

**LEGISLATIVE ASSEMBLY OF ALBERTA**

Title: **Monday, April 27, 1987 2:30 p.m.**

Date: 87/04/27

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

[Mr. Speaker in the Chair]

**PRAYERS**

MR. SPEAKER: Let us pray.

O Lord, grant us a daily awareness of the precious gift of life which You have given us.

As members of this Legislative Assembly we dedicate our lives anew to the service of our province and our country.

Amen.

**head: INTRODUCTION OF VISITORS**

MR. HORSMAN: Mr. Speaker, I'm pleased to introduce to you today and through you to members of the Assembly, a distinguished visitor who is seated in your gallery. We are pleased today to welcome on his first official visit to Alberta His Excellency Bernard Mtawali, who is the High Commissioner of Malawi. Will the hon. members please welcome him to the Assembly.

**head: INTRODUCTION OF BILLS****Bill Pr. 7****Calgary Beautification Foundation  
Amendment Act, 1987**

MR. STEWART: Mr. Speaker, I request leave to introduce Bill Pr. 7, Calgary Beautification Foundation Amendment Act, 1987.

The purpose of this Bill is to make changes relating to the constitution of the board and the functioning of the foundation.

[Leave granted; Bill Pr. 7 read a first time]

**head: TABLING RETURNS AND REPORTS**

MR. FOX: Mr. Speaker, I'd like to file three copies of the Official Opposition task force report on the family farm and the future of rural Alberta.

MR. SPARROW: Mr. Speaker, I'd like to table the annual report for Forestry, Lands and Wildlife for the years 1985-86.

**head: INTRODUCTION OF SPECIAL GUESTS**

MR. CRAWFORD: Mr. Speaker, I'd like to introduce 50 students from two schools. One is the Avalon school in the constituency of Edmonton Parkallen, and the other guests are from Baie Comeau, Quebec. I'd like to give them a special welcome to the Assembly, and hope that the visit is very enjoyable.

Mr. Speaker, I think I'm entitled at this time to say in respect to Avalon school that five of my children attended there, and it is a great school with a French language program. I would like

to introduce the four teachers as well: Mr. Laurent Johnston, Mr. Roger Leblond, Ms Mary Ellen Beaulieu, and Ms Jasmine Michaud. I would ask that the students and the teachers stand and receive the welcome of the Assembly.

ACTING CLERK: Ministerial Statements. Oral Question Period.

MRS. KOPER: Mr. Speaker, if we may revert to introductions, it is my pleasure to introduce 88 students from grades 7 to 9 of F. E. Osborne junior high school. These students, of course, are in the riding of Calgary North West, and they are visiting the Legislature today accompanied by four teachers, Mr. Hanson, Mr. Heerema, Mr. Sumner, and Mrs. Jones, and three parents, Mrs. Wise, Mrs. Clark, and Mrs. Beveridge. May I ask the Assembly to join me in giving them a warm welcome, and would they please rise?

MR. SPEAKER: Now question period.

**head: ORAL QUESTION PERIOD****Grain Prices**

MR. MARTIN: Mr. Speaker, I'd like to direct the first question to the Minister of Agriculture. Last week the federal Tories announced a major reduction in initial grain prices, I believe 15 percent for wheat, 25 percent for feed barley, and 32 percent for malting barley. In view of the already disastrous economic situation for grain farmers, what new financial aid program will the government be announcing this session? I stress what new aid program this session.

MR. ELZINGA: Mr. Speaker, I'm sure all members would endorse our hope that we would see grain prices elevated in the international market, and we are delighted that the federal government has given such a high priority to bringing agriculture to the international scene with the hopes of removing subsidies, both in the European Economic Community and in the United States.

If the hon. member would like me to go through with him the initiatives that we have announced that are new this session, we just recently signed a tripartite sugar beet agreement for southern Alberta sugar beet producers. We continued on with our feed grain market adjustment program. We just announced Farming for the Future additional funding. We came forward with a farm credit stability program in the last session. We've got an ag research institute piece of legislation before this House. And I can go on on quite a lengthy list as it relates to the agricultural sector within this province.

But even with that list, Mr. Speaker, we're not happy. We're going to continue to work with the federal government and pursue very actively our hope that there will be an additional payout under some type of special grains program in the next crop year acknowledging the difficulties that the agricultural sector is facing, especially within the grain sector.

MR. MARTIN: Well, supplementary question, Mr. Speaker. It's all very well and dandy, but my question is: what is this government going to do that's new in this session? That's what the farmers of Alberta want to know. Rather than listing all the things that have happened in the past that aren't working, what are you going to do now in view of these disastrous prices?

MR. ELZINGA: Mr. Speaker, I want to temper my remarks, acknowledging what is taking place here, but I must shake my head in amazement again. One has only to look at what the New Democratic Party does in Manitoba as compared to what our party does in Alberta. I think it's shameful what support the Manitoba government offers the agricultural sector. They're the lowest of any province in Canada, and here we're hearing again the same hypocrisy that we have on a consistent basis from the New Democratic Party.

We have shown by our action and our consistent support of the agricultural sector that we are going to make sure that it remains viable and strong within the province of Alberta. And in the event that additional aid is required, this government will be very forthcoming in its support for the agricultural sector, as we have been in the past.

MR. MARTIN: You know, the minister can be chippy and yell and scream all he likes. What the people want to know in Alberta is: what's this government going to do? And that's the question I'm trying to ask.

Now, my question specifically: there is supposed to be approximately \$260 million in aid coming to Alberta producers under the special Canadian grains program. To put pressure on the federal government, would the Alberta government at least match that \$260 million to help out our grain producers?

MR. ELZINGA: Mr. Speaker, as the hon. member should be aware, there are going to be substantial cheques coming, not only under the special grains program but also under the Western Grain Stabilization Act, which was announced by Charlie Mayer when he indicated that there would be decreased initial prices as it relates to the grain. If the hon. member is not aware of the exact payouts, we're more than happy to forward him the information.

Mr. Speaker, as I indicated earlier, we are going to continue to work with the federal government and continue with our strong support for the agriculture sector. I don't think anything speaks louder than our record. If one looks on a per capita basis at the support this government has given to the agriculture sector, we do more than any other province in Canada. But we acknowledge -- I say this with sincerity, and I hope the hon. member didn't think I was hollering and shouting, because I wasn't hollering and shouting; I didn't think he was in the position of the hon. Member for Westlock-Sturgeon whereby he needed a hearing aid yet. But I should point out to him we're going to continue with our support. We acknowledge -- and I say this with all sincerity -- the serious difficulty that the agriculture sector is going through, and because of that we are going to continue with the strong support that has been forthcoming in the past.

MR. MARTIN: Mr. Speaker, talk is cheap. We're looking for action. That's why I was trying to determine what new initiatives. But this government could do one thing. In view of these latest statistics on initial prices, will the government now at least abandon the 23 cents per gallon hike in farm fuel costs due to come into effect on June 1 -- \$36 million? Will you at least do that?

MR. ELZINGA: Mr. Speaker, talk is cheap, and that's why one should look at the figures. In Manitoba the New Democratic Party supports their agriculture the smallest amount. The only reason I stress that is so that people will recognize it's easy to

say one thing, but to deliver is another. And we've delivered with our support of close to half a billion dollars within this budget that was just introduced. No matter how the opposition tries to twist it with their deceit, we've maintained a 14-cent differential which the farmer does enjoy.

Unlike the hon. member, we don't indicate to others that costs are not going to go up. In their own document they advocated a 6-cent increase in fuel tax. He didn't say that to the gravel producers when he spoke to them. He indicated to the gravel producers he wanted to see us reduce that 5 cents, when he himself had advocated a 6-cent increase for them. That's the hypocrisy, Mr. Speaker, from that side.

MR. TAYLOR: Mr. Speaker, my supplemental is also to the man that's in charge of spreading gravel around. I would like to ask the minister: in view of the fact that all he can suggest is federal cures -- the federals are going to do this or that -- or what went on in Manitoba, what will he do about something he can do himself; that is, call off his dogs in the Agricultural Development Corporation that are foreclosing on farmers, that are going out after them? Why won't he call off the dogs and give them at least a year's moratorium before putting a noose around so many farmers' necks?

MR. ELZINGA: Mr. Speaker, as the hon. Member for Westlock-Sturgeon is aware, we just recently conducted a very extensive review of the Agricultural Development Corporation. We're looking forward to reviewing those recommendations with the hon. member and all Members of this Legislative Assembly when we do receive the final report. It would be very unwise and very unfair of us to prejudge a report after we've commissioned the excellent work to be done. Once we do have that report, we will be in a better position to assess it.

DR. BUCK: Mr. Speaker, would the hon. minister consider an interim moratorium on foreclosures with the Agricultural Development Corporation, pending the report coming before the minister and this Assembly?

MR. ELZINGA: Mr. Speaker, what we have done is, we have within our department individuals who are willing to work with farmers who are having financial difficulties, plus within the Agricultural Development Corporation we have enterprise counselors who are more than happy to work with any farmers that are having financial difficulties. We do have real hesitation with placing a moratorium on it. It's something we are willing to examine once we have the report of the ADC, but we first wish to see the recommendations of this select group of people, who I'm sure are going to come forward with excellent recommendations, Mr. Speaker, as to what we should do to make sure our credit responsibilities to the agricultural sector are that much more responsive.

MR. HYLAND: Supplementary question, Mr. Speaker, regarding the special grains policy, I wonder if the minister could inform the Assembly, from the time he spent with the minister responsible for the Wheat Board, Charlie Mayer, if he received any assurances of correcting the inaccuracies between payouts on irrigation crops and those of dryland.

