowsnest Pass. I had some small involvement in the initiation of this project, as did the now Minister of Advanced Education. I chaired the municipal liaison committee which worked with the local governments in the Crowsnest Pass at the time prior to the legislation coming before the Legislature and the discussions which were taken.

I think it's fair to say that over the past six years the amalgamation of the communities has taken its course. There of course have been those who have not been promoters of the concept, but in overall terms. I think it has been very successful in bringing those communities together. I believe one of the real symbols of the new unity of the community was with the Winter Games last year in 1984. The Crowsnest Pass hosted the Alberta Winter Games. It was the smallest community in the province to have done so to date, and they were very successful. The community came together and supported those as a unified community. Without that support those games could not have taken place.

The Bill which is before the House addresses the concern with regard to a continuing formula for grants for provincial assistance to the municipality. This is something which was reviewed with the municipal council and has their support. The new, innovative approach to the replot and encroachment pro

grams which is outlined in the Bill is certainly needed in the community.

I also urge hon. members to support the Bill.

[Motion carried; Bill 11 read a second time]

MR. SPEAKER: Might we revert briefly to Introduction of Special Guests?

HON. MEMBERS: Agreed.

head: **INTRODUCTION OF SPECIAL GUESTS**
(reversion)

MRS. KOPER: Mr. Speaker, it is my pleasure to introduce to you, and through you to the members of the House, a group of 30 very young, intelligent, and ambitious students from Woodman junior high. I'm introducing these students on behalf of the hon. Member for Calgary Glenmore. They are accompanied by their group leader, Dick Ramsdan. I have a very special interest in this group because they are also accompanied by their principal, Mr. Koper, who, when he drove me to the airport this morning, did not tell me anything about this trip. It's my great pleasure to introduce all of you to the class from Woodman. Would they please rise in their places, and we can welcome them in the customary fashion.

head: **GOVERNMENT BILLS AND ORDERS**
(Second Reading)
(continued)

Bill 19
Real Property Statutes Amendment Act, 1985

MR. CRAWFORD: Mr. Speaker, I move second reading of Bill 19, the Real Property Statutes Amendment Act, 1985.

Mr. Speaker, some reference to the principles of the Bill was made at the time of introduction. It's not my intention today to repeat all of that, but perhaps some of it, and by way of an introduction to those remarks to note that from time to time a Bill which, by its number of pages, is somewhat bulky comes along in this particular way for hon. members to consider. By that I mean that experience with such a piece of legislation operating over the decades and over the history of our province teaches us from time to time that as good as our real property legislation is, it can nevertheless be improved. One of the essential things to consider in improving substantial and important legislation of this type is that it be kept up to date and contemporary with practice in all respects. Members of the legal profession, members of industries most involved in the land titles system, and certainly senior officials of long experience in the Land Titles Offices are the people from whom numbers of these proposals come forward. Usually there are no enormous policy issues involved. What is usually involved is that something can be made to work better, and a suitable proposal is made to achieve that.

In brief, Mr. Speaker, I note first that some provisions have been repealed in order to accord with better practices now. Some definitional changes are proposed in this Bill, once again for the purpose of clarifying practices and the law. For example, the former reference to "day book" becomes "daily record." The reason is that a book as such is rarely kept by an organization such as the Land Titles Office for the same purposes as previously. That is the sort of definitional change that's made.

An important change has to do with the way in which records are kept and the practice with respect to writs of execution. This has been an area where the consumer, the ordinary user of the system, has had the need from time to time for some criticism of what happens. It can be briefly stated in this way: a person who has a name similar to a person against whom a judgment has been recorded and then filed in the Land Titles Office would often be inconvenienced by the registrar's wanting to be sure he was not dealing with the person against whom the judgment had been filed. In simple transactions relative to private homes — of course, with respect to other transactions as well — the very straightforward fact of one person selling a home to another, many people would be troubled by the existence of the general register recording the judgments and the writs of execution against certain people with similar names. We hope the amendments which are proposed will make that much smoother sailing for vendors and purchasers and that the new provisions will make it less likely that that sort of inconvenience will appear. As minor as that sounds, I say again that for anyone in practice, the level of annoyance based on that particular procedure, which is now to be changed, is about the highest that is generated by the land titles system.

There are other proposals that are important in principle, Mr. Speaker. There is a provision relative to titles resulting from the closure of roadways and the legal consequence that when roadways are cancelled and the titles reissued in the name of a private party, a pre-existing right that was there by way of easement but was cancelled because of the registration of a roadway plan some years ago would now be revived in the new title. That is a very useful statutory consequence and, given the number of pipelines in the province, something that arises many hundreds of times. So in that sense it is, once again, an important consideration.

Party wall agreements will become registerable interests as will assignments of rent. Without going again into the explanation given at the time Bill 19 was introduced, another important part is the area of strata space titles and the ability to now issue those with the statutory guidelines and the registration of a proper plan of survey. The guidelines under which those titles are to be issued now appear in the proposals in this Bill.

Mr. Speaker, I think another important area is the assurance fund of the land titles system. Because of the wording of the statute over the years, there was an interpretation that that fund was limited and that there was the possibility that people who suffered some loss by negligence or some misadventure in the land titles registry system would not be fully compensated. The proposal and the change now made hope to end concerns of that type. The system would do what I think legislators want it to do; that is, basically assure a full recompense to any person who suffered because of the negligent or otherwise careless operation of the system.

One other important matter, Mr. Speaker — and I think I can treat it as the concluding major principle that should be addressed at this time — has to with the transferring of titles where there is a joint tenancy. The law has long been that a person who is one of the registered owners could sever the joint tenancy simply by executing a transfer of his interest. That provision will be retained, but there is a new procedure outlined which will assure proper notice to any other person who might be interested. We usually think of a joint tenancy involving two people, almost always a husband and wife, because of the many hundreds of thousands of titles registered in the Land Titles Office. Many of them are private homes and farms registered in the names of two people. But there are other

types of joint tenancies as well, and dealing with all types of joint tenancies, the new procedure will require that a notice of intention be given in cases where not every person who is on the title as a joint tenant actually executes the transfer. That is seen as a protection to the interests that might be affected by such a transfer.

Mr. Speaker, I look forward to responding at the committee stage if there are questions as to detail, but as to matters of principle, I think that covers it. I urge hon. members to support second reading of Bill 19.

[Motion carried; Bill 19 read a second time]

Bill 22
Employment Standards Amendment Act, 1985

MR. SZWENDER: Mr. Speaker, I move second reading of Bill 22, the Employment Standards Amendment Act, 1985.

Very simply, this Bill will, as stated in first reading, clarify that pregnant women in employment are eligible for 18 weeks of unpaid leave, distributed as required by circumstances of pregnancy and employment. The maternity leave provisions of the Act will now apply to all female employees. The principle of the Bill is to prevent discrimination in employment conditions or in continuation of employment because of pregnancy. This Bill will amend the existing Employment Standards Act, being the *Revised Statutes of Alberta 1980*.

Maternity leave, Mr. Speaker, is a benefit earned through employment. A qualified employee — that is, a female completing at least 12 months of uninterrupted employment during which no termination of employment and subsequent rehiring has occurred — may commence her maternity leave at any time during the 12-week period prior to her estimated date of delivery. The other qualification for entitlement in addition to 12 months of continuous employment is two weeks' written notice of date of commencement of leave and two weeks' notice of intent to return from the leave. When the Act was originally introduced in 1981, farm and domestic employers and employees were inadvertently excluded. This amendment will now include all those inadvertently omitted.

Any unused portion of this 12 weeks may now be taken after the actual date of delivery. This flexibility was not possible under the existing statute. So in total, Mr. Speaker, the Bill provides 18 weeks of unpaid leave distributed by pregnancy and employment circumstances while it maintains the existing provisions for any additional time between the estimated date of delivery and actual date of delivery. The Bill also maintains the requirement that a minimum of six weeks be taken as maternity leave immediately following the actual date of delivery. An employee may shorten this period with the agreement of her employer and doctor. A medical certificate attesting to pregnancy and estimated date of delivery will be required only at the employer's request.

Mr. Speaker, a few other points relevant to the Bill should be explained. An employee who is unable to return to work after the expiration of her maternity leave by reason of a medical condition arising following the date of delivery shall be granted an additional three weeks of maternity leave if she provides her employer with a suitable medical certificate. Another point of the Bill I would like to point out is that if, during the 12-week period preceding the estimated date of delivery, the pregnancy of an employee interferes with performance of her duties, the employer may require her to commence maternity leave, although this section maintains an existing provision.

Mr. Speaker, as mentioned previously, the basic principle of this Bill is that an employee who has commenced her maternity leave pursuant to this Act cannot be terminated. Should the employee wish to resume her employment upon completion of her leave, the employer must reinstate her in the position she occupied at the time her leave commenced or provide her with comparable alternative work at not less than the same wages and accrued benefits. If a qualified employee is terminated during her maternity leave and not reinstated, a complaint could be lodged and investigated by the employment standards branch. Failure to comply with the Act's maternity benefit provisions is an offence, and an order could be issued for up to six months' wages and entitlements for failure to reinstate.

It should be mentioned as well. Mr. Speaker, that if a pregnant employee is terminated or laid off by reason only of pregnancy before she qualifies under the Employment Standards Act maternity benefits or before she commences her maternity benefits under this Act, a complaint could be lodged and investigated under the individual's Rights Protection Act. If an employee makes a claim pursuant to this Act and no claim is established by an officer of the employment standards branch, then that employee may appeal. The provisions of this Act establish a 15-day appeal period for employees wishing to appeal a decision of the officer. This will allow for a conclusion of the matter within a reasonable time. Also, it should be clear that an employee is not required to post moneys with the director to appeal an order of an officer issued on his behalf.

Mr. Speaker, I believe these comments address the Bill in a complete way, and I look forward to its support from all members.

MRS. CRIPPS: Mr. Speaker, I'd like to speak briefly on second reading of this Bill. The only comment I'd like to make is that I believe the provisions of the Bill could be very difficult for some small employers to implement. It's very difficult to replace a single employee or one out of two employees you have on staff for a period of 18 weeks and then have to lay off the person you've hired for that replacement. The main concern I want to register is that some employers may think twice about hiring females who are of childbearing age. I believe that when we get into this type of legislation, which absolutely forbids an employer from laying off an employee, it will have some bearing on the employment practices of some employers in the first place. I'd just like to register that concern.

MR. NELSON: Mr. Speaker, I'd like to address this very briefly, first of all from the point of view of the fact that I have many, many young people in my constituency, some of whom have phoned and complained about the Act as it presently reads, and secondly from the point of view of a person employing people in a small business and, of course, reflecting the previous member's comments.

First of all, there have been concerns from the community and, in fact, in some cases from corporations that want to make every effort to comply with the Act in as exacting a way as possible so as to not have some complaint lodged against them. The concerns raised with me by some constituents were that the Act was inflexible and would not allow for maternity leave at the time the employee felt it was necessary for them to have the time prior to and after the birth of a child. Of course, the concern was raised that a woman would have to leave her place of employment far in advance of the birth of a child and return very shortly after the birth of the child. Therein lay the problem. Certainly the Act has addressed that, and I'm supportive of that fact. The employee, in consideration of the employer, could now leave at the earliest time she can to the birth and, of course, come back at a later time after the birth of a child.

Mr. Speaker, the second point, as far as an employer is concerned, is that those of us who have small businesses need people to work. If an employee is good, certainly you are going to make every effort to keep them. So if a person requires time off for pregnancy leave or other matters such as illness and what have you, you have to make those adjustments. Those adjustments can be made in a number of ways: first of all, by using private-sector temporary employment services; by utilizing part-time employees in a full-time position for a temporary period; or, in fact, by hiring somebody with some training or some knowledge of the particular function you wish them to do and making sure, when they are employed, that it is indicated to them that it is on a temporary basis until such time as the person returns. That can be done by verbal contract or by a written contract with that person, so the person that has taken leave can in fact return. Certainly, every effort will be made to ensure compassion for both situations, when the employee returns and one has to leave or the reverse. Certainly, the Act is a good step in the right direction to ensure that both the person who is going to raise the family and, of course, the employer will have every opportunity to respect each other's concerns and be able to respond in due course.

Thank you for the opportunity, Mr. Speaker.

MR. MARTIN: Mr. Speaker, I'd like to make a few comments on second reading of Bill 22. The amendment to section 2 provides that maternity leave apply to everyone, with no exceptions. I think the Bill is a step in the right direction, allowing some matter of choice about the best time leave can be taken. I would like to point out, though — and I recognize that it's a difficult area when you're dealing with small business — that I do not think it moves far enough in some cases. I will accept this Bill and certainly support it at this particular time, but I think we're going to have to look at the equality of the sexes. We're going to have to recognize that this is going to be a reality.

I come to the point that maternity leave is still unpaid. As I understand it, there are some examples in Canada where they have 93 percent of full pay. That's happening in Quebec and Ontario. Public service, Crown employees, and federal postal workers receive 17 weeks' leave with 93 percent of full pay. The quandary, as I understand that, is in the small business sector. That creates a hardship, but it seems to me that our society is going to have to come to grips with this problem, because more and more you see young women who want to take their share, if you like, who are career-oriented and want to be involved in full-time careers. Of course, if they have to take time out for a small family and don't make any money at all, it can create hardships for the family. People can say that that's their choice. Well, the choice for many of them will be not to involve themselves with young children at that particular time. If we say we are for equality of the sexes, as we're talking about in the Charter of Rights, then we're going to have to look at this and come up with some suggestion. As I say, they have in Ontario and in Quebec, where people receive 93 percent of full pay.

How we get around dealing with small business is a different matter. I recognize that, as the hon. Member for Drayton Valley indicates, some probably could not do this on their own. That would be the economic reality. It's hard enough to train people to go 18 weeks. Whether it's a cost-shared program by the employer and the government, it's still something we will have to work out.

In conclusion. Mr. Speaker, at this particular time I will certainly support the intent. It gives women more flexibility. But it's unpaid. I suggest that it has not gone far enough. At least we could have taken some lead with the provincial employees and moved, as they have in Ontario, to 93 percent of full pay. I hope this is just the first Bill in this type of approach and that the government is looking at other jurisdictions around Canada and many places in the United States that have moved in that direction. We can start with our own provincial employees; we certainly have jurisdiction there. We can begin to try to figure out some approach that's going to work in the future, because this is going come again and again. I suggest that young women are not content to take a second-class role any longer. The last I checked, only one sex could have babies, unless something has happened in the medical world in the last day or two. So I think we have to work towards full pay. Saying that, I will support the Bill, because at least it's better than what we've had in the past.

Thank you, Mr. Speaker.

[Motion carried; Bill 22 read a second time]

Bill 23
Industrial Wages Security
Amendment Act, 1985

MR. KOWALSKI: Mr. Speaker, I take pleasure today in moving second reading of Bill 23, the Industrial Wages Security Amendment Act, 1985.

This Bill provides a series of amendments to the existing Industrial Wages Security Act, which was passed in 1980 and which was originally introduced in the Legislative Assembly in 1938. Essentially, after that original approach to some of these amendments, it removes the requirement for employers in the coal mining industry to post security pursuant to provisions in this Act. It replaces the words "workman" or "workmen" with the word "employee", keeping in tune with recent developments as a result of gender differences. It allows the minister responsible for this Act to delegate the administration of the Act to any employee under his jurisdiction. It provides the minister with maximum flexibility in establishing the amount of security required to be posted, based on each individual company's financial position and unique circumstances.

These amendments delete the role of the Public Utilities Board in reviewing alternative securities submitted by an employer. The role of the Provincial Treasurer in reviewing the applications from an employer for exemption from the liability to furnish the security required by the Act has been removed. It removes imprisonment as a penalty for default in the payment of fines. It further allows the Lieutenant Governor in Council to declare an industry as a designated industry pursuant to provisions of this Act.

Mr. Speaker, I ask Members of the Legislative Assembly to support second reading of Bill 23.

[Motion carried; Bill 23 read a second time]

Bill 24
Disaster Services Amendment Act, 1985

MR. M. MOORE: Mr. Speaker, Bill 24, the Disaster Services Amendment Act, 1985, has a couple of principles in it that I'd like to mention to the House plus at least one other important matter insofar as local authorities are concerned in their responsibilities for action during the event of some disaster.

First of all, Mr. Speaker, under the amendments to the Disaster Services Act we will be changing the name of the Act to the Public Safety Services Act. This more reflects what the disaster services group is now doing in terms of providing

public safety services under both the disaster assistance side of the department and the Transportation of Dangerous Goods Act and their responsibilities there. We will still retain disaster services committees and the utilization of those words throughout the operation, but henceforth it will be known as Alberta Public Safety Services [Agency].

The second point members will note in principles of the legislation is that the Act will provide authority when it's desired by either Indian bands or federal parks to bring them under Alberta Disaster Services in terms of providing programming. This is at the request of certain individuals involved with national parks and with the Indian bands themselves.

Finally, there are some amendments which clarify the manner in which a local authority obtains its authority from this legislation to take action during emergencies, which we hope will better serve the municipality in terms of taking action during local emergencies and at the same time hold them accountable in case of any gross negligence on their part in undertaking their responsibilities.

Mr. Speaker, with those remarks I move second reading of Bill 24 and urge all hon. members to support the legislation.

[Motion carried; Bill 24 read a second time]

Bill 29
Alberta Municipal Financing Corporation Amendment Act, 1985

MR. CLARK: Mr. Speaker, I take pleasure in moving second reading of Bill 29, the Municipal Financing Corporation Amendment Act, 1985.

The finance corporation was formed in 1956, and its purpose is to assist municipalities of the province to obtain capital funds at the lowest possible cost. Over the years there has been quite a growth in this organization. In 1956 its maximum allowable was $300 million. In 1983 that had risen to $5.8 billion land now] to $7 billion. To keep abreast of this growth, over the years it has been necessary to make changes, and the changes that are proposed by this Act are quite minimal. It slightly changes the makeup of the board. It also allows the corporation to give titles and functions to its officers and delegate powers to the officers. In general, the amendments, although minor, are simply to help serve its customers, the municipalities of the province, with better efficiency.

I urge members to support this Bill. Thank you.

[Motion carried; Bill 29 read a second time]

Bill 30
Public Service Employee Relations Amendment Act, 1985

MR. CRAWFORD: Mr. Speaker, I move second reading of Bill 30, the Public Service Employee Relations Amendment Act, 1985.

There are three areas covered in principle in the Bill. One is that it would increase the discretion of the Public Service Employee Relations Board to determine membership in bargaining units. Then there are two provisions with respect to arbitration boards and further provisions in respect to the making of orders by the board relative to bargaining. I think each of those points deserves some consideration.

The first one really proposes to widen the area of discretion but, of course, not do away with the quasi-judicial nature of the determination of who might be excluded from certain bargaining units. At the present time the Act outlines numbers of considerations the board must take into account in order to declare that a certain employee cannot be in a bargaining unit. In adding further discretion, the proposal would be to indicate that if the board, after hearing from the parties, wanted to base its decision on a reason other than those stipulated in the Act, it could do so.

The other provisions relative to arbitrations are important, Mr. Speaker. At the present time the Act seems to declare that once the arbitration board is composed by order of the Public Service Employee Relations Board and given its terms of reference, which are the arbitrable items to be determined, then the board cannot thereafter have its terms of reference varied. The creation of the board crystallizes the entire process at that point. The proposal here is that a change be made so that if the board had not actually undertaken its duties yet and was still sitting and had not reported, further arbitrable items might be referred. That can come up in a situation where, in a complicated contract, it's relatively easy to decide perhaps that numbers of items should go to arbitration but the parties might have to argue before the board as to whether or not some other items are arbitrable at all. This would enable the board to be set up and to get on with its arbitration hearings while the Public Service Employee Relations Board made a further determination to refer, presumably, one or two or three additional items to it. That is seen to be a useful change in the flexibility that the board has in carrying on its processes.

There's a further provision relative to arbitration which can be stated very simply. If there is an attack made on an arbitration award in a superior court, in effect it would be legally possible to sever the objectionable portion from the remaining portion of the arbitrable award, so some of the award might stand and some might be struck down. The current view of the law is that if any of the award is to be struck down, the entire award is quashed by the superior court. Mr. Speaker, I suggest to the hon. members of the Assembly that being able to preserve part of the award would serve the arbitration system much better.

The last item I want to refer to has to do with the capacity of the board to make orders directing parties to bargain in good faith, I think it is a very positive amendment and that the board should clearly have that authority. The experience so far is that once again there has been some doubt about the validity of a board order specifically directing parties, processes they must follow, time frames, and the like, when they are directed to commence to bargain in good faith, if the board has determined that that has not occurred in the bargaining relationship in respect to that particular contract by the parties up to that point in time. The clarification, therefore, would make it clear that the board can indeed give such orders.

On those grounds, Mr. Speaker, I urge hon. members to support second reading of this Bill.

MR. MARTIN: Mr. Speaker, on second reading there are parts of the Bill that bother me somewhat, and perhaps there will be some clarification later on in the committee stage. I would like to go through them with the Attorney General.

It seems to me that the amendment to section 21(1)(1) makes reasons for exemption very vague. When you make these reasons very vague, it gives more and more power to a public service board that is hard to reach. Certainly, it seems to give the public service board power to exclude public employees from a union for any reason it deems necessary. Maybe this is not the intent of the Bill, but by the very vagueness that's the way some people are interpreting it. We've had people interpret it. I would like the Attorney General's comments on that.

It seems to me that the right to join a union should not be done by a public service board that is arm's length from

government. Basically, that should be the decision of the workers themselves. I wonder why we're moving in that direction. I'm told, and I think the Attorney General is aware of this, that the union it affects, the Alberta Union of Provincial Employees, finds this unacceptable at this particular time. Of course, I come from a perspective that people should make their own choice as to whether or not they want to bargain collectively. I point out to the Attorney General that people are free to bargain collectively, and this is even guaranteed by the Charter of Rights. As I understand it, the main concern behind this amendment seems to be employee confidentiality, but this is already covered by various sections in the Act.

I'll just point out the other ones, and at some point perhaps the Attorney General can come back. Amendments 53(6)(b) and 75(5.1)(b) are somewhat worrisome to me, because they seem to allow for unnecessary government intervention. I always like to talk to a free-enterprise government that talks about government intervention in not so glowing terms. How is it that we can turn around and involve ourselves in other areas so easily?

For those reasons, Mr. Speaker, I find this part of it very worrisome. Why are we intervening in those sections? More importantly, I really do not like the idea of giving a public service board the power to exclude public employees. I don't know whether it is deliberate that it seems to be so vague about when they can do it. If it wasn't meant that way, I strongly suggest that in the committee stage we consider coming back with an amendment to lay that out a little more specifically. There may be good reasons, but right now it seems to me that they could do it for almost any reason they wanted. Surely that's unacceptable in a free society at this particular time.

Whether the Attorney General wants to come back in closing debate and talk about it, look at amendments, or deal with it at committee stage, I am open. As I said, as it stands right now, I don't think it's good enough, Mr. Speaker.

MR. SPEAKER: May the Attorney General conclude the debate?

HON. MEMBERS: Agreed.

MR. CRAWFORD: Mr. Speaker, it is perhaps more appropriate to deal with the matters of detail when we have the Bill under consideration in Committee of the Whole. I would say, though, to the hon. Leader of the Opposition that I listened as carefully as I could to his concerns. Mr. Speaker, am I at the point where the one hour is concluded? if so, I would adjourn debate and further address these items on another occasion.

MR. SPEAKER: Yes, we have just reached the end of the hour, so the debate is effectively adjourned, and the hon. Attorney General will have the floor when this item of business is called again.

head: **MOTIONS OTHER THAN GOVERNMENT MOTIONS**

214. Moved by Mr. R. Speaker:

Be it resolved that the Legislative Assembly urge the government to call a public inquiry into the operations of the Alberta Securities Commission.

[Debate adjourned March 28: Mr. Martin speaking]

MR. MARTIN: That caught me by surprise. I think I said all the things I had to say last time on this particular matter, so I will allow some of the other hon. members to continue the debate.

MR. STILES: Mr. Speaker, it is my pleasure to enter the debate on Motion 214. It is interesting to note that this is an opposition motion we're being asked to consider. I find it rather interesting that we're asked to urge the government to enter upon a public inquiry into the operations of the Alberta Securities Commission. There's no question at all that public inquiries are a rather expensive exercise. In this particular case we haven't been told in the wording of the motion what it is the public inquiry would be inquiring into with respect to the operations of the Securities Commission. I believe the hon. Member for Edmonton Whitemud very clearly pointed out that there are many aspects of the Securities Commission's operations that could perhaps be the subject but unfortunately we aren't told what they are. Accordingly, it is suggested that we're looking at some sort of broad-ranging inquiry into the overall operations, administration, and dealings of the Alberta Securities Commission.

I suggest that something of that nature could go on for months if not years and use up thousands upon thousands of taxpayers' money we're not sure what to accomplish. Of course, that isn't a concern of the opposition. They don't have to account for taxpayers' money. Their role is simply to criticize, or at least that's apparently how they view their role. The cost of an inquiry of this nature, a broad-ranging inquiry, apparently wouldn't be a concern to them.

What is it that we're being asked to inquire into? The only reference the mover of this motion has given us is with respect to the Dial Mortgage Corporation and its difficulties. That one particular matter involved a company which went into receivership and, because of a prospectus that had been issued in 1979, was the subject of a criminal investigation by the special fraud squad of the RCMP.

It seems to me that we operate in this country and particularly in this province under a justice system that is based on the premise that one is not guilty of anything until he has been proven guilty. Just because there has been an investigation of something doesn't necessarily mean there is guilt. That seems to have escaped the members of the opposition who have spoken on the subject to this point in time. In fact, as the hon. Attorney General has pointed out on more than one occasion, it was found by the individuals charged with the responsibility to administer these matters that there weren't sufficient grounds to proceed with charges, and accordingly the investigation was dropped at that point.

That's been dealt with in the House on several occasions. In particular, it was dealt with on March 19; the *Hansard* record is there. The hon. Attorney General pointed out that four senior Crown counsel unanimously reached the conclusion that there was no basis for charges and, accordingly, the charges were dropped. The matter was raised again on April 30. At that point in time the hon. Attorney General went on to point out that if he were to over-ride the decision made by four senior officers of his department, it would be an awesome violation of not only the independence of the justice system and the officers of the Crown but the traditions of the administration of justice under which we operate.

The other matter I should mention with respect to the Securities Commission in connection with Dial is: what is it about the Dial matter that the Securities Commission should or properly can take an interest in? What is the commission's role with respect to the Dial Mortgage Corporation? In the remarks made by the hon. Member for Little Bow, reference was made to some 565 Albertans who had lost money because of the demise of the Dial Mortgage Corporation. Mr. Speaker, I think it would

be worth while to point out what sort of business Dial Mortgage was in.

Dial Mortgage Corporation was in the business of putting people who required funds and had property to mortgage together with individuals who had funds and who were looking for an investment to make. That was the function Dial Mortgage performed. In doing that, it scrutinized the mortgage proposals, the loan proposals, that were brought, and it found people who had money to invest who would then take those mortgages, as the mortgagee, and advance the funds. The mortgages were initially registered in Dial's name and subsequently transferred to the investor.

That is the kind of business that involves individuals who have funds, who have made their money in one way or another, and have surplus money to invest. It involves individuals who presumably have some knowledge of what they're doing with their money. They had to have had some knowledge to have made the money in the first place. They have some idea of what they're doing when they're investing the money. It's all open and above board. They can make the choice of whether they want to invest money in a second mortgage, whether the risk is good, whether the property is worth what it's supposed to be worth, and whether the interest rate is attractive enough to lend their money. All those considerations are within the ambit of the person making the investment, and they have that choice.

In 1979 and 1980 the economy was bubbling along nicely. We still had inflation percolating away at better than 10 percent. Accordingly, the money that was invested in those mortgages tended to be fairly secure because the property values were high and they were going higher. So the investors were safe. Of course, what happened in late 1980 and 1981 is that property values started to come down. Because these were second mortgages, the individuals who had invested in them found themselves in the unfortunate position of having properties against which their loans were secured, the value of which didn't cover the amount of the first mortgage and their second mortgage. Those people lost money if those mortgages were then defaulted on and they were unable to recover by foreclosure the amount of their investment. Many of the people who lost money in the demise of Dial Mortgage were those kinds of people.