MR. ELZINGA: Mr. Speaker, when we met in Ottawa on March 30 -- it was quite some time ago -- with the agriculture ministers from across Canada and the federal ministers, the fed-

eral people did give us the assurance that they were going to take into account the differences as they relate to the irrigated and the dryland areas in southern Alberta. I have not seen any of the details as to how they are going to take that into account, but we have received the assurances from our federal counterparts that they are going to take it into account because of the strong representations that were made by individual members of this Chamber and the commodity groups in southern Alberta.

MR. SPEAKER: Second main question, Leader of the Opposition.

### **Olympic Appointment**

MR. MARTIN: Mr. Speaker, I'd like to direct the second question to the Premier. The Member for Calgary Fish Creek has announced that in addition to his duties as an M.L.A., he wants to pursue a very heavy responsibility as the PR director for the 1988 Winter Olympics. In view of the controversy regarding this situation, will the Premier clear up whether he has met with the member and whether he has given his approval for this arrangement?

MR. GETTY: Mr. Speaker, the hon. member, Mr. Payne, has met with me. We've discussed the matter, and I believe he will make an outstanding contribution to the Olympic organization and continue to do an outstanding job as an M.L.A.

MR. MARTIN: A very interesting answer, Mr. Speaker. One has to assume that the general manager of media for the Olympic Games carries a heavy responsibility and workload. Otherwise, why would they pay \$70,000 for it? My question to the Premier: how can the Member for Fish Creek adequately represent his constituents, carry on his responsibilities in this Assembly, and represent the government on various committees while he manages all the media relations for the Olympics? Is he Superman, Mr. Premier?

MR. GETTY: Mr. Speaker, as I said earlier, I believe the hon. member will make an outstanding contribution to the Olympic organization. I think it will put additional pressures on him to fulfill his other responsibilities, but I'm confident that he can.

MR. MARTIN: Mr. Speaker, I wonder, if an M.L.A. is only a part-time job, why this government just increased the wages by 10 percent with that type of answer.

My question to the Premier: the provincial government is a major funder of the Olympics. Does the Premier not see the potential for conflict of interest in having a member of his government as the PR director of the Calgary Olympics?

MR. GETTY: No, Mr. Speaker.

MR. MARTIN: That's precisely the apathetic answer I expect from this Premier on something as serious as this, a typical head-in-the-sand approach, Mr. Speaker.

Why the Premier ever agreed to this, I'll never know. My question is: in view of the fact that this controversy is hurting the credibility of the Olympic Games, will the Premier do the right thing and now ask the Member for Calgary Fish Creek to either resign from the House or from his job as the PR director of the 1988 Winter Olympics?

MR. GETTY: Mr. Speaker, I find that one of the most foolish things I've heard from the Leader of the Opposition in some time.

MR. TAYLOR: Supplementary, Mr. Speaker, to the Premier. I don't think the question is whether he will do a good job for the Olympics; it's whether he will do a good job for his constituents. Mr. Premier, would you give us any idea, is this going to be a pattern? In other words, do you think that any M.L.A. in your back bench can take a full-time job and not take away from the work he is supposed to be doing for his constituents and for your party?

MR. GETTY: Mr. Speaker, it's completely a matter of opinion, and I am unable to comment on a such a general basis. I know we have full-time farmers in this Legislature; I understand we have full-time union members. There may be even full-time dentists in the Legislature, full-time doctors. There are full-time cabinet ministers who are also M.L.A.s.

DR. BUCK: Mr. Speaker, to the hon. Premier: is the Premier in a position to indicate if the hon. member is being offered the position to act as a liaison between the Olympic Committee and the provincial government?

MR. GETTY: He is not, Mr. Speaker.

MR. SPEAKER: Main question, Westlock-Sturgeon.

### **Senate Reform**

MR. TAYLOR: Thank you, Mr. Speaker. This is to the Premier. It's a question involving last summer at the annual Premiers' Conference. The Premiers unanimously endorsed the Edmonton declaration, which it's called, which pledged that Quebec's constitutional concerns would be addressed by the first ministers before, before Senate reform. Now, over the last few weeks, the Premier has stated that he would like to see Senate reform discussed, yet has met with criticism from External Affairs Minister Joe Clark for stating an opinion which is shared by all parties in this House, that Senate reform is necessary now. To the Premier: do you now agree that entering into the Edmonton declaration, which put Quebec first and left Senate reform as an afterthought, was a mistake?

MR. GETTY: No, Mr. Speaker.

MR. TAYLOR: There are none so blind as those that will not see, Mr. Speaker.

Is the Premier essentially now disavowing the Edmonton declaration then? I know he's not a lawyer, but how does he get down on both sides of this question?

MR. GETTY: Mr. Speaker, the hon. member perhaps noticed that many other governments, including the Prime Minister, asked us to amend the Constitution just over a month ago on native matters.

MR. TAYLOR: Perhaps, Mr. Speaker, then the Premier could tell us how he plans to convince the other Premiers who feel that they signed the Edmonton declaration meant something. How is he going to convince them to put reform of the Senate on the table at the same time as the Quebec problem is?

MR. GETTY: We'll just have to see how it turns out, Mr. Speaker.

MR. TAYLOR: Mr. Premier, we've heard about gravel when people ask about grain prices; we now have somebody flying by the seat of his pants going into one of the most important conferences known since Confederation. Well, has the Premier attempted to get the other provinces onside in pushing Senate reform on the agenda along with Quebec's? And can he count on the support of any provinces? Could the Premier share with us any province that shares his opinion of walking in there and that the Edmonton declaration meant nothing?

MR. GETTY: Mr. Speaker, nobody said the Edmonton declaration meant nothing. I don't speak for the other Premiers, and I don't try to in this Legislature. Over the coming days and weeks we'll hear from them themselves, and I think that's the proper way to handle the meeting.

#### **Western Grain Stabilization Program**

DR. BUCK: Mr. Speaker, my question is to the hon. Minister of Agriculture and has to do with the western grain stabilization program. In light of the fact, Mr. Minister, with the recent payout of \$705 million that the fund is about \$850 million in a deficit position, can the minister indicate if he's had any discussion to find out what effect it's going to have on the farmers' premiums for the stabilization program as of this year?

MR. ELZINGA: Mr. Speaker, when we recently went to Taber with the minister responsible for the Canadian Wheat Board to sign what we consider a very important document, a tripartite agreement for the sugar beet producers, he indicated to us that they were presently examining as to what they were going to do to make up that deficit shortfall. He said not to preclude the possibility whereby the federal government itself might pick up that deficit. There's also the possibility whereby there might be increased premiums for the farming population. But they're presently examining what they should do with the huge deficit, as the hon. Member for Clover Bar just pointed out.

DR. BUCK: Mr. Speaker, to the hon. minister, a supplementary. The next agricultural ministers' meeting is slated for July in Quebec city. Would the minister consider offering a proposal that the funds that come from the stabilization programs and the special grains programs be tax exempted as income?

MR. ELZINGA: Mr. Speaker, I'd be more than happy to examine that proposal. As the hon. member is aware, though, that would come under federal jurisdiction. We'd be more than happy to make that representation, I should share with the Chamber also and with the hon. member, it was some weeks ago that we tabled in this Legislative Assembly a telegram that we had sent to the minister responsible for the Canadian Wheat Board, suggesting continued strong support for our grain sector during this difficult period of time. I'm sure that that support will be forthcoming; at least it is my strong hope and desire that we will continue at the federal level with their strong support, because it is a national program. We do more so than any other province in Canada, and we're going to continue with that strong support. But we recognize that it is a national program, and we would hope that they would continue with their

forthcoming support as they have in the past.

DR. BUCK: Mr. Speaker, to the hon. Provincial Treasurer. In light of the fact that there is an 18 percent drop in initial prices, announced last week, would the Provincial Treasurer now consider strongly dropping the 5 cents per litre gas tax on the agricultural sector?

MR. JOHNSTON: No, Mr. Speaker.

MR. ELZINGA: Mr. Speaker, I'd like to supplement that because inadvertently, I'm sure, the hon. member misled the House. There is no 5-cent tax on the farming population. In the budget speech the Provincial Treasurer indicated in a very forthright manner that they were going to be exempt from that tax, even though the farm fuel allowance was going to be reduced 5 cents. On a technicality, it's only fair that it be noted that that 14-cent differential is going to be maintained even though the farm fuels are going to cost an additional 5 cents on June 1.

MR. FOX: Supplementary question on the western grain stabilization program. I'm wondering what consideration the minister has given to a built-in problem with the program in that it's based on a five-year average of prices which have been low over the last period of time. We're going to end up institutionalizing a low base price for the grain stabilization program. I'm wondering what we can do to address that.

MR. ELZINGA: Mr. Speaker, I'm glad the hon. member has brought that to light, because a lot of individual farmers are unaware that that is the circumstance whereby now with the grain prices being decreased, the five-year average automatically is going to be decreased, and it is a concern. That is why we are happy with a number of the recommendations that were included in our hail and crop report that we are presently examining, too, and does require concurrence from the federal government whereby there will be an actual revenue or cost of production insurance in place for our agricultural sector to offset some of the difficulties that the hon. member just raised.

DR. WEST: Supplementary to the minister. With a billion going in on deficiency payments, a billion on stabilization, the farm fuel - the millions that have gone in there -- plus the farm fertilizer, could you indicate how much per acre that has added up to on a total seeded acre basis?