Others had money which was to be paid out to them, but because of the situation Dial was in, the funds were taken by the receiver or simply weren't there. When they went to cash their cheques, the cheques were NSF. Other people who lost money had put money on deposit with Dial, waiting for a mortgage to come along that wasn't immediately available. They were waiting for a mortgage that might meet their specifications, and they had left money with Dial, expecting a mortgage to be arranged. Of course, when Dial went down, that money disappeared with it.

Those are the ones who lost money when Dial went down. Of those people who lost those funds, none of them would have been of concern to or raised the interest of the Securities Commission. If people want to invest money in second mortgages, or first or third mortgages, it has absolutely nothing whatsoever to do with the Securities Commission. Whether people invest in one thing or another, that's something that goes on every day in a free society such as we enjoy, and it is no concern of the Securities Commission.

The only issue in which the Securities Commission had an interest with respect to Dial Mortgage Corporation was the matter of the issuance of a prospectus to investors who were being asked to invest money in Dial itself, as a corporation, by way of debenture notes. The fact of the matter is that all the funds invested in Dial by reason of the prospectus were not lost. As a matter of fact, approximately half of the money invested by way of that prospectus was returned to the investors. The remainder is in a trust account waiting for the whole issue to be resolved, and it's quite probable, although I'm not in a position to say one way or the other, that that money will also be returned to those investors who invested under the prospectus. But it is only that issue that is a subject of concern to the Securities Commission — nothing else.

The question is whether or not there was full disclosure — or at least that is suggested to be the question that might be asked with respect to that prospectus — and whether or not the lack of full disclosure was fraudulent or inadvertent. The fact of the matter is that that question was the subject of an RCMP fraud squad investigation, and it was on that question that four senior members of the hon. Attorney General's department unanimously agreed that there simply was not sufficient evidence to proceed with charges. That is what this whole question swings around. The only issue to come before the Securities Commission was the matter of the prospectus. That prospectus and how it was put together and whether certain individuals were or were not aware of the information that was put into it was the subject of an investigation. The people who had the authority to carry out that investigation did so and concluded that there wasn't enough evidence to proceed, and the matter was dropped.

As a matter of fact, it is possible for the Securities Commission to proceed on its own, not on a matter of criminal significance but simply on a matter of whether a prospectus should or should not have contained more information and whether some disciplinary action should be taken. That is the matter in which the Securities Commission found itself out of time, because of the length of time it had taken for the other investigation, the fraud investigation, to conclude. If it is the suggestion of the hon. Member for Little Bow that we suffer the people of Alberta to spend who knows how many thousands of dollars to have an inquiry based on that alone, which is the only issue of any great concern here. I suggest that perhaps we'd better have a very hard look at the motion before we embark on that sort of expenditure.

Mr. Speaker, five points were made by the hon. Member for Little Bow in respect to having this inquiry. The suggestion was made that the Securities Commission badly bungled the Dial investigation. It's not a matter of the Securities Commission bungling an investigation; the investigation was carried out by the RCMP. After the investigation was completed, the conclusion was that there wasn't sufficient evidence to proceed. That can hardly be described as bungling an investigation. Just because you determine, as a result of your investigation, that there isn't sufficient evidence to proceed with charges, how can you claim the matter has been bungled? Yet that's the suggestion.

Secondly, it was suggested that the Securities Commission delayed laying charges. It wasn't a matter of laying charges. Mr. Speaker; it was a matter of proceeding under the Securities Act. It was not a matter of delaying laying the charges; it was a matter of allowing the criminal fraud investigation to carry on, and depending upon the outcome of that investigation, the Securities Commission could then proceed. The hon. Member for Edmonton Whitemud pointed out that whether or not the Securities Commission should wait while a fraud investigation is carried out before proceeding under the Securities Act might be the subject of a discussion at some point in time, but that's not something that justifies the cost of an inquiry.

Then it was suggested that because the Securities Commission decided not to appeal the dismissal of their action, there should be this inquiry. That's the third reason. Frankly, that

is hardly justification for spending that kind of money on an inquiry when it's simply a matter of opinion whether or not an appeal should be taken against a decision made by a judge.

We were told that no minister would answer for the Securities Commission. Obviously, on several occasions the hon. member received answers from both the hon. Attorney General and the hon. Minister of Consumer and Corporate Affairs.

Fifth, we were told that small investors can't be confident until the handling of the Dial matter has been resolved. The handling of the Dial matter has been resolved, Mr. Speaker. It was resolved with a great deal of work and a great deal of study. It was held by four senior members of the Attorney General's department that there was not sufficient evidence to justify laying charges. It was resolved in respect to the matter of whether the securities action should go forward; it was dealt with because they ran out of time. Beyond that, what is left to be resolved? What the Dial Mortgage Corporation was doing, why it lost money, and why it went into receivership are matters of public record, certainly not justification for a public inquiry.

Mr. Speaker, I recommend that that is all that needs to be said about this motion. I suggest we don't support it.

MRS. OSTERMAN: Mr. Speaker, I'm pleased to have the opportunity this afternoon to address Motion 214, moved by the hon. Member for Little Bow, if for nothing else than to do something the hon. member has not done; that is, to promote wider debate on the structure of our financial and investment institutions and how they are regulated in this province. The hon. Member for Olds-Didsbury made excellent comments with respect to the way the debate was introduced and the five points that introduced it.

I'd like to add, Mr. Speaker, that while the hon. Member for Little Bow claimed that many questions had to be answered as a result of citizens across this province needing an explanation and wondering about a lot of elements of a particular case that was then the subject of a lot of notoriety, I'd suggest that unfortunately members of the opposition added to the questions and concerns by members of the public by putting out half information. That is most unfortunate. Based on that half information, if I can use that expression, Mr. Speaker, a lot of questions were left unanswered, and it was very difficult to communicate. I noticed in the rural newspapers that letters to the editor and statements made by one particular hon. member of the opposition did not address the issue or even lay out in an appropriate manner the types of issues that were involved. I think a number of speakers have tried to focus on exactly the extent of the particular case that was under debate at the time and have done a fair job of that.

Mr. Speaker, I think the hon. Member for Little Bow realized the impropriety of some of the questions that were being asked and, as a result, framed his motion in a very general way. Yet after that very general framing, he went into a dissertation on one particular case. So it leaves us in a bit of a conundrum as to precisely what was meant by the motion, because the hon. member's comments did not address what seemed to be the general intent of the motion.

Looking at the motion itself, Mr. Speaker, I think it is indeed a very opportune time to have public discussion about the operations of the Securities Commission and all the other areas that now impact on the investment and deposit-taking industry in this province as far as regulation is concerned. I think it's pretty opportune to address that because in the first instance — and I mentioned this in my comments dealing with the estimates for the Department of Consumer and Corporate Affairs — the federal government, through the hon. Minister of State for Finance, has introduced proposals for discussion on the regulation of Canada's financial institutions. That proposes a debate that has a lot of merit and doesn't confine itself to the misinformation of one particular case. It's absolutely vital for us to participate in that debate. I think your perspective will be different depending on whether you're looking at our economy through the eyes of an Albertan and the regulation of institutions here, whether you're looking at it on a national basis as the federal minister is in her discussions and her desire to, as she uses the expression, harmonize legislation, or whether you're looking at it in an international sense.

Mr. Speaker, if the Minister of Economic Development were here today, I'm sure he would want to make some observations about the climate in Canada and the way we are now addressing regulation of a number of our institutions and whether, in fact, it's appropriate in this century, at this time, and in light of the province of Alberta's white paper on industrial and science strategy for 1985-90. I imagine that minister would indeed want to participate and give his expression of where we are today with respect to that regulation and how it affects investment in this province. Of all the institutions that now govern investment, as opposed to deposit-taking, surely the Securities Commission is a very important one. The legislation that's framed by this Legislature, not by the Securities Commission, is what ought to be addressed.

We're into some very difficult times, Mr. Speaker. We even have the Charter of Rights impacting on that area. At this very moment, because of a challenge that's taking place in Ontario, there is some question about whether commissions as they're presently framed will be able to continue to operate in the manner they have. I will outline that area just a little bit. The Ontario commission has been challenged based on its position of possibly having some prior knowledge of a case and maybe some predisposition as to how to rule on a case, because the commission board in fact has overall responsibility for the so-called commission.

This must be very confusing in the minds of the public and those people who have to deal with commissions across Canada. Of course, the commission board must make rulings on various areas that are brought before it, whether it deals with the question of whether any one particular investment dealer is going to be licensed, if that licence has been denied, or a possible contravention of the Act. Yet. Mr. Speaker, we have an investigative arm of the commission — and I think that is really the area that most people have been addressing, though the commission itself has been rolled into it in one way because of the kinds of comments the members of the opposition have been making. So leaving aside what the RCMP might do in any one case, we have the investigative arm investigating some portion or matter that's brought before it that deals particularly with what the purview of the commission might be.

That investigative arm will or will not lay charges. Those charges may end up in front of the commission board. Obviously, we cannot have a body which will be passing judgment on a matter involved in the investigation. If there is some portion of an investigation that hon. members or the public believe has been poorly handled, obviously it cannot be addressed prior to the commission board hearing a case that may be in question. With that sort of situation — and it happens time and time again where there may be a question or some discontent, as there is with police forces and other bodies of that nature and how they handle investigations — we have the commission board put in a position where they obviously cannot comment. It is unfortunate that the members of the opposition continue to frame their questions and observations in such a way that they cast some doubt on the commission board and its ability to hear in a fair manner cases to be brought before it.

As I mentioned earlier. Mr. Speaker, we have this case in Ontario that is now being challenged under the Charter of Rights. An individual there believes that a commission board cannot properly hear a case because of a possibility of their prior knowledge of that case. It raises the whole structure of the regulation of the securities industry and whether the present situation is appropriate. In that narrow context, as well as in the global overview of our institutions that's being done by the federal government, that makes it an opportune time to address it in an overall context, as I said, not dealing with a specific case.

I have great concern about the deposit-taking institutions across Canada, Mr. Speaker, not in their ability to function per se but in their ability to transmit the message of precisely what they are doing and what areas of their business are protected insofar as the public is concerned. Of course, this also relates to the work of the Securities Commission, because over the last number of years so many individuals have obviously been reading prospectuses and making investments. Yet having read a prospectus and having made an investigation, when there has been a loss due to the risk involved in these investments, we have individuals coming forward and saying: "I didn't understand the prospectus, I didn't understand the comment that said that this was a risk investment." Of course, in some cases the prospectus goes on to possibly talk about this investment being either secured or guaranteed. What we have is a public who haven't gone behind the terms "secured" or "guaranteed" to ask the question: how is it secured or guaranteed? Obviously, it's based on the assets of the company and its standing. An individual must then understand the company's standing and its ability to perform in the marketplace which, in my view, is a fairly complex area.

For the most part, Mr. Speaker, I think time and time again it shows the need for those of us who consider ourselves average citizens with a limited knowledge of the marketplace, particularly the risk marketplace, to speak to those people who are professionals, investment dealers or brokers, to get the advice that's necessary to gauge the risk. Certainly, I think the business of know your client, which those in the securities industry so often raise as a very important aspect of the whole area of making investments, is key. One of the areas I think we all become concerned about is the possibility of that being lost, if you will, by getting into conglomerates that deal with insurance, banking, trust areas, and investment — the whole gamut.

Having opened that up, Mr. Speaker, I'd like to enlarge a little on why we should be concerned and why every member of this Legislature should spend some time thinking about where we are now and where we might find ourselves 10 years from now. For instance, I think we've all noted the length of time it takes to make amendments. I think the Bank Act is reviewed something like every 10 years. It's appropriate that there be a pretty significant space of time in between those reviews, because you cannot have a fundamental industry, in either the investment or the deposit field, constantly turned upside down so that neither the industry nor the public knows where they stand. But we now have this very significant review going on.

Mr. Speaker, I'm told that figures show that some 25 percent of Canadians are always on the move. What does that tell you with respect to the legislation that we have in each and every province? If you're an Ontarian, you read their trust company legislation and say, "Aha, these are the rules here." You move to Alberta for a couple of years and you read the trust companies legislation and say, "Aha, these are the rules here." The same thing applies to the securities industry. We have the commissions across Canada trying very hard to harmonize — again. I'll use the term the federal minister uses so often — some of these rules and regulations so that the industry will know and have the ability to at least minimize the kind of cost involved in constantly putting together a different style of prospectus or a different this or a different that, depending on what province they're in. That is very significant.

Now put yourself in the shoes of the consumers who are apparently moving, some 25 percent of them at a time. They read the legislation, as we admonish our people to do: know the industry you're getting involved with, know the institution you're getting involved with. These people who are on the move could probably spend their entire time trying to understand where they should put their money and what rules and regulations operate with respect to those institutions. A trust company is a perfect example of the different areas that are given by way of contractual arrangements. Pioneer was a good example of that. You put your money in, but how many consumers knew that in certain types of policies after five years there was no longer deposit insurance? How many people would have read that fine print? After all, what did they see: this institution has deposit insurance. That's the kind of thing we continually say to consumers. I continually say: ask the question. So they ask the question. "Yes, this institution is governed by deposit insurance." What happens after a certain number of years? Some of the types of arrangements that are entered into take on a different category and are no longer covered.

It's been very interesting to, unfortunately, learn of these things, Mr. Speaker, because of the failure of some of these institutions. All of us, including legislators, are learning some of the pitfalls we have with respect to how the institutions are governed and, more to the point, the kind of disclosure we have in effect. I'm absolutely convinced that you could have an army of people combing over financial statements and approving them and saying, "Yes, we believe these to be accurate financial statements." It is not going to change the eventual effect of, say, a downturn in the economy, where either a business or an institution is going to get into some difficulty.

So with that, Mr. Speaker, we have to have complete disclosure more than we need more and more rules. In my view, that disclosure has to take on some uniformity across this country. So it moves all politicians, provincial and federal, to put their shoulders to the wheel and try very hard to rectify this situation, if you're in the province of Alberta and provide the very best legislation possible — we have believed for some time that we have excellent legislation. We can look at the securities legislation, which at one time was in the forefront. We can look at trust legislation. We have provisions that deal with the inability of anybody to enter into non-arm's-length transactions that neither the Ontario nor the federal legislation have.