MR. ELZINGA: Mr. Speaker, I don't have those figures at my fingertips, but we'd be more than happy to put them together for the hon. member. I can leave him, though, with the assurance that our farmers within the province of Alberta have preferential treatment as compared to any other farmers throughout this country in view of the strong support of this provincial government for the agricultural sector.

MR. TAYLOR: Mr. Speaker, with questions like that I can see why the Premier says that they can take full-time jobs somewhere else.

Supplementary to the minister, Mr. Speaker, on the grain stabilization program. As has evidently already been pointed out by the questions, it's based on certain grains and the five-year rearward average. But the prices haven't been too good. Has the minister thought further about coming forward with

either a negative income tax system or a basic annual income for farmers to get around all the fancy schemes that we're now talking about that aren't working?

MR. ELZINGA: Mr. Speaker, I'm happy to answer the question of the hon. Member for Westlock-Sturgeon for the 18th time and indicate to him that we have a threefold approach as it relates to the agricultural sector. One, we're going to do our level best to establish a safety net through insurance or stabilization programs, of which the hail and crop insurance report plays an integral role. We're doing our level best to reduce input costs, acknowledging that on the international market we haven't got a great deal of influence to indicate what prices our agricultural sector is going to receive for their commodities, but we are playing a significant role in reducing input costs. Thirdly, we're placing an added emphasis to make sure that we do have homes whereby we can sell our agricultural products both to the U.S. and to the Pacific Rim, and we are very aggressively pursuing those trade initiatives, especially as it relates to our greatest trading partner, the United States.

### **Fashion Industry**

MRS. MIROSH: Mr. Speaker, to the Minister of Economic Development and Trade. Earlier this month the minister announced that the province would be providing support to Alberta's fashion industry, and at that time you mentioned a new program to promote Alberta's fashion. Can the minister outline the details of this program?

MR. SHABEN: Mr. Speaker, we've been working with the fashion industry for a number of months because it has become an important aspect of our diversification initiatives in strengthening other sectors of the Alberta economy. The initiative involved three facets, as a result of co-operation and agreement with the industry: the development of a fashion video, which has been very well received; the development and production of a fashion directory; and also participation with the designers and manufacturers . . . [interjections]

MR. SPEAKER: Perhaps there could be more order in the House.

MR. SHABEN: . . . and with the co-operation of the fashion industry and the designers and manufacturers, representations at the fashion festival in Toronto that concluded yesterday.

MRS. MIROSH: Supplementary, Mr. Speaker. This weekend I had the opportunity to attend the Festival of Canadian Fashions in Toronto, and I observed that Alberta had a fantastic booth at a substantial cost to the taxpayers. Can the minister provide us with information that will substantiate the expense of this booth at that trade show?

MR. SHABEN: Mr. Speaker, yes: the initiatives that I just outlined involving the three facets; that is, the fashion video and the fashion directory as well as participation in the fashion festival. I'd like to congratulate the hon. member for being there and representing Alberta and the industry. Alberta manufacturers and designers were very well received, and the initial reports that we've been advised of are that they were busy in terms of receiving orders and inquiries from buyers from all over the world.

MRS. MIROSH: Supplementary. Mr. Speaker. I had the opportunity to meet these manufacturers and designers, and they did receive a lot of contracts. But now they are concerned about the follow-up plan for the Alberta government, if you have any further plans or additional programs for them to look forward to for assistance in this trade.

MR. SHABEN: Mr. Speaker, in working with these entrepreneurs who are finding different aspects of opportunity in Alberta -- and they're doing it aggressively and are seeking out markets for Alberta products and are putting to work Alberta ingenuity -- one of the difficulties that they face is when they receive more orders than they have been accustomed to, they have difficulty in financing that activity. We think that it's a problem that is a good one, rather than not having enough orders. So we'll be working with the industry using some of our existing programs, such as our export loan guarantee program, to assist these companies in meeting their obligations and putting many Albertans to work.

MR. SPEAKER: Member for Edmonton Calder, followed by the Member for Edmonton Meadowlark.

### **Assured Income for the Severely Handicapped**

MS MJOLSNESS: Thank you, Mr. Speaker. To the Minister of Social Services. On April 10 the minister wrote a letter to individuals on AISH requesting detailed information on their assets and shelter costs. The department indicated that this information is the equivalent of a needs test and is required for cost sharing with the federal government but that Alberta is not contemplating any kind of compulsory testing which would affect eligibility for AISH. As many people are anxious and uncertain about the intent of this letter, to the minister: could the minister explain why the letter did not state clearly that this was not compulsory for AISH recipients to provide this information?

MRS. OSTERMAN: Mr. Speaker, I thought that it did make that statement clearly.

MS MJOLSNESS: Well, many people are confused, Mr. Speaker, about the intent of this letter. Will the minister state unequivocally that this government is not considering a compulsory needs test for AISH recipients?

MRS. OSTERMAN: I'd be pleased to make that unequivocal statement, Mr. Speaker.

MS MJOLSNESS: Well, that's good to know. The letter stated that the government's intent is to cost share with the federal government. If the government's intent is to maximize CAP funding, which requires needs testing, why is this government pussyfooting and not making this intent clear?

MRS. OSTERMAN: Mr. Speaker, I thought that we had or that I had made the intent clear, but I'm pleased that the hon. member has provided me with the opportunity to make it clear in the House.

MS MJOLSNESS: To the minister, a supplementary. Will the minister state unequivocally that in providing the information as requested in the form, AISH recipients will in no way be restricted in their eligibility and the level of their benefits now or

in the future?

MRS. OSTERMAN: Mr. Speaker, I can certainly make that statement. Just for further clarification in the event that other hon. members have had this raised with them by constituents, I think it is well known that Alberta's program is basically income tested and not needs tested. We certainly didn't want to go back to what most of the other provinces have, and that is a form of social allowance. We want to be able to continue to deliver a pension to our severely handicapped people, but it is also true that our criteria for that pension do not match the federal CAP program. So my request of individuals on the pension was that if they could provide additional information, in many cases we believe that it would show that these people indeed would have been eligible for social allowance had we had that program in place instead of the pension. I would share that information with the federal government in order to receive some cost sharing, but in no way would that affect their eligibility for the pension.

MR. SPEAKER: Supplementary, Edmonton Gold Bar.

MRS. HEWES: Thank you, Mr. Speaker. Again, to the minister. Will the minister tell the House precisely which items in the request letter that went out to AISH recipients are specifically and directly required in order to secure CAP funding, and which are items only required for the department's own use?

MRS. OSTERMAN: Mr. Speaker, while I don't have the specifics in front of me, I think that the principle is that it is the area that goes beyond the needs test that is normally in place for social allowance recipients that as far as the federal government is concerned, because we don't address that area that we run afoul of the CAP regulations.

MR. SPEAKER: Edmonton Meadowlark, followed by the Member for Red Deer South.

### **Senate Reform** (continued)

MR. MITCHELL: Thank you, Mr. Speaker. My question is to the Premier. Last year Quebec made its five constitutional proposals public with the two key proposals being a veto and the recognition of Quebec as a distinct society. Recently in preparation for this week's first ministers' meeting on Quebec, the Prime Minister issued to the Premiers his proposal for a solution. Would the Premier consider providing Quebec with a veto or recognition of a distinct society as a quid pro quo for a Triple E Senate?

MR. GETTY: No, Mr. Speaker.

MR. MITCHELL: Leaving one to wonder: what is the negotiating strategy to get a Triple E Senate? Has the Premier received any indication that other provinces are supportive of this kind of trade-off?

MR. GETTY: Will the hon. member rephrase that so it'll make a little more clarity, a little more sense.

MR. MITCHELL: Still my second question, Mr. Speaker. Has the Premier got some form of negotiating strategy that would

allow us to bend on some issues in order to achieve success in the Triple E Senate? Because as it stands now there seems to be no concerted effort or negotiating strategy to achieve something that will be as difficult to achieve as the Triple E Senate. Is that clear?

MR. GETTY: Yes we do, Mr. Speaker.

MR. MITCHELL: Has the Premier received any indication from Quebec that their five proposals are all or nothing, and if so, will you be telling Quebec that it's the Triple E Senate or nothing?

MR. GETTY: No, Mr. Speaker.

MR. MITCHELL: To the Premier. What leverage could we possibly have to get the Triple E Senate once we accede to Quebec's demands for constitutional change? Where will we get the leverage? Why would they give us something once they've got what they want and once the federal government has what it wants as well in that regard?

MR. GETTY: Obviously, Mr. Speaker, the constitutional conference that's coming up on April 30 will be a time when all of these matters will be discussed. I don't know how to express, on behalf of the province of Quebec, a position today, because they will be presenting it at that meeting.

MR. SPEAKER: Member for Red Deer South, followed by the Member for Vegreville.

### **All-Terrain Vehicle Operation**

MR. OLDRING: Thank you, Mr. Speaker. My question is to the Solicitor General. With the growing popularity of all-terrain vehicles and in particular three-wheel all-terrain vehicles, the public is seeing a large increase in the number of injuries and fatalities, 20 percent of whom are children under the age of 12. My question to the minister is this: what steps has the minister taken to determine what safety problems exist with children riding all-terrain vehicles, and would he inform the House on what those problems might be?

MR. ROSTAD: Mr. Speaker, the all-terrain vehicles are one type of vehicle under the Off-highway Vehicle Act. There's a requirement that children under 14 be accompanied by an adult or have one in close proximity thereto when giving instructions on these vehicles. This pertains to public land. If these vehicles are operated on private land, the Act doesn't pertain.

I have, as the Member for Red Deer South has, a concern over the number of injuries. However, most of those injuries occur from youngsters utilizing these vehicles in conditions where they shouldn't and at an age limit when they shouldn't, and the majority are on private land, where I don't think the government should interfere with regulation. It's a parental responsibility.

MR. OLDRING: Supplementary to the Solicitor General. Could the minister tell the Assembly why all-terrain vehicle riders are not required to wear helmets?

MR. ROSTAD: Mr. Speaker, the Member for Red Deer South is correct. There is no requirement in the Off-highway Vehicle

Act for wearing a helmet, whether you're operating the vehicle on public or private land. This is an inconsistency. And if it were felt that wearing a helmet on public land, where there are very few instances this would happen -- again, reiterating that private land is not some place that this Act has jurisdiction -- I would be willing to bring such a proposal to my caucus colleagues and see whether it has merit.

Most of the injuries, I might point out, are not of the head injury; they are from appendages or trunk injuries. And I'm not so sure that in these small instances we would be able to overcome the injuries by wearing helmets.

MR. OLDRING: Supplementary, Mr. Speaker, again to the Solicitor General. Would he tell the House what policy he has developed regarding safety devices training and engine displacements for all-terrain vehicles, and if he has none, why not?

MR. ROSTAD: Perhaps I could answer it easily that I have none. The "why not" is because the all-terrain vehicle council sets up industry standards, and I don't think it's the place for us to second-guess whether their standards are accurate or adequate.

The other issue is, again, the control of the operator in operating the vehicle -- as to whether they're operating it correctly -- and that I think, again, is parental response.

I might mention that there is a Canadian all-terrain council that does establish a training course for people who purchase such vehicles. It has a number of government departments on it. They have a program for training, and I would suggest that anyone buying one of these vehicles take this course.

MR. OLDRING: Thank you.

Final supplementary, Mr. Speaker, again to the Solicitor General. Can he advise us what action he has taken to improve all-terrain vehicle safety so that fewer youth will be injured, and if he has not yet taken any action, when can Albertans expect such action to take place?

MR. ROSTAD: Mr. Speaker, I repeat that I don't think this is an area that the government necessarily should get involved in, where vehicles are being operated on private land. Although this type of vehicle has been around for approximately 10 to 15 years and there haven't been any changes in legislation, I would undertake to review what is happening in other provinces in this industry and see if there is some initiative that could be taken.

MR. TAYLOR: Mr. Speaker, to the Solicitor General. Could he tell the House whether or not the department is considering any regulations or changes in regulations that would preclude the use of these vehicles and snowmobiles up and down the ditches of the main road allowances? They seem to enjoy the lumps and bumps that the highways department put in for use along the road allowance. Is he considering any changes in those regulations?

MR. ROSTAD: Mr. Speaker, the present regulation is that if you're operating it on public land, you must be licensed and must meet the requirements of being 14 years or over. If you're over 14, you must have a learner's permit. A municipality could pass a bylaw to allow them to cross on some road under their particular jurisdiction. There is no change other than that.

MR. SPEAKER: Member for Vegreville, followed by the

Member for Edmonton Highlands if there is time.

### Crow Benefit

MR. FOX: Thank you, Mr. Speaker. To the Minister of Agriculture. He refers to it as the "pay the producer pilot project," while others call it the "Planche patronage position." I will from this point on refer to it, for more than one reason, as the "Peter principle."

Can the minister advise the Assembly whether it is the view of this government that the Crow benefit, \$658 million paid to the railways, originally established as a transportation subsidy, is now viewed by this government as a production subsidy?

MR. ELZINGA: We, unlike the hon. member, don't believe it is a direct subsidy, and that's why we wish to have it paid directly to the producer rather than to the railway. It's interesting to note that in his report that he's just tabled in the Legislative Assembly, he's against as many things as he is for, because I notice again that he is against paying the producers the Crow benefit, he's against incentive rates within the province of Alberta which will have a direct and substantial positive impact for his constituency of Vegreville. Mr. Speaker, all they are is against, against, and against, whereby we want to use innovative approaches to make sure our agriculture sector is successful.

MR. FOX: What I'm against is this government, Mr. Speaker. The minister uses a pretty alluring description to describe the Crow benefit and his desire to pay the producers instead of the railways. It's a noble cause, but will the Minister of Agriculture admit in this Assembly that what he's really attempting to do is instead of the federal government paying the railways the \$21 a tonne subsidy, he wants export grain producers to pay the railways that \$21 a tonne subsidy at the time of delivery?

MR. ELZINGA: No, Mr. Speaker. What we want to do is allow the farmer the opportunity to decide which is the most efficient means of transportation. Unlike the New Democratic Party that believes they should dictate everything to our citizens within this province, we want to allow individual citizens that opportunity to decide for themselves. [interjections] I must say that I find it so disheartening when I see the opposition parties laughing at the serious problems agriculture is facing.

MR. FOX: Recognizing, Mr. Speaker, that the minister's proposal will reduce the initial value of grain by \$21 a tonne, how can he justify advancing this position at a time when prices dropped an average of 18 percent again last week?

MR. ELZINGA: Mr. Speaker, because what it would mean is we would have secondary industry; we would have a greater input into the livestock sector within this province whereby there would be greater means for disposal of our grain products within this province of Alberta. It's something we've indicated, and a number of very important sectorial groups have indicated that also. Unfortunately, it hasn't sunk in yet to the New Democratic Party -- the positive benefits it would have in this province as it relates to not only our livestock sector but the grain sector and secondary industry.

MR. FOX: Has the minister done any calculations to determine what effect the dilution of this benefit would be if it's paid to producers sometime in the future instead of paid to railways at

the time of delivery?

MR. ELZINGA: Yes, we have, Mr. Speaker, but we believe that the increased deficiencies will pick up if not all of that, close to all of that dilution, which would account for anywhere from 5 to 15 percent.

MR. SPEAKER: Member for Westlock-Sturgeon.

MR. TAYLOR: Yes, Mr. Speaker. Supplementary to the Minister of Agriculture. With respect to the producers' subsidy, would the minister consider - as he now probably is aware, the barley producers and a few others access it for cattle feeding. However, the hay producers are not qualifying for this producers' subsidy. Is there any consideration in his mind that all feeds be treated equally in this thing, and there would be some sort of assistance given to those that produce hay to feed?

MR. ELZINGA: Mr. Speaker, I have the letter from the hon. member -- I'm presently in the process of answering it -- whereby he raised that concern with me, and hopefully with further and proper explanation it will sink in to both the Liberal and the New Democratic parties that it is not a subsidy. Our program is an offset to what we consider is a discriminatory payment to the railways rather than to the producer. We instituted the offset to offset what we consider -- as the hon. minister for economic development is so very much aware and might wish to supplement -- a very discriminatory payment. It is going to have a substantial impact in this province in the event that we can have that method of payment changed. Because it is an offset and it relates to those products that do receive the Crow benefit, we have it only applicable to those products, and hay is not one of those products.

MR. SPEAKER: Might we have unanimous consent to finish this line of questioning, if there are any additional supplementaries?

HON. MEMBERS: Agreed.

MR. SPEAKER: Opposed? Any additional supplementaries?

Before we come to Orders of the Day, I'm sure all hon. members will join with me in welcoming the hon. Member for Chinook back after his valiant battle with things medical. [applause]

#### ORDERS OF THE DAY

MS BARRETT: Mr. Speaker, I rise to request unanimous consent for the Assembly to deal with a motion that has to do with the genocide against the Armenian people in 1915. I'd expected that I might see a motion like this on the Order Paper under Government Motions, and that having failed, I wonder if we can receive unanimous consent to deal with this matter now.

MR. SPEAKER: Under standing order which?

MS BARRETT: Yes, sorry; 40.

MR. SPEAKER: The Chair is waiting for a response. Is it Standing Order 30(5) or . . .

MS BARRETT: Mr. Speaker, it's Standing Order 40, waiving

of notice:

A motion may, in case of urgent and pressing necessity previously explained by the mover, be made by unanimous consent of the Assembly without notice having been given under standing order 38.

So it's both citations, I think, which are relevant.

MR. SPEAKER: Perhaps the motion could be distributed to all members but first be distributed to the House leaders of all of the parties before any further discussion takes place and the request for unanimous consent. The Chair would appreciate a copy as well.

Which standing order was cited?

MS BARRETT: Mr. Speaker, I wonder if I'd be permitted just to speak briefly to the urgency of the request, under the terms of the *Standing Orders*. I would like to argue briefly that the importance of this matter is that the day upon which Armenians around the world recognize the massive slaughter, the first of that type of incident, in fact passed a few days ago. The commemoration, for example, here in Edmonton was yesterday. In pursuit of having parliamentarians acknowledge that genocide, it has been requested of members of this Assembly that we acknowledge the day as a recognized day, and that is the content of the motion. The urgency is that the day in fact has passed. We of course did not sit last week, so the motion couldn't be dealt with at that time.

MR. SPEAKER: Under Standing Order 40, this has now been carried out: that it's incumbent upon the member making the motion to speak briefly to claim the matter of urgency. Having heard that argument and having had the proposed motion placed before us, before all the members of the Chamber, all those willing to give unanimous consent, please say aye.

SOME HON. MEMBERS: Aye.

MR. SPEAKER: This is to the discussion of the motion. Those opposed, please say no.

SOME HON. MEMBERS: No.

MR. SPEAKER: The motion fails.

#### head: GOVERNMENT MOTIONS

10. Moved by Mr. Crawford:

Be it resolved that

(1) A special committee be appointed, consisting of the following members, namely:

Mr. G. Stevens, Chairman

Mr. F. Stewart, Vice-Chairman

Mr. G. Clegg

Mr. J. Gogo

Dr. B. Elliott

Mr. G. Mitchell

Mr. D. Fox

for the purpose of inviting applications for the position of Ombudsman and to recommend to the Assembly the applicant it considers most suitable for appointment to that position.