But what happened with respect to both those areas? You had a disaster in Ontario with Crown Trust. You had another potential disaster. I suppose if you were to look at the overall cost to the taxpayers of this country it could be construed to be a disaster. But if you look at Fidelity, a federally regulated institution, what do you find? Mr. Speaker, you find legislation that did not at all relate to Alberta legislation in a couple of key areas, and yet the problems in those two financial institutions directly impacted us even though our trust companies were regulated in a tighter way and the type of situation that we saw in those particular areas could not have happened here. It doesn't mean that we couldn't have problems in our own financially regulated institutions, but those kinds of problems couldn't have occurred in terms of looking at what happened under both federal and Ontario legislation. But because of the public's lack of understanding — and why wouldn't they not

understand, given the myriad of regulations out there — they believed that the same situation probably applied to Alberta institutions. We find our Alberta institutions having lots of their depositors at their doorstep taking out their deposits. That was most inopportune, because we all know that in the last two years we have gone through a fair downturn in the real estate market, which heavily impacted on these institutions. While it's coming back in a very significant way, public confidence was shaken. What they are finding is that the legislation differs across the country. There's a report out of Ontario and then there's a federal report and then there's another report out of Saskatchewan, and it all impacts on our institutions.

So where to start, Mr. Speaker? Insofar as we are able to, we have a very, very strong commitment on the part of this minister and my department and, I'm sure, hon. members to address this question in a very serious way, to give our wholehearted support to the Minister of State for Finance in the federal area, to assist her in her goal to harmonize some of this legislation and make the Canada Deposit Insurance Corporation a very viable entity, one the public can feel very secure in in terms of their addressing deposit insurance right across this country. On the same hand, I think the individual provinces must address that deposit insurance through the eyes of the areas that are available for investment, the types of businesses going on in each individual province, so we don't get into a situation where we have what is appropriate in, say, Ontario as the norm for deposit insurance and the kinds of restrictions there superimposed on the rest of the provinces. I think we all know, particularly in western Canada, that our economy is much different.

Mr. Speaker, coupled with the support the federal minister must have in terms of our addressing this point — and certainly she hasn't ventured into the area of the securities market, although she may address it indirectly in some ways, possibly by speaking to the allowance of a lot of the institutions she regulates getting into the market, something like Quebec has already done. I know that gives a lot of us pause to reflect when we see that some of the Quebec financial institutions that are deposit-taking are allowed to get into the investment field and, in fact, do it in a full-blown way, not an indirect way. So they're also into the counselling area that is now the single purview of the investment dealers and brokers in Alberta. What confusion that may raise in the minds of the public one can only guess. When formerly walking in the door of a deposit-taking institution and now finding themselves able to participate in a risk investment — I can only say that I'm going to be watching that area with interest. Because of the myriad contracts and proposals that are out there, I have great concern about the public's ability to understand precisely what is offered and to differentiate in terms of where they're at risk and where they are secured.

Mr. Speaker, the four areas that are under discussion deal with the trust industry, the insurance industry, banks, and securities, but I don't want to leave out the credit unions in Alberta, because they also have a major role to play. I will just remind hon. members that some time near the end of June we're expecting a task force report on the credit union system and a way we can introduce some equity into that system. That will be another component of the overall jigsaw puzzle in terms of putting pieces into place and seeing what we really have for institutions in this country and the appropriate way of regulating.

Mr. Speaker, I will just reiterate this once more. Insofar as Alberta institutions and investments are concerned, that is all done against the background of competing in Canada, in North America, and on a global basis. That's what's so terribly important about keeping all those scenes in front of us as we address the question. There's no doubt at all that we need the confidence of the world community. Their confidence, of course, will dictate what kind of investment comes to Canada, the type of industry we can have, and most importantly, what jobs that industry will provide. I hope all hon. members will keep that backdrop in mind when providing, either through this Legislature or on their own, comments to the federal minister and to myself as this overview continues.

To make one last comment with respect to Alberta institutions — and I reminded hon. members of this on the night we addressed the department budget — the Securities Commission made a very important observation in their Abacus report to the minister, and that had to do with the overall regulation of financial institutions. If Abacus isn't an excellent example of the crossover into every area of legislation imaginable, at least on a provincial basis, I don't know what other company would be. They were into every aspect of regulation under our department. Yet we do not have in any one province in this country or vested with any one minister in Ottawa the kind of global view of financial institutions that is so important. While we have this fragmentation, it is my view that we're not going to be able to address in a way that suits the consumers of this country, the business of this country, and particularly those who would invest from offshore — we're not going to have the kind of climate of regulation that satisfies people, that will particularly attract the investment that is so badly needed for jobs in this country.

So while I ask all hon. members to respond in the negative to the motion brought before us, Mr. Speaker. I certainly ask hon. members to give their attention to the overall regulation of financial institutions. As it's presently framed, the motion speaks to one aspect of that regulation, and there has never been a time when it was more important in the history of this province and this country.

MR. NELSON: Mr. Speaker, I would like to offer a few comments this afternoon on Motion 214, which is before us, and thank the minister for her comments. They were certainly of some value to all members and are timely in more ways than one.

Mr. Speaker, it's interesting to note that much of the discussion that has taken place previously and even this afternoon has centered around the issue of Dial Mortgage. Possibly that was the issue that initially brought the motion to the fore; yet I tend to question the real value of the motion in the respect it was offered. First of all, the motion deals with a very open-ended question, asking for legislation or a motion passed in this Legislature to investigate the Securities Commission. I have some difficulty with that. If we are to investigate anything. I think we should have a motion or an amendment to something to identify the fact that we wish to investigate a particular agency, commission, or otherwise and be specific about the reason within the context of the motion rather than trying to deliberate and determine a reason for the deliberation.

Mr. Speaker, in dealing with the type of issue such as brokerages — if we wish, we can use Dial. Tower, or a number of similar types of mortgage lending institutions that obtained moneys from individuals or from groups of individuals to reinvest in secure financing, such as second mortgages. Investments of this nature can be determined as a risk investment no matter what the time frame or the economic situation of the province or the country. An investment in a second mortgage on a dwelling, be it residential or commercial or any type of land, creates in itself a risk investment. For example, assume that a second charge was given against a property, or even a third charge for

that matter, and the property devalued to the extent that the only position of any security is the first position, usually held by a bank or a lender such as a credit union or whatever. The person holding that second or third position is at risk in any event and especially when we have an economy — at the time Lome of these circumstances were happening, the economy was buoyant and in many phases it was booming.

in 1979 I predicted that it could not happen, and I'm sure many people made the same comment. I made the comment publicly because of the fact that our building boom was so buoyant. I reflected back to the days when Vancouver and Toronto had a similar circumstance. They went from boom to bust in their construction area, similar to what happened in Alberta. It may not last forever; we hope it won't. It didn't in those two cities. However, it had an impact where people were investing in properties, and their investment took on a high-risk circumstance. Therein lies part of your problem.

Mr. Speaker, when we're dealing with unsophisticated investors — and many people dealing in this type of thing are unsophisticated — they don't really have a lot of protection in any event. We can protect them with prospectuses and every other manner in which we think they're protected, but in essence, an unsophisticated investor is trying to take the money they have saved throughout their lives and invest it in an area where they think it is secure. Sometimes that security risk is not what people think it is. We're going to deal with this later this week with the Guarantees Acknowledgment Act. Certainly, we can address sophisticated and unsophisticated investors at that time.

The question needs to be asked: should you call an inquiry without good cause or purpose? Any inquiry or suggestion of an inquiry should have reasons for which it is called, and they should be specifically enumerated. No citizen or board or agency should be called to account for unspecified allegations. Not only the legal system but fairness and natural justice demand that any allegation be particularized. It is unthinkable that in our system in society, a study as serious as calling an inquiry would be done to create a fishing expedition for whatever motivation might underlie such an intention. Accordingly, there is a heavy duty to state any concerns very precisely and to demonstrate that there are reasonable and probable grounds based on real fact and evidence, not merely on suspicion, to justify the support of the House for a serious resolution. It goes without saying that this resolution may not have been presented without serious thought based on complete research. One would assume that no member would abuse the House with frivolity in such a serious matter. Accordingly, we assume that the opposition have acquainted themselves fully with the operation of the Alberta Securities Commission and are not proposing this resolution simply as a means of getting an education about that commission. I'm sure, and it's fair to expect, that in the course of informing themselves, the opposition has met with the commission to discuss any concerns.

Mr. Speaker, it should also be remembered that the commission holds its hearings in public, and members are entitled, as is the public, to go and view the proceedings and see that in their opinion justice is being done. I'm sure the opposition has studied the Securities Commission's weekly summaries, which carry minute details of the Alberta Securities Commission's daily work, and the annual reports that are filed with the Legislature. The opposition should therefore be fully apprised of the fact that the Alberta Securities Commission is a two-tiered structure. It consists of a board and staff, both of which maintain a considerable degree of separation and perform different functions.

If there is a specific problem that concerns the opposition or members of the Legislature, I suggest that the House is entitled to be so advised. If the Dial case is the concern, anyone can certainly do their homework with regard to that. It is not too much. Mr. Speaker, to ask the opposition to inform the House which branch piques their curiosity. For as much as it might be instructive to inquire into all these activities, it must be asked whether the public should fund the members' edification by paying for an inquiry into the whole operation. Surely the opposition owes it to the House to get specific. Ordaining a public inquiry on nonspecific grounds and no evidence might well be seen to be an abuse of the power of the Assembly, an abuse of our own process, and the expenditure of taxpayers' dollars, which may not be necessary.

Mr. Speaker, life is a risk; investment is a risk. Most people take their investments seriously, and most people invest with trying to find out information as to what that investment may be. As I indicated earlier, there are two types of investors: sophisticated and unsophisticated. Let's give the unsophisticated an opportunity as well as the sophisticated.

In closing, Mr. Speaker, I suggest that we defeat this motion. I'm surprised that our colleagues in the opposition are not here to listen to the debate a little further and possibly re-examine their position. Thank you very much.

[Motion lost]

MR. HORSMAN: Mr. Speaker, in view of the hour, I will propose shortly that we adjourn for the afternoon. By way of advice for members of the Assembly, this evening it is proposed to continue with second reading of Bills on the Order Paper, generally in the order listed, although I should point out that it is proposed to attempt to deal in second reading with matters relating to electoral boundaries and the Election Act, perhaps one after the other.

[The House recessed at 5:16 p.m. and resumed at 8 p.m.]

MR. GURNETT: Mr. Speaker, I request permission to introduce some very special guests before we begin our evening's work.

MR. SPEAKER: Is it agreed?

HON. MEMBERS: Agreed.

head: **INTRODUCTION OF SPECIAL GUESTS**
(reversion)

MR. GURNETT: Mr. Speaker, it's one of the real privileges for me to be able to spend a little bit of time with young people. Although being elected here has many very positive things about it, the one big disappointment has been being away from young people. Three weeks ago it was a special treat to discover the Forum for Young Albertans and the very, very good work they do and the commendable program they operate. It's a privilege tonight to be able to introduce to you and to other members 43 students who are here this week in the third group of young Albertans who are part of this program. They're here from all parts of the province. As I say, they're the third group of a total of 127 students who have been here this spring in this program, which has gradually grown over the years. I know that many of us here have enjoyed the chance to share meals

with these people and get to know each one of them a little bit, some from our own areas and from other parts of the province. There's no question they represent some of the very finest young people in this province.

Some very capable counsellors are operating the program, and there are a number of people who have committed a lot of time to this program. I draw your attention particularly to the executive director of the forum, Linda Ciurysek, who is with us tonight, and also each of the counsellors who are with the particular group we have this week. That includes Cameron Laux, Brian Tittemore, Lorraine Turk, Michael Connolly, Clarke Smith, Meriel Hughes, and Angie Debegorski, who is from my constituency. It's very good to have these people here to observe us as we work tonight. I ask them to rise and enjoy the warm welcome to the Assembly of the members present.

head: GOVERNMENT BILLS AND ORDERS
(Second Reading)
(continued)

Bill 10
Election Amendment Act, 1985

MR. CHAMBERS: Mr. Speaker, in the absence of my colleague, I move second reading of Bill 10.

The amendment Act basically allows for enumeration under the new electoral boundaries and provides that for purposes of enumeration, new constituencies may register under the new electoral boundaries. Further, with regard to those areas that are spun-off, if you like, from existing constituencies, the vote from the preceding election as it would have applied to those areas will be considered in the newly formed boundary. Again, in accordance with normal procedure, the party with the highest and the party with the next highest vote from the past election would be responsible for providing the names of enumerators.

That is the basic substance of Act, Mr. Speaker.

[Motion carried; Bill 10 read a second time]

Bill 55
Electoral Divisions Amendment Act, 1985

MR. CHAMBERS: Mr. Speaker, again on behalf of my colleague who cannot be here tonight because of reasons of government business, I would like to move second reading of Bill 55, the Electoral Divisions Amendment Act, 1985.

This amendment Act in effect sets out the schedule of the new electoral divisions and the new boundaries.

[Motion carried; Bill 55 read a second time]

Bill 26
Child Welfare Amendment Act, 1985

DR. WEBBER: Mr. Speaker, Bill 26 was introduced first of all, and then there was Bill [68]. Bill [68] includes the substance of Bill 26, and therefore it is not the intention to proceed with Bill 26 but to proceed with Bill [68].

Bill 33
Individual's Rights Protection Amendment Act, 1985

MR. YOUNG: Mr. Speaker, it's my pleasure this evening to move second reading of Bill 33, the Individual's Rights Protection Amendment Act, 1985.

Mr. Speaker, before I discuss the principles of this legislation, perhaps I should indicate the reasons why the legislation is before the Legislature this evening. First of all, it has to do with a decision that was taken by a judicial interpretation concerning the definition of sex currently found in the Individual's Rights Protection Act. The Human Rights Commission had in fact been interpreting that expression to mean that it had jurisdiction to deal with complaints based on pregnancy. The court found a narrower interpretation of the existing legislation, and that caused the situation to develop that the Alberta Human Right Commission no longer had jurisdiction to deal with complaints based on pregnancy in employment, although there was still provision for maternity leave in the Employment Standards Act. As was discussed earlier today, Bill 22, the Employment Standards Amendment Act, effectively deals with the question of maternity leave. One of the revisions we have before us which is a matter of principle in Bill 33 deals with the balance of the question of pregnancy in employment.

A second reason for Bill 33 is that I had anticipated some amendments might be necessary due to the equality provision, section 15, of the Charter of Rights becoming effective on April 16 of this year. Apart from that, the Alberta Human Rights Commission, on its own motion, had decided that it was timely to present what it thought were appropriate matters to be brought to the attention of the Legislature. Accordingly, on July 24, 1984, it produced a statement of its preferred amendments to the legislation, and did so with a press release which gained quite a bit of currency and, I think, is familiar to all members of the Legislature. Certainly, it's had a great deal of public discussion.