(2) Members of the committee shall be paid in accordance with section 42(1)(a) of the Legislative Assembly Act.



- (3) Reasonable disbursements by the committee for advertising, staff assistance, equipment and supplies, rent, travel, and other expenditures necessary for the effective conduct of its responsibilities shall be paid, subject to the approval of the chairman.
- (4) In carrying out its responsibilities, the committee may, with the concurrence of the head of the department, utilize the services of members of the public service employed in that department or of the staff employed by the Assembly.
- (5) The committee may, without leave of the Assembly, sit during a period when the Assembly is adjourned.
- (6) When its work has been completed, the committee shall report to the Assembly if it is then sitting. During a period when the Assembly is adjourned, the committee may release its report by depositing a copy with the Clerk and forwarding a copy to each member of the Assembly.

[Motion carried]

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

**Bill 9**

**Highway Traffic Amendment Act, 1987**

[Adjourned debate April 13: Mr. Bogle]

MR. BOGLE: Mr. Speaker, I'm pleased to rise today to make some observations on Bill 9, the Highway Traffic Amendment Act, 1987. I would like to begin by congratulating the mover of this Bill, the hon. Member for Calgary North West. It is not often that a member who introduces a private member's Bill sees that Bill reintroduced as a government Bill. The member should be very proud of his accomplishments in convincing the majority of the government caucus members that this should indeed be a government-sponsored Bill.

I now wish to turn my attention to the content of the Bill, and in so doing, I intend to reflect the feelings and wishes of the residents of the Taber-Warner constituency. It seems to me that we are dealing with a fundamental question of rights and responsibilities: the rights of the individual and the responsibility of the state. We pride ourselves in living in one of the freest societies in the world, with rights that are little more than a dream to the vast majority of people on this earth. Our citizens have given us as legislators the responsibility to make good laws and to govern within the framework of our Constitution, conventions, and customs. We as legislators must be very careful not to assume that our constituents want us to overgovern or overlegislate our society. The temptation is strong and the pressure is sometimes great by vocal minorities to do just that: to legislate away rights and to assume upon the state greater responsibilities.

A number of my colleagues in this Assembly have raised concerns with this legislation. The hon. Member for Cardston made reference to the fact that seat belts are a standard size and do not take into account the physical stature of the occupant. In addition, the release mechanisms were identified as an area of concern. The member went on to suggest stiffer penalties for offenders and, in particular, alcohol-related offences. The hon. Member for Lacombe reminded us of the importance of the Check Stop program. At this point, I'd like to acknowledge the

initiatives taken by our present Lieutenant Governor when she was Solicitor General for Alberta in implementing the Check Stop program.

Mr. Speaker, I wear my seat belt most of the time. When I leave our family farm near Milk River or my office here in Edmonton, I automatically buckle up, even though I'm a little lagard in wearing it while traveling but a few blocks in Coaldale, Taber, or Warner.

Why do I wear a seat belt? Well, it's not because of the campaigns mounted by some of the distinguished groups like the Alberta Medical Association, the Alberta Hospital Association, or the Alberta Motor Association, but rather, I wear it because of our family. How do you tell your four year old, who has been educated by his mother to wear a seat belt, that you don't need to wear yours? And when that little voice comes from the back seat, "Daddy, you don't have your seat belt on," the stubbornness melts away and the response, "Oops, I forgot." Through that educational process I got into the habit of buckling up.

[Mr. Deputy Speaker in the Chair]

I believe the majority of the constituents I represent favour the educational process rather than the legislative hammer of mandatory use of seat belts. In a recent telephone poll of the residents of the Taber-Warner constituency I found just under 60 percent against the mandatory use of seat belts, close to 40 percent now in favour of legislation, with a remarkably low 2 percent undecided. In other words, almost everyone has a view, and in most cases a strongly held view, on this important subject. I want to at this point, Mr. Speaker, acknowledge that there has been a shift by the electorate in the constituency over the past three and a half years, for at that time the spread was approximately 7 to 3 against the mandatory use of seat belts. It's now approximately 6 to 4.

The Member for Cypress-Redcliff raised an interesting question. If approximately 28 percent of the population currently wear seat belts and we are advised that over half of the population want mandatory seat belt legislation, then are the other 30 percent saying to us that they really want to wear seat belts but they won't do so unless government legislates their use? That reaction gives me great concern, and before we as legislators exercise our responsibility given to us by the electorate, we must be fully satisfied that the reasons are indeed sound and the action taken supported by the majority.

Mr. Speaker, this is not a completely clear-cut issue; it is not black and white. At this very time the federal House of Commons is debating a motion on the reinstatement of capital punishment. I suggest, Mr. Speaker, that that is a clear-cut issue. Again, in surveys taken in the riding I represent, I find that in excess of 75 percent of the population have a very strongly held view that capital punishment should be reinstated. And if that were the case here, one would have no qualms as to where one would stand on the important issue. But when we recognize that we're dealing with an issue where the majority in the constituency still are opposed to the mandatory use of seat belt legislation, there has been a shift over the past three and a half years.

Why has that shift taken place? Well, one of the reasons, in my view, is because there have been several prominent families involved in accidents, accidents where none of the family members were wearing seat belts, and those members, along with their relatives and family friends, now believe that the injuries

would have been significantly less had they been wearing their seat belts.

At the annual meeting of the Taber-Warner PC association this spring the issue was discussed and very hotly debated, and the spread was even closer than in the poll for the whole riding. I recognize that a majority of Albertans wish to see this legislation proceed, and for that reason the majority of our caucus supports the Bill.

While several have spoken in this House to reflect concerns with the legislation, it should be noted that they represent others in our caucus who have expressed similar reservations and/or opposition based on input from their constituents. Having said that, this is a government-sponsored Bill. The decision has been made by our caucus, and we now come to this Assembly as a united team. I have spoken on behalf of the constituents that I've been elected to represent, and I intend, Mr. Speaker, to have further remarks to make when we're in Committee of the Whole.

MR. DEPUTY SPEAKER: Hon. Member for Olds-Didsbury.

MR. BRASSARD: Thank you, Mr. Speaker. I read a brochure that came across my desk the other day, and it said that the secret to surviving a car accident is to never be in one. It seemed a little ludicrous when I first read it. When I thought about it, I realized how appropriate it was to this Bill that we're addressing today, in which we're really dealing with the effect rather than the cause of the accidents.

I don't feel that we're doing enough towards the drunken driver or the high-speed chase. We're not reacting positively enough to the use of full-time running lights. In some areas we should be looking more stringently at our speed limits because I don't feel that they truly reflect the conditions of the roads. I also think we have to take into consideration our school buses and our taxis and our utility vehicles if we're going to incorporate them into this law. I feel that it is simply not enough to make people safer in their automobiles without addressing the frequency or severity of those accidents.

Having said that, however, Mr. Speaker, and in light of a shift of support towards this issue in my constituency -- originally 68 percent of my constituents opposed the mandatory use of seat belts that figure is now 45 percent -- and recognizing that we live in an age when some of us need this kind of incentive to activate common sense, I support this Bill.

Thank you.

[Motion carried; Bill 9 read a second time]

MR. DEPUTY SPEAKER: Perhaps we could have an indication of the order of business.

MR. CRAWFORD: Bill 30.

### **Bill 30 Agricultural Operation Practices Act**

MR. HYLAND: Mr. Speaker, I'd like to move second reading of Bill 30, Agricultural Operation Practices Act.

Mr. Speaker, the purpose of this Bill is to allow people to pursue agriculture practices as long as they meet the planning regulations of the county or MD they're in and as long as they meet proper health regulations and proper management of their facility. It's very similar to a private member's Bill that was

introduced by the Member for Drayton Valley a couple of years ago to this Assembly and debated at that time. It allows, for example, if a person has a farming operation -- let's take, for example, maybe a chicken barn. Somebody buys property adjacent to him knowing that that agriculture facility is there, then decides that they don't like the smell from the barn, so they get all the neighbours and people stirred up and eventually the person can lose his livelihood, in that he has to shut down the operation of that barn.

Mr. Speaker, that's just an example, and this Bill would prevent that from happening, again, as I said, with the safety catches that are in it regarding planning and health regulations. I would urge all members to support the Bill.

[Motion carried; Bill 30 read a second time]

### **Bill 13 Alberta School Trustees' Association Amendment Act, 1987**

MR. CHERRY: Mr. Speaker, I move second reading of Bill 13, the Alberta School Trustees' Association Amendment Act, 1987.

The overall purpose of these amendments is to better describe the role and functions of the Alberta School Trustees' Association. Only two sections of the Act are to be amended, Mr. Speaker.

Section 3 of the current Act is amended to more clearly describe the objects, powers, and purposes of the Alberta School Trustees' Association. Particularly provisions in section 3 ensure that the Alberta School Trustees' Association has the legislative authority to set up and administer a benefit plan. Previously the section read, "to render advice and assistance to its members on matters affecting them." The amendment clarifies that the Alberta School Trustees' Association can enter into arrangements for provision of group benefits. Currently the trustees' association does administer a benefit plan with the Alberta Teachers' Association.

Mr. Speaker, section 4 of the Act is amended to ensure that the Alberta School Trustees' Association is a nonprofit organization for income tax purposes. As we all recognize in this Assembly, the Alberta School Trustees' Association is a very important organization to education in this province. These amendments ensure that the association can continue to fulfill its mandate to the maximum benefit of the general public.

[Motion carried; Bill 13 read a second time]

ACTING CLERK: Bill 31, hon. Mr. Elzinga.

MR. ELZINGA: Mr. Speaker, I'm happy to say a few words in introducing Bill 7, and as my colleagues point out on occasion, I . . .

MS BARRETT: On a point of order. Mr. Speaker. I think the Clerk called Bill 31, which I believe is standing under the Department of Hospitals and Medical Care, and the minister is talking about Bill 7.

MR. DEPUTY SPEAKER: Order please.

MS BARRETT: Could we have clarification of which . . .

MR. DEPUTY SPEAKER: Would the Clerk call the Bill again, please.

ACTING CLERK: Sorry; it should be Bill 7, hon. Mr. Elzinga.

**Bill 7**  
**Alberta Agriculture Research Institute Act**

MR. ELZINGA: Thank you very much, Mr. Speaker, and again my deepest thanks to the hon. House leader of the New Democratic Party. She's always such a very helpful individual.

I want to indicate, and I'll just do so very briefly -- and in the event that there are any thoughts or concerns, I will address them in closing my comments -- that I'm more than happy to move the introduction for second reading of Bill 7, the Alberta Agriculture Research Institute Act. I should alert the House that I'm going to make one small amendment in committee stage in this Bill, and it will be an amendment to clause 5(3), whereby it will allow the minister greater latitude as the designation of the chairman of the board, and I'd just alert so that all members are aware of that. But this legislation will allow us to co-ordinate in a very effective manner the research activities as it relates to agriculture within the province of Alberta, to ensure greater co-ordination between the universities, the governments, both federal and provincial, and the private sector.

I do wish to pay special tribute, too, to the hon. Member for Stettler, who held this legislation very dear to his heart, and to the University of Alberta that has been very instrumental in this legislation also.

With those few remarks, Mr. Speaker, I will sit down, and in the event that there are any concerns, I'm more than happy to address them in the closing comments of myself as it relates to second reading of this Bill.

MR. DEPUTY SPEAKER: Hon. Member for Vegreville.

MR. FOX: Thank you, Mr. Speaker. A few comments on Bill 7. I'd like to say at the outset that the commitment of the New Democratic Party in Alberta to an increase in funding for agricultural research is very clear. We've called in the past for co-ordination of agricultural research. In a paper we produced in 1984 called *A New Democratic Future: Proposals for an Economic Strategy*, we advocated indeed the establishment of a provincial research and development authority and an agricultural research foundation to be under its auspices. And what we had in mind was something that would be funded in much the same way as AOSTRA is, through an endowment from the Heritage Savings Trust Fund that would provide an ongoing and reliable commitment of public funds for research in this very important sector. However, we are very firmly opposed to provincial and federal governments backing out of their commitments to research, hoping that the private sector will pick up the slack, and for this reason we've stressed that it's important for any agricultural research foundation to be answerable to the public.

With the emphasis on reducing the provincial deficit at almost any cost, there are good indications that this is exactly what the province is attempting to do. While I can appreciate the intent of the Bill and take the minister at face value in his expressed concern for increasing research and doing more valid research in a way that would be beneficial to agriculture, I nonetheless remain very suspicious, based on actions taken in the past by both levels of the Conservative government; that is, I

fear a trend towards privatization of agricultural research.

We do have some amendments that we, too, will bring in in the committee stage of consideration of Bill 7, and I'd just like to make the House aware of that at this time. It's my hope that through discussing the Bill in some detail in a thoughtful way on both sides of the House, we can come up with something that we can mutually support that will indeed provide a firm basis for an increased commitment to agricultural research in the province of Alberta. And I guess I would commit our caucus to voting in favour of the Bill at second reading, pending some amendments in the committee stage.

MR. DEPUTY SPEAKER: Hon. Member for Taber-Warner.

MR. BOGLE: Thank you, Mr. Speaker. I'd like to speak in favour of Bill 7, Alberta Agriculture Research Institute Act. I did have a concern that I wanted to express to the minister, and it in part has to do with the size of the board. It's proposed that we have a 17-member board made up of the dean of the Faculty of Agriculture from the University of Alberta, the Deputy Minister of Agriculture, and then in addition, one person from the University of Calgary, one from the veterinary college, the University of Saskatchewan, representatives from the Department of Advanced Education and the Department of Technology, Research and Telecommunications -- and that latter could be the Research Council rather than the department itself -- one from the federal Department of Agriculture, a member of this Assembly, and nine farmers or individuals who are in industries related to agriculture.

A concern I wanted to express to the minister is that the emphasis on this institute remain with practical research and not theoretical research, and I would like to comment to the hon. Member for Vegreville, who expressed a concern about a move towards privatization. The thought quickly comes to mind of the very successful application we've had in this province of our Farming for the Future program, which to my way of thinking is as private enterprise as you can get, in that government is working directly with farmers in the field across this province finding ways to tackle problems. And all one has to do is look at the Farming for the Future annual report to see what has been tackled, whether it's solonchik soils in the north or the problems of salinity in the south; greater alfalfa yields, whether on dryland or irrigated lands; increased productivity of various crops and commodities -- one of the best partnerships I can think of of the government providing some resources and letting the private sector -- i.e., the farmer -- do the work. So I'll conclude by just again mentioning the one concern I do have, and that is that the direction given to the board be a direction to continue to work with farmers in the field, to work with applied practical research in the field, and keep the emphasis based on what we've been doing so successfully in the past through programs like Farming for the Future.

MR. TAYLOR: Mr. Speaker, in addressing this Bill. I think the government is making a move in the right direction. If it covers enough areas, maybe by the time you've listened to everybody here it will be so broad it won't do what it's suppose to do. But I wanted to put in my bit, and a couple of things that bother the Liberal Party in the research we've been doing in agriculture is that possibly we're not taking enough recognition of the market out there.

Agriculture is going through a bit of a revolution, and in a way I'm surprised that a government that is as committed to free

enterprise and individual initiative has put this Bill forward without bringing some of the aspects that I would like to see in it. And that is that if farming is getting more complicated, if indeed we have surpluses and so many other problems with marketing, a large part of it has been due to government and not enough contact with the consumer of the farm product. Here again I think we are guilty of repeating something that we've done for nearly one to two generations now in Canada, in that we've said to the farmer: "Go out and grow it and then government will find some way to sell it." I think that's possibly been true many, many years, that there were people out there ready to buy our megaprojects -- you might want to call it -- whether they be in wheat or barley. And there have been slow changes, but it's been very slow.

But Farming for the Future -- I have a suspicion, and I don't pretend to know all the ins and outs in this, and as soon as somebody tells me that they do know what farming will become, I write them down as an ignoramus, because I don't think anyone really does know what is going to come about. But I think one of the things that any research organization should have within it is a sensitivity of what the people want to buy, what the people will use. It's not just a question of what you can grow best on the north forty and what you can grow best on the south forty and what kind of a machine will do it. It's a case of whether you can sell that product, what those markets are going to be, and what the consumer wants.

Consequently, I would like to suggest, Mr. Speaker, that if the hon. minister is thinking of amendments anyhow, that he look at just the question of the selection of the board, which when you read it here in the objectives is highly oriented "how to" -- how to grow and how to bring forward the product -- but not how to sell and how to determine what the consumer wishes to buy. Consequently, probably an expansion of the board that would include people like representatives from the consumer council of Canada, maybe some of the -- it's a dirty word, I know, to farmers -- supermarkets, maybe some of the meat processors . . . Have them on the board, not in a dominant majority, but at least something to say: "Hold on a minute. You're doing some great research; you've developed a new type of barley that only grows half as high and yields twice as much, but somebody comes along and who are you going to sell it to?" This is the type of thing that's happened a lot in all research, not only in agriculture and oil and a few others. If you turn too loose too many PhDs, they'll figure out some scheme to invent something, to produce something that nobody wants. So I suggest that we enlarge the board here to include a number of people from the consuming public or the consuming organizations.

Thank you very much.

MR. DEPUTY SPEAKER: May the mover of the Bill conclude the debate? Hon. Minister of Agriculture.

MR. ELZINGA: Mr. Speaker, I would just like to close off by thanking all hon. members for their suggestions, and we look forward to an in-depth debate in Committee of the Whole.

[Motion carried; Bill 7 read a second time]

#### Bill 10

#### Court of Queen's Bench Amendment Act, 1987

MR. HORSMAN: Mr. Speaker, I'm pleased to move second reading of Bill 10, the Court of Queen's Bench Amendment

Act, 1987.

This Bill is very brief, Mr. Speaker, but I am tabling for members of the Assembly the draft regulations which will become part of the rules of court of the province of Alberta, and those regulations, of course, can be reviewed by hon. members. If they have any comments with respect to them, they can be dealt with as we discuss the Bill in Committee of the Whole.

Just a brief word or two, however. This amendment, along with the regulations which I have mentioned, will generally implement report 40 of the Institute of Law Research and Reform, which is entitled Judicial Review of the Administrative Action, application for judicial review, the gist of which was to substitute one simple procedure for obtaining judicial review for several existing procedures. Without going back too far with respect to these matters, I can advise members of the Assembly that this has been the subject of some considerable years of work on behalf of both the judiciary of the Department of the Attorney General and the Institute of Law Research and Reform.

The advantages of the Bill are that the contents are really remedial and therefore should not engender a great deal of controversy, but the new procedure, we believe, will be welcomed by practitioners who henceforth will not have to concern themselves with the ancient technicalities of judicial review remedies such as certiorari, prohibition, and mandamus. The judiciary will, as well, welcome this new procedure, as our judges will henceforth be able to grant judicial review remedies to which the claimant is entitled, where under the existing law they have not had that ability.