As well, there has been some considerable experience since the last amendments were undertaken, and in the normal course of events on legislation such as the Individual's Rights Protection Act and the administration thereof, we would normally expect to find that there were suggestions forthcoming to improve the ease of administration.

Mr. Speaker, I can advise the Legislature that we did not hold advertised public hearings as such, although there was a great deal of publicity accorded to some of the suggestions which were sent to my attention and that of other hon. members. I can assure the Legislature that, to the best of my knowledge, every group which offered a suggestion for amendment and requested a meeting did in fact receive a meeting, and in many cases, we sought out other parties that we thought would have a specific interest in certain of the amendments and had meetings with them.

There are a number of questions of principle, and I now direct some comments to each one of those. The first I'd like to deal with is the question of pregnancy. The provision included in the Bill proposed for our attention will so define pregnancy that it would not be possible for an employer to discriminate against an employee who is pregnant, for the simple reason of pregnancy. We believe the most likely sets of conditions would be where an employee is pregnant and there's a question of an opportunity for promotion. Sometimes it may happen that in this circumstance the employer would be inclined to deny that employee promotion because of pregnancy, and that would not be permitted as a discriminatory practice under these revisions. Another possibility may be that there would be a training program operated by the employer, and again, this legislation would preclude an employer discriminating in a negative manner against an employee simply because that employee is pregnant at the time a training program is offered.

At the same time. Mr. Speaker, it is clear that simply because of pregnancy, the employee should not have the ability to cease meeting the requirements of the particular employment situation. Accordingly, while an employee cannot be dismissed only because of pregnancy, there is still an onus on the employee to perform the job function for which the employee is hired.

I should mention that this particular provision would apply to 42 percent, or thereabouts, of the labour force in Alberta.

it being female. I realize that not many of that 42 percent would likely be pregnant or face pregnancy problems. Nevertheless, I think it is significant as an issue of concern to women.

Mr. Speaker, a second item of principle has to do with the amendment which is found in section 5 and suggests that an act which might otherwise be found to be discriminatory would not be so found if it would be reasonable and justifiable in the circumstances. Hon. members will note that this has some similarity in concept to that of the first section of the Charter of Rights. There the concept is expressed differently but must be so expressed because the application of the Charter is primarily between the relationship of government to citizens. In the Individual's Rights Protection Act we are in fact talking about legislation which not only governs the relationship between provincial and local government to people but also governs or addresses relationships between members of the public generally. So it governs or applies to relationships between private individuals.

Mr. Speaker, we are led to address this concept of "reasonable and justifiable" for a number of reasons. First of all, in looking at the legislation generally involving human rights, I advance the notion that we are approaching what may be seen as a kind of second generation of legislation. The original legislation tended to be very absolute in its nature and was generally confined to the more fundamental rights and protections. More recently there's been a continuing add-on of legislation and provisions. In so doing we have set in motion ever more likely the possibility that rights of one individual guaranteed by the legislation will be found to take away from rights of other individuals, or in fact two protected rights will come in conflict, one with the other.

In examining the legislation we found that the Individual's Rights Protection Act is what I will term the most absolute legislation of that type in Canada. It has the fewest exemptions, the fewest qualifications of any such legislation in Canada. There are eight qualifications, if you will, that can be identified in the statute, either a specific statutory exemption such as bona fide occupational qualification or a different kind of exemption. Under the regulation-making capacity we can grant a specific exemption to a specific program, but generally our legislation is the most restrictive with the least amount of flexibility. In addressing how other Legislatures have dealt with the question, we were confronted with the possibility that we might have to insert a series of specific and narrow exemptions or that we should do a broader interpretation capacity, in which case there would have to be some additional uncertainty which tribunals or courts would have to address.

As a Legislature I think we have to make up our minds on this point. We have to decide that the Individual's Rights Protection Act and other legislation designed to protect individual or human rights is going to be such that we as a society function in a very legalistic framework, and instead of doing what we believe is inherently correct and fair, we start looking at the legislation and say: "Can I do this according to the statute?" Or we have to decide that we'll have legislation framed in a practical manner that people will accept as a statement of principles, a statement of what should be, and then go about with a reasonable and fair interpretation and be able to work and live and associate and relate to one another in a free manner without having to fall back on legal expertise to determine whether whatever one undertakes is an appropriate thing to undertake.

So we have elected in this case to suggest and to recommend as a part of this legislation that there be a qualification that any action be addressed in terms of whether it is reasonable and justifiable in the circumstances.

I'd like to go one step further and say that this particular amendment, in combination with the repeal of section 13(1)(b), which is the provision enabling special exemption for programs, we believe opens the way and removes uneasiness and uncertainty about whether affirmative action or special programming is possible under the Act. It is now being read that without a specific exemption dealing with each and every special program, there are a good many programs directed toward the disadvantaged in Alberta which would be found to be discriminatory in the absolute sense. We believe that the culmination of these two actions, the introduction of "reasonable and justifiable" and the removal of the exemption-making capacity, will remove any question about whether the kinds of programs now found in Alberta — we believe that any question about the legality of those programs is in fact resolved and removed.

So I want all members to be aware that it is my belief that affirmative action — or, as I prefer to call it, special programs — will be possible with these amendments, without any recourse to the commission or to the government. People should be free to go ahead and do those programs, keeping in mind that they must be aware not to go to extremes in the situations.

There is some uneasiness about this particular provision. Mr. Speaker, in that it does cause uncertainty because it is open to interpretation. The question is: who is going to do the interpretation? I submit that the persons who will do the interpretation will be interpreting following a complaint, if there is a complaint. In the first instance that would be the commission, in the second instance, the tribunal, and if the parties are really feeling in disagreement one with the other, then obviously the courts will probably wind up making the ultimate decision. However, the question is no greater for this piece of legislation than it is for the Charter of Rights and, in many senses, perhaps no greater with this amendment, in the ultimate, than we have seen in some other situations.

We are today confronted, not in Alberta but in other parts of the country, with disputes concerning, for instance, whether the requirement for occupational health and safety should supercede what is seen as a religious right. The question is whether, for instance, a gas mask can be fitted around a beard or around a turban and if one requires a hard hat on a turban. So far the designs haven't worked very well. There is a question about whether that's interference with religious freedom. The question is before the Supreme Court of Canada at the moment. Obviously, two rights are in conflict. There is the so-called right of the individual to practise religious freedom. On the other hand, there is the right of the other employees on the job to be safe if that individual is doing something which can jeopardize their life and health. There's also the right of the rest of Canadians as taxpayers who will, in the event of an accident, wind up paying all of the social network. The workers' compensation, the medical payments, the payments to the widow and family: all of those payments are an affliction upon the rights of others. So there has to be some realistic, some pragmatic, and some practical balancing off of some rights. I hope that as a society we can work those through in an easy manner without coming into a major legalistic battle on every occasion. We will have some; there's no getting around it. I mention that, Mr. Speaker, as an illustration of the problems before us.

The third point of principle is much less significant, in my view, but important nonetheless. There has been some debate that the Alberta Human Rights Commission does not have the capacity to make recommendations to the parties to resolve complaints. The argument has been put to me that no, the Alberta Human Rights Commission, seized with a complaint, must determine if one party is guilty of discrimination or not.

and it's as simple and as clear cut as that. It is our view that the function of the commission — as a matter of fact, the function is expressed specifically in section 20 — requires the commission to attempt to effect a settlement of a complaint. It doesn't have to find that one party has committed some act of discrimination or not. We believe that the addition of section 9 in Bill 33 will make it quite clear that the commission is authorized to bring forth a recommendation. I want to make it clear that there's no obligation on either party to accept the recommendation, simply that the capacity of the commission to make a recommendation is clear and should be beyond any legal argument as far as simply advancing a recommendation is concerned.

There is a fourth point of principle, although not a new one in terms of the administration of the statute. The Alberta Human Rights Commission has encountered difficulty for some number of years in that some complainants have believed that on finding they have a complaint they can make it retroactive to the commencement of the legislation, which would be 1971 in this case. That, of course, is very inimical to the resolution of any complaints, because the respondent says: "What? You're going back 12 years?" Their eyes glaze, and there's just no hope of getting a settlement. So a couple of years ago the commission adopted a policy that they would not take a complaint retroactive more than two years and, further, that the complaint had to be advanced to their attention within six months of having been known to the complainant. This legislation puts in statute both the six-month requirement and the two-year retroactive limitation.

Mr. Speaker, I'm convinced that both of these are fair and realistic in terms of having legislation which is seen to be fair and reasonable by both the respondents and the complainants. It's my view that if a complainant hasn't put in a complaint within six months, the complaint certainly isn't a very insistent one on their behalf and the grievance not very great. It's equally my view that if they have been in a certain situation for a period of over two years and haven't realized that they've had a complaint, they haven't a very great complaint. If we hope to avoid once more the confrontation and if we hope to achieve a comprehension and a mutual understanding, then we must be supportive of this kind of move.

Mr. Speaker, in concluding, I refer to what I will designate as a couple of administrative matters. One has to do with the change in the expression of "physical characteristics" to "physical disability". In practice, it is the commission's belief from their work in this area that it is more realistic to focus on physical disabilities. It's a narrower term, and in fact they discovered that there are many physical characteristics which are, for instance, quite unrelated to employment requirements. Therefore, they believe that to focus on physical disabilities is going to get them more quickly to the point of understanding of both the complainant and the respondent.

Similarly, bona fide occupational "qualification" is going to be changed to bona fide occupational "requirement". Once again, in describing a job it is possible to have a lot of qualifications, but on close examination, it is often observed that the qualifications ascribed to that particular position are not necessarily those that are required to do the job. Accordingly, the commission believes, and I agree, that by focussing on job requirements, they will more quickly get to the nub of the issue in those instances where there is disagreement between the complainant and the respondent.

Finally. I want to note that there has been no provision for the designation of an acting chairman. So far, there has been no need to have such a provision, but we had an instance of ill health where it came very close to being a slight difficulty. It is recommended to the Legislature that this provision for the minister to designate an acting chairman be included in the legislation.

Mr. Speaker, I commend Bill 33 to the Assembly.

MRS. CRIPPS: I want to rise on one issue in the Bill, and it's the issue of pregnancy, which Bill 33 now embodies as a right under the Act. The minister mentioned that 42 percent of the workforce could be affected by this Bill. I just want to raise the point that I hope this will not lead to actions against the small businessman which will lead to hesitancy to hire women who are more likely than other women to become pregnant. It is virtually impossible in some cases for pregnancy not to make a difference. It also may make it impossible to consider a different job at a certain point in time.

All changes in job opportunities depend on outside circumstances. Sometimes it's working hours; sometimes it's the amount of stress; sometimes it's a change of location. Decisions by both the employer and the employee rest on these kinds of outside circumstances. Every right also carries a responsibility. In this case I think there are three people that must be considered: the employee, the employer, and the unborn child. I hope that any applications under this section of the Act would be very few and far between.

MR. GURNETT: Mr. Speaker, I'd like to take a moment to respond to a couple of the principles that are brought forward with this Bill that the minister has been talking about. Certainly there are some things that are very good to see, and I do think the amendments related to protecting against discrimination because of pregnancy are excellent.

Two areas concern me a little. One of them relates to the whole area of the omissions in this Bill. The minister talked about the fact that the Bill received a great deal of input from many organizations and that this was an important concept within the Bill. I'm concerned that when we look at it, we don't see a lot of that input reflected. I know lot of organizations, including the Human Rights Commission, spent a lot of time responding. I'm worried that many of the recommendations that came forward from these various organizations aren't reflected in the Bill we have before us and that as a result, individual rights in a number of areas still don't enjoy the kind of protection that I know various groups would be happy to see them enjoy. I'm thinking of a number of areas, some of which we've recently heard of from some of these organizations, including such as things as those people who have been pardoned from criminal convictions, the mentally handicapped, discrimination on the basis of sexual orientation or marital status: some of the many things that were raised by various groups and provided input as this Bill was being prepared. Yet it's not reflected in the Bill we have before us.

Mr. Speaker, I'm also concerned about section 5 and the change there. The minister spoke about that and indicated the reasons for it. I'm concerned that what we have here is something that could potentially be very serious. I'm aware, too, that we always have to be aware of the danger of one person's rights being in collision with somebody else's rights and that that's a very sensitive area to prepare legislation in. But it seems to me we have proposed a very broad caveat in section 5, where we're told that if it's reasonable and justified in the circumstances, we'll be able to break the provisions of the Act. I would much prefer to see us approach it — and I know the words don't indicate the difference as clearly as they maybe should — from the other direction and remind ourselves of what the Canadian Charter of Rights and Freedoms says:

> guarantees the rights and freedoms set out in it subject only to such reasonable limits ... as can be demonstrably justified in a free and democratic society.

In a sense, we approach it from exactly the other way, recognizing that there's always going to be that danger and that in these times it's going to be difficult to make sure we're protecting people as comprehensively as possible. Here it seems that there's the possibility of any plausible case that's reasonable and justifiable in the circumstances favouring the possibility of not complying, whereas if it has to be demonstrably justified within the context of what's acceptable within our society, then the onus, the responsibility, seems to rest on the other side. The first priority is the protection of the right that's more easily endangered, and it has to be demonstrated that there's good reason to ignore that rather than what seems to me to be taking the more open route of allowing the opting out by simply making some plausible ease rather than having to be very specific about it.

So those are a couple of the principles that concern me. As I said at the beginning, it's good to see that some of these things are being dealt with, but I am concerned that we're making some serious omissions or falling short of the kind of stand we should be taking in some areas of this Bill.

MR. SPEAKER: Might we revert briefly to Introduction of Special Guests?

HON. MEMBERS: Agreed.

head: **INTRODUCTION OF SPECIAL GUESTS**
(reversion)

MR. SPEAKER: In the public gallery is the 114th Thorncliff Girl Guides group. They're here with their leaders, and they are working on their citizenship badges. May I ask them to stand and be recognized and welcomed by the members.

head: **GOVERNMENT BILLS AND ORDERS**
(Second Reading)

Bill 33
Individual's Rights Protection Amendment Act, 1985
(continued)

MR. SPEAKER: Are you ready for the question?

HON. MEMBERS: Question.

[Motion carried; Bill 33 read a second time]

Bill 32
Alberta Mortgage and Housing Corporation Amendment Act, 1985

MR. SHABEN: Mr. Speaker, this amendment, the Alberta Mortgage and Housing Corporation Amendment Act, 1985, is required as a result of a change in policy within the corporation with respect to the way the portfolio is managed. The decision of the board of directors of the corporation is to now hold properties in inventory until the market recovers to a level where recovery can be made as a result of sale of the properties equivalent to the original loan amount. We have in the past required that in making provision for anticipated losses, the Provincial Treasurer must flow those funds through to the corporation whether or not the loss is taken. This has been a requirement in the legislation, and this amendment simply removes that requirement and responds to the change in policy.

Mr. Speaker, I move second reading of Bill 32.

MR. GURNETT: Mr. Speaker, just responding to the idea of Bill 32. I'd like to suggest some real concern about this proposed amendment. It appears in some ways to be simply an accounting change, but I think there is an important principle of the public's right to have information at stake with this amendment, and there may in fact be some political motivation as well as the simple accounting motivation behind the proposed amendment. I wonder what would happen if AMHC was not required to accurately report to the public the value of the decline of assets of the corporation's holdings. It seems to me that if the corporation were operating in the private sector, it would have to provide some kind of accurate report. Despite a decision being made to keep properties off the market. I think it's reasonable that since it's the public in this province who are in fact the shareholders in a sense, as the taxpayers who fund AMHC, we should be concerned about an amendment that would in any way obscure the fact that there is a decline in the value of the properties that AMHC is holding.

This kind of decline reflects a problem in this province at this time. I think the fact that we've got economic problems that are resulting in the situation that the corporation has the properties and the value of properties is declining should be clear to people. We should have that information available so that people are aware of what's happening. If the public doesn't know this is happening, then they have less opportunity to input to us and indicate whether or not they approve of the government operating in the ways it's doing here.

I think we should have the same kinds of expectations here that we would have of any other corporation, and expect that they continue to make available the effect of that declining value so that that information is available. Out of that they may in fact decide that they would like to see the land that is being held dealt with differently than it's going to be, or whatever other decisions, but at least that information would be available.

Thank you, Mr. Speaker.

MR. SPEAKER: May the hon. minister conclude the debate?

HON. MEMBERS: Agreed.

MR. SHABEN: Mr. Speaker, the hon. Member for Spirit River-Fairview may have misunderstood the amendment. There is no intention whatsoever to mislead or to keep information away from the public. The audited statements are available and are carefully done in terms of the status of the corporation and its assets. One of the difficulties, though, that arises is that balancing the policy of dealing on a cash basis with accounting on an accrual basis may require the Provincial Treasurer to flow funds through to the corporation and on to the heritage fund, and nothing turns on it. It doesn't prevent the corporation from having a negative balance, showing a position where there is a provision for losses but there's been no loss sustained. This change simply says that it isn't necessary for the Provincial Treasurer to flow those funds through to the corporation. It doesn't necessarily change the representations that are contained in the audited report. I want the hon. member to be clear that the amendment isn't a hiding of any sort of information. It simply removes the mandatory provision of the flow-through of the funds that simply turn on themselves.

Mr. Speaker, that's all I have to say.

[Motion carried; Bill 32 read a second time]

Bill 34
Student and Temporary Employment Act

MR. ISLEY: Mr. Speaker, in speaking to the second reading of Bill 34, the Student and Temporary Employment Act, may I restate that the Bill has one single purpose. That is to ensure that as many employers and as many employees as possible, particularly students, have an opportunity to take advantage of temporary job creation and job training programs.

The Bill is very short, very straightforward, and consists of three sections. I move second reading of Bill 34.

MR. MARTIN: Mr. Speaker, it seems we've been flowing along with Bills. I'd like to make a few comments on Bill 34 and perhaps have more debate about it. I question the fairness of section 2 of this Bill, but it seems to me there is some probability, at least from information we've been given, that it could even be unconstitutional. They can laugh, but there are lawyers that may know something more than the backbenchers about the constitutionality of things. It's possible. Let me come to that, because I wouldn't want the hon. minister to be embarrassed by any of his Bills getting overturned. I'm always out to do my best to help the government and save embarrassment wherever possible.

As I understand it, the Bill's provision ensuring that a person hired under training or job creation cannot be hired under the terms and conditions contained in a collective agreement effectively precludes such persons from availing themselves of any collective agreement in a workplace. Let me just talk about that. It seems to me that when we make collective agreements, when management and the work force come to an agreement, it's supposed to mean something. I think there are other ways to help students. Certainly I'm not against helping students, as the minister is well aware, but in the past those people always fit into the collective agreement. I remember when I was a student. I had a job at Stelco. I was part of the collective agreement and worked as a student, and it worked out very well. It seems to me that if we start the principle, by passing Bills here, that certain people can be outside a collective agreement whenever we feel like it, think of the principle of that. Where does it stop? After a certain point, what is the point of having a collective agreement? This is especially the case in workplaces already organized.

When I raised this with the minister. I said that this effectively precludes them from joining a union. He said: "Oh, no. They can still join a union." Why would anybody join a union and pay money if they couldn't get any of the benefits? There'd be no point to it. You'd just be paying out money for the sake of paying it to belong to the union. Nobody is going to do that, so essentially it's going to create some friction in the workplace. It's a way for certain people to go around the collective agreement. I think it's a Bill that's bad in principle.

Let me come to the second part of it. It will probably be challenged, as we know in this day and age with the Charter of Rights, as almost everything is going to be challenged at some point or another. So we have to look at our legislation under that right, Mr. Speaker. As I understand section 2 of the Canadian Charter of Rights and Freedoms, it says "Everyone has the following fundamental freedoms." I don't need to go through them, but (d) states "freedom of association." It seems to me that we're taking this right away under this Bill. We're saying that the collective agreement doesn't carry any weight. We've had some evidence from the Alberta supreme court — or the government asked to go into the Charter of Rights. I notice here that a lot of them didn't answer it, but Mr. Belzil did and goes into it very clearly that there could be some problems in section (d) of that particular Act.

Mr. Speaker, the Bill may be well intentioned. The minister says it's just to create employment for students. Well, I wonder how students got employment all the years before a Bill like this. As I pointed out, in my experience I was just part of the collective agreement. I know we want to pay cheaper wages to students. Ultimately, that's what it comes down to. That's part of it. But the fact remains that if we can pass a Bill here in the collective agreement, what is to say that there won't be another group we want to pay cheap wages to? After a while, the collective agreement really doesn't mean anything. We can go ahead, I think the Bill is wrong. I recognize in looking around that we'll probably be outvoted. It's happened to me a time or two before in the Legislature. But before we come back in committee stage, I suggest that the hon. member think about it, because it seems to me that this will be questioned. It will probably be questioned by some unions when they have students coming in who aren't covered in the collective agreement, I think we can almost predict that certain people will be taking this. It would be quite embarrassing if it were struck down; even the minister would be embarrassed.

Mr. Speaker, being the person I am, who always believes in helping the government out — most often they don't accept the advice, but I'm always prepared to keep trying. I've tried with the Minister of Labour many times, and he didn't even have to proclaim Bill 110 after a point. We went through a whole exercise.

Mr. Speaker, I would like to bring in an amendment on this particular Bill because of the reasons I stated. The amendment I'd like to bring in would strike all the words after the word "that" and substitute the following therefor:

> this Assembly declines to give a second reading to Bill 34, the Student and Temporary Employment Act, because it is in principle discriminatory against certain categories of employees and because this Assembly is concerned its provisions may constitute a violation of section 2(d) of the Canadian Charter of Rights and Freedoms.

Mr. Speaker, this is a reasoned amendment. If we defeat this Bill by this reasoned amendment at this particular time, or at least have some thought about it before committee stage — as I said, we think it's a bad Bill in principle and one that could be contradicted by the Canadian Charter of Rights and Freedoms, The best place to deal with it would be in second reading, here and now.

MR. ISLEY: Mr. Speaker, I speak in opposition to the amendment for the following reasons. Basically, the hon. Leader of the Opposition probably has some misunderstanding of the Bill he is attempting to amend. I might point out for his sake and others that up to this point in time, no one participating under the historic temporary job creation and training programs has been under a collective agreement. The purpose of this Bill is simply to ensure that that continues. I believe the comparison to the Stelco job isn't relevant. That was a job in the private sector. This Bill in no way interferes with those jobs in the private sector. Remember, the emphasis here is student jobs and temporary jobs.

There is also an implication in the argument that the only benefit to belonging to a union is the collective agreement. I know that a number of unions would take strong exception to that, including the one the hon. leader belongs to and the one I belonged to for many, many years.

The Bill in no way interferes with the right of association. It simply ensures that he who pays the costs of a temporary job and training program aimed primarily at students and tem-

porary employees — and he who pays the cost in this case is the public of Alberta — controls the terms and conditions under which that temporary employee or that student works.

In closing, I hope no one will support this amendment and work against the opportunities of our young people to get into the work force.

MR. GURNETT: Mr. Speaker, I'd like to rise and speak in support of the amendment we have before us. I think the statement it makes is very clear and very important to keep in mind as we're looking at this. It indicates that the principle of this Bill is discriminatory against certain categories of employees. Specifically the problem centres around the infringement on the right of employees to engage in collective bargaining. Whether or not that's the sole purpose for which the union exists is really to the side of that point. The concern is that the Bill does clearly discriminate against the possibility of that. As my colleague has very clearly pointed out, there seems to be every reason to see that that kind of discrimination is in fact contrary to the terms of section 2(d) of the Canadian Charter of Rights and Freedoms.

This amendment simply helps us to avoid running into any kind of collision with that provision and deals with the Bill which otherwise could certainly run into some problems. We've already heard the opinion of Mr. Justice Belzil, an opinion that was obviously ignored in preparing and bringing this Bill before us. But it's one that indicates that it certainly is important to recognize that there is a kind of discrimination involved in what this Bill proposes. I don't think it's proper, Mr. Speaker, to look at what has been or not been the case in the past when this Bill didn't exist and to legitimize a situation that isn't healthy. I think we have to look at the principle involved here and say that if there is this kind of infringement on the possibility of collective bargaining, we shouldn't proceed with the Bill and should look at other ways. There are always lots of ways I'm sure many of us would be happy to suggest to encourage both temporary and permanent employment, particularly employment summer programs for students. But as this Bill now stands, it creates more difficulties than it can in any way alleviate.

Thank you, Mr. Speaker.

MR. YOUNG: Mr. Speaker, in supporting the hon. Minister of Manpower, I would like to urge all members of the Assembly to defeat this motion.

The hon. Member for Edmonton Norwood referred to the discriminatory nature of this particular Bill. He is quite correct. It is discriminatory, but discriminatory in the very best sense, in keeping with the ideals of society and the ideals we've heard many a time from the hon. Leader of the Opposition; that is, that we should engage in every way we may to try to assure that there are job opportunities. To do so this government has initiated over many years special programs which the taxpayers of this province fund in very large part, sometimes in whole. In so doing they distinguish between the employees who have that particular unique opportunity and all other employees. So while it is true that this differentiates, while it discriminates, it does so in the very best sense of the expression, the most helpful sense it is possible to do.

Mr. Speaker, I urge the hon. Leader of the Opposition to reconsider what this Bill would accomplish. Surely it is desirable that the programs which are paid for by the taxpayers of this province for the express purpose of creating special summer employment in many instances, priority employment in others, for students in particular, should be able to go forward without reference to collective agreements.

We are not involved in a large number of programs nor, for that matter, taking in the total quantum of employees in this province, a large number of employees. But we are involved in trying to assist, in a very specific, directed way, persons who in the estimation of this Assembly have always needed that kind of support. That is discrimination: that is differentiation. But it is so in the best and most helpful meaning of those terms.

Secondly, Mr. Speaker, the question is put to us that we should not proceed with legislation because it may constitute a violation of section 2(d) of the Canadian Charter of Rights and Freedoms. I do not share the opinion of the hon. Leader of the Opposition when he comes to that conclusion. However, we should all know that any legislation we pass in this Assembly or in any other Assembly is subject to a test of judicial review, for all kinds of reasons. Try as we may to avoid an interpretation different from what we had hoped, that is always an outside possibility, but that is no reason to freeze with indecision before a decision that needs to be taken.

Mr. Speaker, I conclude by urging all members to defeat this motion, which has no other purpose than to stop this legislation in its tracks this evening.

MR. GOGO: Mr. Speaker, I have great difficulty in believing what I've heard from the hon. Leader of the Opposition. Obviously, he was predetermined that this Bill wouldn't go anywhere, because the amendment is dated March 21, just a few days after this House began. I'm very disappointed with that, because we know that with all the concerns we have in this country, unemployment has to be number one. In this province we have some 50,000 people under the age of 24 out of work. Clearly the youth of this province is in very dire straits. The minister comes forward as a member of the government trying to do something with regard to youth unemployment through the Student and Temporary Employment Act. The Leader of the Official Opposition is attempting to stop, right in its tracks, any action by this government to see that meaningful employment, certainly first-time employment, is gained by the young people of this province. Quite frankly, I'm not only disappointed: I'm quite upset. I have no alternative not only to oppose the amendment but, quite frankly, to see that the constituents in my riding are well informed about the intent of the Leader of the Official Opposition in this House.

[Motion on amendment lost]

MR. GURNETT: Mr. Speaker, if I could take a moment to speak on the Bill itself. I think there is a serious misunderstanding about the amendment and the comments that have been made here by my colleague and I. The principle of the Bill is what we're objecting to. My concern centres around not whether or not jobs are being made available for students; I realize it is very important. All of us who had to find summer jobs are well aware of that. The situation is certainly worse rather than better than it's been in the past.

Certainly I don't think the minister, in introducing the Bill, would by any means suggest that if we didn't have Bill 34, jobs wouldn't be created for students. I think all of us are committed to making sure there are jobs available for students in this province. So in looking at this Bill, we have to focus on the principle that's involved and not on whether or not it's an attack on summer jobs. There's no question that we're all in agreement about the need for summer jobs. But this Bill focusses on an action that I think would be unfair and antilabour in a sense. It's not something that would accomplish anything, particularly to benefit those who are seeking summer employ-

ment. What it would do is become one more action that identified and singled out a particular group of people and permitted action that limited their possibilities. The concern is always that the more times we do things like that, the greater the possibility that a wider and wider amount of the work force can be affected by these kinds of action. I think it is important to keep in place the kind of protection that's allowed now that gives people the right of association and the right to be involved in an organization involved in collective bargaining and not relate it in any way to whether or not jobs are going to be lost for people in the summer.