Finally, Mr. Speaker, an advantageous item is that the public will benefit financially, as the cost of obtaining judicial review will decrease as a result of the simplified procedures involved in such an application.

In concluding debate on my opening remarks on second reading, I am advised that the suggested rules have been submitted to the chairman of the Rules of Court Committee, and a concern which had been expressed as a result of those matters having been brought to the attention of that committee is this: that we will ensure that the regulation will become part of the rules of court and therefore accessible to all practitioners through that document and not stand alone as a separate regulation apart from the operative rules of court.

I would hope that this simplification of the procedures for dealing with these matters of judicial review will be welcomed by members of the Assembly, the practising Bar, the Bench, and the public of Alberta.

MR. DEPUTY SPEAKER: Hon. Member for Calgary Buffalo.

MR. CHUMIR: Thank you, Mr. Speaker. I have some concerns about the manner in which this perhaps desirable change in the rules and procedures is being brought about, and I would hope that perhaps the hon. Attorney General might dispel my concerns in this regard.

However, they are as follows. The current provisions of the Court of Queen's Bench Act provide for the Lieutenant Governor in Council to pass regulations relating to practice and procedures in the court. The general philosophy is that this deals with procedural matters and that substantive matters making changes in the law which are not procedural would come before the Legislature in the normal course of events. It's my understanding that the Institute of Law Research and Reform proposed a change in the procedures with respect to judicial review, but upon reviewing these proposed changes, it was thought that

there might be a step beyond the procedural and a move into the realm of the substantive. Accordingly, the solution which was apparently desired was to change the provisions of the Court of Queen's Bench Act to enable the Lieutenant Governor in Council to make regulations which would go beyond the existing provision relating to practice and procedure and would dip into the realm of substantive law.

My concern falls under the old maxim of hard cases making bad law, because as laudable and as innocuous as this set of regulations may be, the change being proposed in the Court of Queen's Bench Act provides for substantive changes in judicial review and potentially substantive changes of very dramatic impact being made by means of regulation rather than being brought before the Legislature. Human nature being what it is, while this set of regulations may be considered to be innocuous, at some future stage it is very conceivable, if not likely, that when a substantive change is desired, the easy route of making that change through regulations will be sought, if that is possible, and this change in the Court of Queen's Bench Act makes it possible.

I think it's a fundamentally unsound approach, if my understanding as expressed here this afternoon is correct, and I would suggest that we should not move in that direction in this House and that the legislation should be amended to narrow it in some mainer so as to avoid the defect that I have raised.

Thank you, Mr. Speaker.

MR. WRIGHT: Mr. Speaker, I have to say I do not share the concern of the hon. member that has last spoken, because it seems to me that there would be dangers in simply putting it in the rules of court, although the rules of court now have the force of law by an amendment about 10 years ago. On the other hand, to put all these rules which are largely procedural in the Court of Queen's Bench Act itself seems quite unnecessary, and the compromise reached of amending the Court of Queen's Bench Act to provide regulations for judicial review, coupled with the regulations themselves, which we see simultaneously, strikes me as a reasonable compromise. Apart from anything else though, Mr. Speaker, it will mean that when, if indeed ever, we do have to amend these rules, we won't need to have an Act of the Legislature to effect it.

I do share with the mover of the motion and the member who last spoke -- both -- concurrence that the rules are necessary and commendable. I wonder how it is that they took so long to come before us, Mr. Speaker, because I know that the report of the Institute of Law Research and Reform which was completed in March 1984 was delivered not long afterwards, in the spring of 1984, to the House and then to the Committee on Law and Regulations and brought back to the House in the same year. That's a very long gestation period for something that came to them ready-made and with the concurrence, I believe, of all lawyers. But "better late than never" is a trite cliché, and so we welcome them.

Mr. Speaker, any points of detail that I may have can wait till consideration of the matter in Committee of the Whole.

[Motion carried; Bill 10 read a second time]

**Bill 31**  
**Alberta Hospital Association**  
**Amendment Act, 1987**

MR. M. MOORE: Mr. Speaker, it's a pleasure this afternoon to

move second reading of Bill 31, the Alberta Hospital Association Amendment Act, 1987.

The purpose of this Bill is to facilitate the actions of the Alberta Hospital Association in providing liability insurance to the member hospitals throughout the province. As members are probably aware, the Alberta Hospital Association, in fact, with the support of the Department of Hospitals and Medical Care, has been acting as a sort of ad hoc liability insurance provider for the past 12 months under an agreement between the Minister of Hospitals and Medical Care and the Alberta Hospital Association. The purpose of this Bill is to facilitate the ongoing operation of that liability insurance program.

I should add, Mr. Speaker, that while it would have been preferable, from my point of view, certainly, to have had the private insurance industry provide this liability insurance, the costs which were suggested by the existing insurer and by others over a year ago, when the Alberta Hospital Association sought to renew their insurance policy, were extremely prohibitive as compared to what the real experience was in Alberta hospitals. It seems that we were again caught up in this problem of the insurance industry looking at potential liability in this province as opposed to actual liability and looking at jurisdictions elsewhere in North America for experience, resulting in a very excessive increase in liability rates.

I'm confident, Mr. Speaker, that with the amendments to the Alberta Hospital Association Act, which would provide for an agreement to be entered into between the Lieutenant Governor in Council and the Alberta Hospital Association, we will have an opportunity to provide a self-insured liability insurance fund to all Alberta hospitals at the most reasonable rate possible.

MR. DEPUTY SPEAKER: Hon. Member for Edmonton Centre.

REV. ROBERTS: Thank you, Mr. Speaker. I, too, would like to commend the government for this Bill and the work that's gone into it. Certainly Mr. Don Macgregor of the Alberta Hospital Association has worked long and hard on it, as have other members of the AHA in their continuing concerns about the increasing liability premiums and coverage that are necessary in the hospital sector. I guess that next to malpractice insurance for doctors, liability coverage in hospitals is the next major concern. To formalize it, as this liability protective plan does under this amendment to the Hospitals Act, is I think a very fine move and one that needs to be commended for the work gone into it.

It's interesting, the confession just made by the minister that he really would have preferred to have gone to private insurers for this kind of coverage. Maybe this kind of ideology and attitude of the minister, as he's learning, is one that can get him into too much trouble, and that he's best to stick with the kinds of public routes and the kinds of good plans that the AHA has, and that this kind of liability protective plan will enable to both give the kind of liability protection to patients in hospital, patients who are often at high risks and have, as it says, "certain risks or perils described" in their stay in hospital, that such patients are protected against those liabilities of those risks, as well as that it's done at a very cost-effective means and for the good of all Albertans.

We, too, will have some more particular and detailed questions in discussion at Committee of the Whole stage, but for now, it's a good piece of legislation and we're pleased to support it, Mr. Speaker.

Thank you.

[Motion carried; Bill 31 read a second time]

#### **Bill 15**

##### **Assessment Appeal Board Amendment Act, 1987**

MR. CLEGG: Mr. Speaker, I'm pleased to move second reading of Bill 15, Assessment Appeal Board Amendment Act, 1987.

This is a very simple Bill. It just gives the minister authority to appoint more members to the Alberta Assessment Appeal Board if necessary. I'm sure that most people know that there's been a general assessment in Edmonton and Calgary and many other jurisdictions throughout the province, and it might be necessary to in fact have more people on that board. So that is, like I say, a very simple Bill.

[Motion carried; Bill 15 read a second time]

#### **Bill 20**

##### **Marketing of Agricultural Products Act**

MR. ELZINGA: Mr. Speaker, I'm delighted to introduce for second reading Bill 20, the Marketing of Agricultural Products Act.

This Bill, Mr. Speaker, has been introduced simply to update and revise legislation that is before the Legislative Assembly. I look forward to an in-depth, detailed discussion when we are in committee because I do look forward to representations from the various commodity groups prior to proceeding with it.

[Motion carried; Bill 20 read a second time]

#### **Bill 18**

##### **Land Surveyors Amendment Act, 1987**

MR. HERON: Mr. Speaker, I have pleasure in moving second reading of Bill 18. It's the Land Surveyors Amendment Act, 1987.

It's a proposed amendment to change the procedure for appealing the disciplinary decisions of the Alberta Land Surveyors' Association. This new procedure will be consistent with the standard appeal procedures currently existing in other professional legislation.

By way of background, the council of the Alberta Land Surveyors' Association has requested that the Land Surveyors Act be amended to adopt the standard appeal provision found in other professional legislation. The amendment will simplify the appeal procedure and provide consistency with provisions in other professional legislation such as the Architects Act and the Engineering, Geological and Geophysical Professions Act, and the amendments have been reviewed and approved by the Professions and Occupations Bureau, which is responsible for reviewing all proposed changes to the professional legislation.

In closing, I ask for the support of my colleagues in this Assembly for Bill 18.

[Motion carried; Bill 18 read a second time]

#### **Bill 19**

##### **Boundary Surveys Amendment Act, 1987**

MR. HERON: Mr. Speaker, I also have the pleasure of moving second reading of Bill 19, the Boundary Surveys Amendment

Act, 1987.

Just by way of background, the present Act establishes a procedure for replacing parts of the sinuous boundary line -- that is, the natural line of watershed -- with a conventional line that is a series of surveyed lines. This procedure has been used to resurvey the Alberta/British Columbia boundary in areas where it is difficult to establish the watershed because of the flatness of the terrain. Such resurveys were carried out in the vicinity of Sunshine Village in 1979 and in Deadman Pass in 1981 under the direction of the Alberta/British Columbia boundary commission.