This Bill, Mr. Speaker, is a poor Bill for those kinds of reasons, and it has no relationship to whether or not we all support the need to create summer employment for students.

MR. YOUNG: Mr. Speaker, I'd like to say another word to this particular Bill, given that the hon. Member for Spirit River-Fairview has reminded of a reference that I wanted to draw to his attention. To come to an earlier discourse of the evening, when we get into the question of rights, this Bill and the program itself may, and in some ways does, remove certain prerogatives of the employer which were originally there and would be there in an unfettered employment situation. The nature of the program as directed would remove certain rights from the employer. To a degree it does so from the employee, in the sense that the job is there; take it or leave it. There isn't going to be any bargaining about certain parameters. We're talking about rights. I just felt that the right of the taxpayers to solve a social problem, to address it as they see fit, ought to be clearly put.

The second reason for my rising is to address a contradiction in comment to the hon. Leader of the Opposition, who referred earlier to freedom of association and left the impression that freedom of association carried with it freedom to do what one thought one should do as an association subsequently. Of course, there have been quite a number of court decisions now, particularly in the collective association area of bargaining and formation of unions, which draw a very clear distinction that freedom of association is one thing, and it should be jealously guarded. What one does after the association is formed is not guaranteed in the same manner at all. In fact, the freedom to associate has to be cleaved from what one subsequently does with the association, because there may be actions of associations which can be quite inimical to society. I don't say that about unions or collective bargaining, but I think it's important that the distinction be drawn that when we talk about freedom of association, we are not necessarily talking about the concomitant collective bargaining capacity to which the hon. leader referred.

MR. SPEAKER: May the hon. minister conclude the debate?

HON. MEMBERS: Agreed.

MR. ISLEY: In closing the debate on Bill 34. Mr. Speaker, just let me state very clearly that this Bill is not designed to be anti anything. As my colleague the hon. Minister of Labour so clearly stated, it is definitely a pro Bill. It is pro student jobs: it is pro temporary jobs and temporary training opportunities. I urge all members who are concerned about creating the maximum number of opportunities for our young people and people who are looking for an opportunity to get back into the work force to support second reading of Bill 34. I believe the naysayers have already been identified.

[Motion carried; Bill 34 read a second time]

Bill 30
Public Service Employee Relations Amendment Act, 1985

[Adjourned debate: Mr. Crawford]

MR. CRAWFORD: Mr. Speaker, I indicated that I would perhaps briefly remark upon one item that the hon. Leader of the Opposition raised in his remarks and then deal with matters of detail relative to specific sections of the Bill at Committee of the Whole.

The one point I want to deal with was that the hon. leader said in effect that persons should be the ones to choose what union they might join. I think his message was that the greatest freedom of choice in that respect would surely be desirable. Mr. Speaker, it has long been established that there are many areas where the role which the employee plays declares to everyone who considers the subject in any way that that person would not be a member of any bargaining unit at all, let alone a specific one. I think the practices that have grown up in labour relations over the years are full of those guidelines, based on much experience.

The one thing that was said that I want to take some exception to in particular, though, was the reference to the Public Service Employee Relations Board as a public service board. It is indeed a quasi-judicial statutory body and is the one that has the responsibility of dealing with labour relations matters in the provincial public sector relative to the Crown as the employer and the several bargaining entities that are involved on behalf of employees. Given that comparison, which is very much the same role as the Labour Relations Board plays in respect to private-sector employer and employee relationships, including such matters as the definition of bargaining units and who might be, must be, or should be members of them, I would like to continue to regard that board as one which does act fairly and in its quasi-judicial capacity as a statutory body and not think of it as some sort of extension of the public service, which it surely is not. Indeed. I don't believe any member of the public service, from either management or the bargaining units, sits on that board.

Mr. Speaker, I think I can conclude my remarks on this Bill at that point.

[Motion carried; Bill 30 read a second time]

Bill 28
Pari Mutuel Tax Act

MR. HYNDMAN: Mr. Speaker, I move second reading of Bill 28, the Pari Mutuel Tax Act.

This is the first updating and modernization of this Act in some 30 years, Mr. Speaker. It was originally part of the Amusements Act back in the 1950s. It is essentially an update of the old Pari Mutuel Tax Act which brings it more in line with consumer legislation that is similar in both this province and other provinces in the country. It will streamline the provisions of the Act to more faithfully reflect the realities of those who are involved in the pari-mutuel, which I'm told is a form of betting in which winners divide the losers' stakes, from a historical point of view. It will improve the tax collection, which is about $10 million in an average year at the races. There's no change, I might mention, in the existing 5 percent tax. The record-keeping, inspection, and audit will be improved, as will the administration and enforcement aspects

of pari-mutuel betting. The provisions have been proposed to the House after consultation with representatives of the various groups involved.

I would commend the Bill for second reading at this time.

[Motion carried: Bill 28 read a second time]

Bill 35
Apprenticeship, Training and Certification Act

MR. ISLEY: Mr. Speaker, I move second reading of Bill 35, the Apprenticeship, Training and Certification Act.

This Bill replaces the existing Manpower Development Act and will deal only with the trades and trade-related matters. All other manpower matters contained in the Manpower Development Act will be transferred in their entirety to the Department of Manpower Act. The intent of the major changes is to address the present concern for simplification and clarification. All unnecessary administrative and regulatory detail has been removed and will either be placed in regulations or included in departmental policy.

The same trade designations and existing trade requirements are continued, but the procedures involved have been simplified. The duties, roles, and relationships of the apprenticeship committees, the board, and the department have been clarified but with a view to maintaining the grass-roots philosophy that now exists. Input still originates at the local level to the local apprenticeship committees so that policy is formulated on the basis of the reality of the workplace and the job site. The provincial perspective for a trade is still given by the provincial apprenticeship committees, while the board continues to provide an overview of training and certification. General public members of the Apprenticeship, Training and Certification Board will have a larger role to play as they will now have voting privileges. This conforms to this government's policy of expansion of public input on all boards.

A House amendment, that will be presented during Committee of the Whole stage, is presently being prepared to cover some minor wording changes that will not affect any principles of this Bill. We believe this will allow a confident practitioner of a trade in this province to earn a living with less governmental interference through the elimination of unnecessary regulation and administrative hoops and jumps.

Therefore, Mr. Speaker, it is my pleasure to move second reading of Bill 35, the Apprenticeship, Training and Certification Act.

MR. GURNETT: Mr. Speaker, I have some concerns about the principle of the Bill. I have a feeling the amendments that will come in Committee of the Whole won't deal with them, and so I would like to speak to them now.

Unlike Bill 28, that the Treasurer was speaking about a few moments ago, one of my first concerns about this Bill relates to the fact that there doesn't seem to have been any consultation involved in the preparation of it. I'm sure the Minister of Manpower has as high a stack of letters and submissions from both employee and employer groups as I have in my office. The indication from all those parties is clearly one of dismay about the fact that although various trades are going to be affected by this Bill, basically both the employee and employer groups were ignored. I think that's a serious situation in view of the tradition and the long-standing status of the fact that trades and apprenticeship programs in this province are basically industry-driven programs and reflect the real situation as it's perceived by both employers and employees in the marketplace.

The basis of apprenticeship programs. I understand, should have been that the need for skilled tradespeople was monitored and action was taken as necessary at the instigation of those that were directly involved with where the need for those trades existed. So I'm concerned about a principle we have before us now that involves bringing in a Bill that was prepared without that kind of consultation and that certainly is of a great deal of concern to the entire industry. In one submission even the Calgary Chamber of Commerce indicated they had a concern about the way this had been gone about.

One of the other principles the minister has just spoken to that I think relates to the fact that in preparing this Bill consultation was not taking place is the change that will allow members of the public to be voting members of the Apprenticeship Board. It's good to allow the possibility for input where it can play a productive role, but when you have a board that's dealing with qualifications and standards. I wonder whether or not it is reasonable to have people who at least potentially could know very little about the trade involved sitting with voting powers on the board. As I say, I'm concerned about the whole area of lack of consultation.

I'm also concerned about the principle being established by this Bill of creating a new category of tradespeople in this province, the category of the subjourneyman. My fear is that this may already be happening, even without the Bill. I notice that the Northern Alberta Institute of Technology is advertising trade certificate programs in what they call technician categories. I think we should be very leery in this province about moving to anything that would de-skill the population. We already have highly skilled tradespeople in this province, and the minister has talked about the fact that we've got too many of them in a sense and they're creating unwanted blips in the unemployment figures — people who can't find work and are highly skilled. So I wonder if we should be adding to the problem by making possible this category of subjourneyman that may result from this Bill.

Mr. Speaker, for those reasons I think we would be very ill-advised to proceed with this Bill. Accordingly. I'd like to move an amendment to the motion for second reading of Bill 35, the Apprenticeship, Training and Certification Act, by striking all the words after the word "that" and by substituting the following therefor:

> This Assembly declines to give a second reading to Bill 35. Apprenticeship. Training and Certification Act, because both the employers and employees in the industries affected by the provisions of the Bill have declared it to be injurious to the health of their industries, and because this Assembly believes extensive consultation by the government with the employers and employees of the industries affected should occur before any such Bill is placed before the House.

MR. SPEAKER: I'm not sure whether this is an acceptable amendment at second reading. It doesn't move the six-month hoist. It doesn't constitute a declaration of principle contrary to the principle of the Bill, nor does it move to refer the Bill to a committee. As I understand it, those three are the only possibilities for an amendment at second reading. Any amendment to the text of the Bill, of course, would come under our Standing Orders and could only be done in committee.

As I see it, the mover of the motion is not coming out in favour of a declaration contrary to the Bill but is saying that certain employers and employees have declared it to be injurious to the health of their industries. I don't see that as the

sort of declaration of principle contrary to the principle of the Bill that would qualify this as an amendment at second reading.

MR. MARTIN: Mr. Speaker, to rise on a point of order, I think it does fall under reasoned amendments, where:

> (1) It must be declaratory of some principle adverse to. or differing from, the principles, policy or provisions of the bill.

I might point out that "It may oppose the principle rather than the subject-matter."

What this is saying is that this Assembly declines to give second reading to Bill 35 because both the employers and the employees in the industries affected by the provisions of the Bill have declared it to be injurious to the health of their industries. The consultation didn't go on.

Mr. Speaker, if the minister is saying that in principle he believes this is good for the industry and we're saying that because of the consultation we've had with various groups, it's not good for the health of the industries, surely that's against the principle of the Bill. It says:

> (1) It must be declaratory of some principle adverse to, or differing from, the principles, policy or provisions of the bill.

Mr. Speaker, I suggest that that follows very clearly under a reasoned amendment. I don't know how you could have a principle differing more from the principles, policy, or provisions of the Bill.

MR. SPEAKER: I have to respectfully disagree with the hon. leader. What this is saying is that certain persons have made allegations contrary to the — I don't know which principle of the Bill, as a matter of fact. That's not identified. It seems to me that it doesn't come within the reasonable requirements of an amendment at second reading to simply move, to use as a reason for the reasoned amendment, that certain people have said certain things about the Bill. It would seem to me that the motion itself would have to say something about the Bill and not refer to somebody else saying something about the Bill, if I'm making that clear.

MR. MARTIN: Yes, Mr. Speaker, but I don't see in *Beauchesne*, under Reasoned Amendments, where it says that it has to follow what you just said. It says:

> (c) It may oppose the principle rather than the subject-matter.
>
> (2) It may express opinions as to any circumstances connected with the introduction or prosecution of the bill, or otherwise opposed to its progress.

So it seems to me that's very clear: it may express opinions as to any circumstances connected with the Bill.

The circumstances in this case are that the minister said that this would be good in principle for the industry. There were some specific things we could have brought in, but we're saying that so many people, so many groups, both management and labour, feel that it's against the principle. Under (2), it may express opinions as to any circumstances connected with the introduction or prosecution of the Bill.

MR. SPEAKER: The fact of the matter is that the mover of the motion is not directly adopting either a principle which is contrary to the Bill or referring to circumstances relating to its introduction or prosecution of the Bill but is referring to an outside opinion, by someone who isn't a member of this House. If the motion had come directly within the terms of this particular reference in *Beauchesne*, citation 744, then of course it would be otherwise.

I don't want to be unduly technical, but as you know, once a precedent like this is established, there is a tendency to follow it and enlarge on it. It seems to me that the time-honoured principles as set out in *Beauchesne* should be followed and that they have a practical significance in relation to this proposed amendment.

MR. MARTIN: I won't belabour the point. Mr. Speaker, because I don't think we're going to win the amendment anyhow. But I would like some sort of ruling on it, because it seems to me you're making a statement of something that isn't in 744. I'd like some, rationale from the Speaker so we would know better when we are looking at amendments in the future. It doesn't seem to say in 744 those things you're saying. It doesn't say that it has to be somebody in the Assembly. It doesn't say that it can't be somebody outside. At least I can't see that.

You're making a ruling. Perhaps there are some other reasons for it. I would like to know, because it has a bearing on what we do in the future. Section (2) just says. "It may express opinions as to any circumstances." and (I) just says. "It must be declaratory of some principle adverse to ..." It doesn't say who or where or whatever. I will accept your ruling here. But I hope we can get this clarified in the future, because I don't see what you're saying in 744.

MR. SPEAKER: I don't want to belabour the point. I really am unable to add very much to what I've said before. It seems to me that there is no identified principle which the motion itself contradicts or proposes as a reason for not proceeding with the Bill at the present time. The other question is, of course, that the mover of the motion doesn't come right out and say: this is the mover's position in regard to it. Therefore, as I've indicated, I would have to say that the amendment is not in order.

MR. MARTIN: To clarify, because I still can't see it, can we somehow make arrangements in the future to take a look at this, maybe through the Clerk? It says:

> It is also competent for a Member, who desires to place on record any special reasons for not agreeing to the second reading of a bill, to move what is ...

My problem is that I can't see your ruling specifically in section 744. I will accept it, because there may be other precedents. But I would like to have some discussion in the future about this.

MR. SPEAKER: I'd be glad to do that.

MR. MARTIN: The minister can't speak on the amendment. I guess,

Mr. Speaker, let me just say to the minister: you've done a miraculous thing in the construction trades. You've brought management and labour together, both disagreeing with your Bill, For any of us who know the history, the Minister of Labour should be very proud of the minister, because that takes some doing when they both can totally agree on a Bill.

My colleague has spoken of some of the contents. I think the government should listen. When we see, and I'm sure the minister has it, the Electrical Contractors Association of Alberta asking for Bill 35 to be at least tabled until the fall session. The clear thing they said:

> It has always been our belief, that the programs of apprenticeship were Industry Driven Programs, and that if there are changes to be made, then the Industry should be involved by having input into these changes. We have

> not been asked for input, nor, have we been given any rationale to the proposed changes.

Those are pretty strong words. That's from the electrical contractors.

My colleague talked about the Calgary Chamber of Commerce's similar concerns. They say:

> There is a significant change to the voting powers of the Alberta Apprenticeship ... Board ... This section now gives voting rights to the members who represent the general public where previously no voting rights existed.

They say in one sentence here. Mr. Speaker, that

> an apprentice contract is between an employee and an employer. Only these two parties can and should decide on the practical needs of introducing proposed apprenticeship programs.

They go on to say that there wasn't consultation. That's the management side.

I see the Edmonton pipe trades have a number of recommendations, items, 1, 2, 3, and 4. I'm sure the minister has seen them. Again, they come back to consultation. We have similar things from the carpenters' union. They go through a number of things that more appropriately can be dealt with at committee stage. They have concerns. I hope the minister is bringing in some amendments at committee stage to answer some of the things. We go on to the International Brotherhood of Electrical Workers, the plumbers and pipefitters.

Mr. Speaker, what I'm suggesting to the minister is that rather than going into all the details of the particular Bill — we intend do that in Committee of the Whole. But when so many people, both management and labour, are speaking out against the Bill, surely the least we should be able to do is back off. The Electrical Contractors Association is not unreasonable. Would the world come to an end if Bill 35 were tabled until the fall sitting, till the minister had time to talk to both management and labour on this issue that affects them so directly?

Mr. Speaker, I hope the minister will consider allowing this to die on the Order Paper and have that consultation. At the very minimum I hope some amendments will come in that satisfy some of the concerns that have been brought in by both labour and management. There are other letters, but I won't bore the minister. It seems to me that when you get such an outpouring of letters — at least we have, and I expect the minister and some other MLAs are getting the same letters. It's not coming just from one side or the other. As I said, it takes marvellous concentration at this particular time to bring both management and labour together in the construction trades, and I compliment the minister for doing it. Now if he will only stop and listen to what both of them are saying: back off for a while, and come back with a Bill that will be better after the consultation. Surely that's not asking too much at this particular time.

MR. SPEAKER: May the hon. minister conclude the debate?

HON. MEMBERS: Agreed.

MR. ISLEY: Mr. Speaker, to briefly respond to some of the concerns raised with respect to consultation, might I repeat what I said earlier. The major purpose in rewriting the Manpower Development Act into the Apprenticeship, Training and Certification Act was to get all our trades and trades-related legislation into one Act, and the other things that were included in the old Act transferred over to the department Act; furthermore, to remove regulation and administration from the Act and put it where it belongs, in an attempt to simplify it.

Granted, we did not go through a series of public hearings, which occurred back in the mid '70s when the Manpower Development Act was originally developed. But discussions were carried on with the Apprenticeship and Trade Certification Board and the Manpower Advisory committee. It is interesting that the Calgary Chamber of Commerce came up from the side opposite, because they were the only chamber that managed to get in a discussion with me and others prior to our introducing the Act.

There were also discussions with various locals. Subsequent to sharing the Act in first reading in the House, which was done a considerable length of time ago. I had meetings with local 496, who asked for a meeting. I've had meetings with the Alberta union of municipalities and counties, who asked for a meeting. I had meetings with the Electrical Contractors Association this morning. I think most groups, once they got a feel for the complexity of what we're working with, went away quite satisfied. From those discussions we've also attempted to clarify the Act and add some of the minor amendments that I indicated will be coming forward during committee stage. I think I can say at this point in time. Mr. Speaker, that any group who has requested a meeting has met with either mc or some of the staff.

I was a little amazed that members of the opposition would be so upset by giving the public members on the Apprenticeship and Trade Certification Board the right to vote. Remember that there are three levels of boards dealing with trades. There is the local apprenticeship committee at the local level and the provincial apprenticeship committee at the provincial level. If you check the Act, those committees are made up of an equal number of employees and employers. Then there is what will now be the Apprenticeship. Training and Certification Board. That is the board on which there are two public members, who to this point in time have not had the right to vote. That's inconsistent with any of the other public boards we have: for example, our college boards and university boards. I think we should get into the mainstream of life with it.

I think we have to realize that the apprenticeship system is a three-way partnership: the employee, the employer, and the public. The public pays a significant portion of the cost. I suppose if we identify one point in principle where the new Act is different from the previous Act, it's simply the right of the public appointees to vote.

I was startled by the comments the hon. Member for Spirit River-Fairview made with respect to the Act creating some new category of subjourneyman. As I stated in my opening comments, the integrities of the trades are protected. We've clarified procedures, but nowhere in that Act is there any new subjourneyman. I think one of the confusions that developed in people's minds is in reading the old Act, which is almost twice as wordy as the new one, where certain duties and authorities may have existed under three or four different sections, and trying to relate that to the new Act, which is streamlined. During committee stage I challenge the hon. member opposite to come up with the section in that Act that he feels will create a new concept of subjourneyman.

I close with that and urge everyone to support Bill 35 on second reading.

[Motion carried; Bill 35 read a second time]

Bill 36
Rural Utilities Act

MR. BOGLE: Mr. Speaker, I move second reading of Bill 36, the Rural Utilities Act.

The primary purpose of this Bill is to establish a new piece of legislation so that the Rural Electrification Associations and the rural gas co-operatives will have an umbrella piece of legislation under one statute. At the present time, these rural utilities find their mandates in varying pieces of legislation.

I should mention as well. Mr. Speaker, that in addition to the Rural Electrification Associations and the natural gas co-operatives, there are a few small water boards that fall under the same administrative provisions of the legislation. But the primary intent is aimed at the rural gas co-operatives and the Rural Electrification Associations. So by transferring provisions from the Co-operative Associations Act and certain administrative provisions as they pertain to the natural gas co-operatives from the Rural Gas Act, and by completely repealing the Co-operative Marketing Associations and Rural Utilities Guarantee Act by transferring the appropriate sections to this new legislation, we will achieve a goal and an objective, a goal which has been set out for the past couple of years at both the Federation of Gas Co-operatives and the Union of Rural Electrification Association meetings — an objective that, in addition to seeing one umbrella piece of legislation for these rural utilities, would see the opportunity made available for amalgamations. So there could, in essence, be a rural utility association in an area that provides both the electrical services as well as the natural gas services.

Those are the primary principles of the Bill, Mr. Speaker. I might mention that as a result of some input from the Federation of Gas Co-ops and the Union of REAs and others, some amendments will be put forward during Committee of the Whole stage of the Bill.

[Motion carried; Bill 36 read a second time]

Bill 37
Health Disciplines Amendment Act, 1985

DR. REID: Mr. Speaker, in rising to move second reading of Bill 37, I'd like to make some brief remarks.

This Bill will make some minor amendments to clarify the Act in relation to the change in the nomenclature to health disciplines from health occupations and the inclusion of health disciplines associations within the provisions of the Act. The only other change of significance is that it will allow for supervisory members of health disciplines to be appointed to health disciplines committees, a provision that is prohibited in the present Act. It will, however, continue to proscribe the appointment of any member of a health discipline who is involved in negotiations of collective agreements.

[Motion carried: Bill 37 read a second time]

Bill 38
Vital Statistics Amendment Act, 1985

MR. WOO: Mr. Speaker, I move second reading of Bill 38, the Vital Statistics Amendment Act, 1985. In doing so. I would like to make a number of comments with respect to three or four of the amendments which I believe are significant in nature.

The first amendment to the current Act will permit a child born to a married woman to be registered in that woman's maiden surname. This comes about as a result of the proclamation of the equality provisions of the Charter of Rights and Freedoms. There are a number of situations where this accommodation will provide relief. Three of those are the situation where a married woman and a spouse use the same last name, generally that of the the husband, the situation where the two parents use different surnames, and the situation where the parents use a hyphenated combination of last names.

There are a number of consequential amendments to the Act which extend the equality provisions to cover situations where a married woman is divorced, separated, abandoned, widowed. or has remarried. In taking it one step further, those provisions are further extended to cover the procedures within the adoptive process, bearing in mind the very important consideration that the strict nature of the confidentiality of such documents would be adhered to at all times.

Another section that is affected by the amendment has to do with the streamlining of the procedures for the transport of bodies of deceased persons on both a provincial and an inter-provincial basis. What the amendment does, Mr. Speaker, is facilitate the movement of bodies of deceased persons both within and without the province, having consideration for the fact that the required certificates of registration of death, the death certificate itself, and burial permits are in order.

The two other areas that are of some importance are of both an administrative and a regulatory nature. The amendments in one case will allow the minister to make regulations pursuant to the Act, as opposed to the current situation where that is being done by the Lieutenant Governor in Council. This in effect streamlines the ability of the minister's procedures to conform with those of other departments.

Lastly, a further amendment provides for an increase in penalties for infractions or breaches of the Act or certain sections of the Act. In effect, the amendment allows for a fivefold increase in the penalties attached to certain sections of the Act. For example, where one specific section may call for a fine of $50, the amendment will now reflect an increase to $250. We believe this is necessary, Mr. Speaker, to diminish the frivolous abuse of certain sections of the Act and also to reflect the seriousness of offences to the Act in itself.

Having said that. Mr. Speaker, I move second reading of Bill 38.

[Motion carried; Bill 38 read a second time]

Bill 39
Livestock Identification and Brand Inspection Act

MR. MUSGROVE: Mr. Speaker, it's my pleasure to move second reading of Bill 39, the Livestock Identification and Brand Inspection Act. First is a minor change in the name of the Act. It was referred to as the Livestock Brand Inspection Act, and the new Act, Livestock Identification and Brand Inspection Act, has to deal with some livestock that is not branded but is still identifiable.

There are 46 listings of some change. Most of them are just changing the numbers and identifying to the number in the old Act, but there are a few with some significance. One of them is in section 3, that deals with a person who has a permit from an auction mart to move livestock. Previously, he was also required to have a manifest, and it takes away that requirement. The new Act provides that he won't need a manifest if he has a permit from an officer to move livestock.

Section 6 deals with registered livestock that are leaving the province. Previously, if they were not branded, they were only required to have a manifest with the registration number on it. Now, if they're not branded, they have to have a bill of sale of the registered animal or the registration papers.

Section 7 has to do with the details and the disposition of the manifest. Previously, the Act dictated the disposition of the different copies of the manifest, and in some cases it was found that it was used for a legal document. If they didn't have the original copy of the manifest, they didn't have a legal document. This proposal is to take the disposition of the manifest out of the Act and put it in regulations. It would also allow them to change the wording of the Act to make it more realistic.

The present wording of a manifest is for cattle that are shipped to a market, and of course there are lots of cattle nowadays that are trucked or moved around that would require a manifest; they're not taken to a market. People making out those manifests find that a little hard to understand.

Section 21 of this Act allows for the inspection required other than when there is a sale transaction; for example, custom feedlots and custom slaughterhouses.

Section 23 is just a change in the wording: "is of the opinion that any livestock may have been unlawfully shipped" has been replaced by "is not satisfied as to the ownership of any livestock." That has to do with inspectors going onto people's property to inspect livestock.

Section 24 has to do with animals that are held until ownership has been proven.

Section 27 replaces the old sections 31 and 32, to improve the handling of proceeds on animals questioned for ownership and sets up an inspection fund to replace the previous trust account. It also specifies the time the proceeds are to be held and claimed before transfer to the General Revenue Fund. That deals with animals they haven't found the owners of, so they are sold and the money is put into the General Revenue Fund.

Mr. Speaker, there have been some changes, not in the wording but in the amount of fines. When a person was charged under the old Act, it was specific and fines were a minimum of $50 and a maximum of $1,000. They've taken the minimum out of the Act and quote a maximum fine of $1,000 in all but sections 39 and 40, and that was a maximum fine of $5,000. Certain sections of the old Act were taken out because they were covered by parts of this Act.

I move that we give this Bill second reading, Mr. Speaker.

[Motion carried; Bill 39 read a second time]

Bill 40
Mines and Minerals Amendment Act, 1985

MR. ZAOZIRNY: Mr. Speaker, I move second reading of Bill 40, the Mines and Minerals Amendment Act, 1985, and would simply indicate to the Assembly that these amendments are of a highly technical and procedural nature. They have been discussed at considerable length with the oil and gas industry. They pertain specifically to petroleum and natural gas lease continuation in the province of Alberta, an undertaking we embarked upon in 1976. It involves a fine-tuning and adjustment of that initiative. As well, it deals with the specific question relating to the granting of natural gas in coal seams, where such circumstances exist, and the transfers of minerals as well.

[Motion carried; Bill 40 read a second time]

Bill 41
Pipeline Amendment Act, 1985

MR. ZAOZIRNY: Mr. Speaker, I move second reading of Bill 41, the Pipeline Amendment Act, 1985.

The Act essentially involves three principles. It reduces the number of defined classes of pipelines from eight to one. It will remove one redundant step in the current licensing procedures, the provisional licence in the current three-step permitting and licensing procedure, and thirdly, will allow a more streamlined application and approval process in line with this government's initiatives of simplification where at all possible in our regulatory process.

Again, Mr. Speaker, I can advise the Assembly that these amendments have been discussed and have the support of the industry.

[Motion carried; Bill 41 read a second time]

MR. CRAWFORD: Mr. Speaker, rather than continue with second readings at the present time, I'm going to suggest shortly that the Assembly adjourn until tomorrow. I thought I should deal with the question of tomorrow's business because of the fact that we are to call supply tomorrow and that would be the 25th day of supply on the main estimates. There are five departments which have not yet been concluded. All of them have had a fair amount of time in Committee of Supply. I wanted to indicate to the hon. Leader of the Opposition that so far as can be done we would call whatever departments in whatever order would be most productive as far as he is concerned. But in the late part of the afternoon the ministers of energy and social services wouldn't be available; however, the other three ministers will be. If the hon. leader and I can sort of work along with that, we will all spend a very productive day on supply.

[At 10:03 p.m., on motion, the House adjourned to Wednesday at 2:30p.m.]