With the passage of the Constitution Act in 1982, the process for altering the interprovincial boundaries has changed and the procedures outlined in the present Act are no longer valid. Specifically, section 43 of the Constitution Act of 1982 provides that:

any alteration to boundaries between provinces ... may be made by proclamation issued by the Governor General under the Great Seal of Canada only where so authorized by resolutions of the Senate and House of Commons and of the legislative assembly of each province to which the amendment applies.

The present Boundary Surveys Act provides for replacement of a sinuous boundary line with a conventional boundary line on approval by the boundary commissioners and confirmation by the Lieutenant Governor in Council. The proposed amendment is intended to establish conformity in the Alberta statute with the Constitution Act of 1982.

Again, I ask for the support of my colleagues in this Assembly in supporting Bill 19.

[Motion carried; Bill 19 read a second time]

#### **Bill 28**

##### **Social Care Facilities Licensing Amendment Act, 1987**

MRS. OSTERMAN: Mr. Speaker, it's my pleasure to move second reading. While I briefly spoke on first reading to the principle of the Bill, I can elaborate just slightly in saying that while the description of the amendment is very small in that we're making the opportunity available to the Social Care Facilities Review Committee to visit family day homes, I believe the impact could be very large. Whatever facilities we license that provide an opportunity for child care in this province, I believe it is appropriate that the committee who have become somewhat expert in looking at child care facilities should also be visiting the family day homes, and to that end we have this amendment.

[Motion carried; Bill 28 read a second time]

#### **Bill 12**

##### **Emblems of Alberta Amendment Act, 1987**

MR. SHRAKE: Mr. Speaker, it's a pleasure to present the Emblems of Alberta Amendment Act, 1987.

This Act will see that our Alberta provincial flag stays true blue, not pale blue or baby blue or dark blue or turquoise blue, but true blue. Under the existing Act they use the reference to a code from Pantone. Pantone is an independent company which uses a code of colours. We are switching to using the ones with the Canadian standards Act and this will keep our flag true blue, so I hope everybody will support this motion.

[Motion carried; Bill 12 read a second time]

### **Bill 27**

#### **Agriculture Statutes Amendment Act, 1987**

MR. ELZINGA: Mr. Speaker. I'm happy to introduce for second reading Bill 27, which is a fairly simple Bill.

There are a number of amendments to various pieces of legislation that we wish to make. It's very noncontroversial. I'm sure that when we get into committee those who wish to have in-depth reporting on any of the clauses that we are seeking to change by way of this Agriculture Statutes Amendment Act will have ample opportunity to discuss it. With those few short remarks, I shall sit down, sir, and look forward to Committee of the Whole debate.

[Motion carried; Bill 27 read a second time]

### **Bill 23**

#### **Glenbow-Alberta Institute Amendment Act, 1987**

MRS. KOPER: Mr. Speaker, I move second reading of Bill 23, the Glenbow-Alberta Institute Amendment Act, 1987.

In April 1966 the government of Alberta made a gift of \$5 million to the Glenbow-Alberta Institute. This gift was then matched by a gift of \$5 million from the Harvie Foundation. Both of these together constitute the Glenbow-Alberta Institute endowment fund. Mr. Speaker, sections 16(3) and 17(3) of the current Glenbow-Alberta Institute Act allow the institute to use any funds derived from the investment of the respective portions of the endowment fund to further the general objects of the institute and for operational purposes. However, under 16(4) of the present Act, the institute is prohibited from expending all or any portion of the Harvie gift without the express approval of the Lieutenant Governor in Council. There is, however, no such restriction on the use of the government's portion of this endowment.

So, Mr. Speaker, the proposed changes to section 16 and section 17 would permit the board of governors of the institute to use the realized capital gains and other income derived from the investment of both portions of the fund to further the general objects of the institute and for operational purposes under the following terms. First of all, 16(3) that deals with the Harvie Foundation Act. The Harvie Foundation's gift principal of \$5 million should be maintained at the level adjusted for inflation expressed in 1987 dollars through reinvestment of income derived from other investment and the figure determined by using information from StatsCanada. [A baby cried in the gallery] A little competition here. The government's gift: the proposed changes would permit the Glenbow-Alberta Institute to use all or any . . .

MR. DEPUTY SPEAKER: Perhaps the record could show that was not part of the debate today.

MRS. KOPER: The tears don't belong here. It's the wrong debate. [interjection] We're not on day care.

The government's gift: section 17(3) is to be repealed, and the proposed changes here will permit the Glenbow-Alberta Institute to use all or any part of the principal in investment income of the government's gift to further the objects of the organization or for operational purposes. Now, in view of the pro-

posed restraint on grants programs, the proposed changes will be beneficial in the long term to both the institute and the government.

Thank you, Mr. Speaker.

[Motion carried; Bill 23 read a second time]

### **Bill 6**

#### **Insurance Amendment Act, 1987**

MISS McCOY: Mr. Speaker, I move second reading of Bill 6, the Insurance Amendment Act, 1987.

The principle of this Bill is by and large to facilitate a private-sector program which will help all Albertans in this way. Those policies of insurance that are issued by a company that in some way goes bankrupt will be picked up by continuing insurance companies, and the Albertans who are the policyholders will, as a result, not suffer.

One other item I would mention is the section which allows recognition of the Canadian Insurance Exchange, which is something of the same nature as Lloyd's of London.

MR. DEPUTY SPEAKER: Hon. Member for Edmonton Kingsway.

MR. McEACHERN: Thank you, Mr. Chairman. The idea behind this Bill seems to be okay; that is, sort of an insurance company for insurance companies so that these compensation associations, as they are termed in the amendments to the Act, would be able to meet any obligations to people seeking insurance if their particular company goes out of business for one reason or another. However, there are some questions. Just because you have something that is good in principle doesn't mean that you necessarily have it right, so to speak, and I would like to raise a couple of things that the minister might address or speak to in Committee of the Whole.

One of these is: why is it that some insurance businesses are exempt from this idea? Another question is: why are some specific insurance companies within one insurance field? Why would some of them have the right to opt out, as the Bill would seem to indicate?

I have a number of other questions, but I think they can wait till details in Committee of the Whole.

[Motion carried; Bill 6 read a second time]

### **Bill 21**

#### **Consumer and Corporate Affairs Statutes Amendment Act, 1987**

MISS McCOY: Mr. Speaker, that Bill is an omnibus Bill for the Consumer and Corporate Affairs department. It contains a number of amendments, for example, to the Mortgage Brokers Regulation Act, which would move the licences from one-year cycles to five-year cycles. There are one or two other housekeeping amendments in that statute.

[Mr. Speaker in the Chair]

MR. McEACHERN: Mr. Speaker, just a comment or two on this Bill. The part that is most significantly amended of the four sections here is the part on the Public Contributions Act, and it talks about setting up charitable promotion businesses and then

gives some detail as to the rules governing those. I guess I'm wondering what relation that section has to a Bill I believe we are anticipating, to do with the charitable organizations' having to file annual statements with Consumer and Corporate Affairs and those annual statements being made available to the public. I find a couple of sections in this Bill leave that a little bit vague, and I'm wondering if some of the concern I have in this Bill will be overridden by the other Bill. I guess I just leave that to the minister and to the debate in Committee of the Whole.

MISS McCOY: I'll take the question on notice and we will discuss it in Committee of the Whole, Mr. Speaker.

[Motion carried; Bill 21 read a second time]

### **Bill 32**

#### **Water Resources Commission Amendment Act, 1987**

MR. CLEGG: Mr. Speaker, I'm pleased to move second reading of Bill 32, the Water Resources Commission Amendment Act, 1987.

Again, a very simple Bill, it gives the Water Resources Commission a mandate until 1992.

[Motion carried; Bill 32 read a second time]

MR. CRAWFORD: Mr. Speaker, we will shortly be ready with Bill 29.

MR. SPEAKER: The Chair should note to the Government House Leader that this is perhaps an interesting and restful innovation and precedent for the House.

MR. CRAWFORD: Maybe we could do some committee study of those and ask the House leaders to send me a note if they don't want the Bill which was second read today to be called.

[On motion, the Assembly resolved itself into Committee of the Whole]

### **head: GOVERNMENT BILLS AND ORDERS (Committee of the Whole)**

[Mr. Gogo in the Chair]

MR. CHAIRMAN: Will the Committee of the Whole please come to order to consider various Bills before the committee.

### **Bill 12**

#### **Emblems of Alberta Amendment Act, 1987**

MR. CHAIRMAN: Are there any comments, questions, or amendments proposed to this Bill?

MR. FOX: We have no obvious objections to this fairly innocuous Bill. I would just like to say that if it's the intention of this Bill to make sure that the flag stays a good, bright blue over the next several years. I'd like to encourage the government to re-examine their economic policies so that the people of Alberta aren't feeling blue for all of that time too.

MR. CHAIRMAN: Are you ready for the question on Bill 12?

[The sections of Bill 12 agreed to]

[Title and preamble agreed to]

MR. SHRAKE: Mr. Chairman, I'd like to move that this Bill be reported.

[Motion carried]

MR. CHAIRMAN: Bill 15, the Alberta School Trustees' Association Amendment Act, 1987: are there any questions, comments, or amendments proposed to this Bill?

MS BARRETT: I beg your pardon.

MR. CHAIRMAN: Hon. Member for Edmonton Highlands.

MS. BARRETT: Thank you. On a point of order, Mr. Chairman, would you clarify please for the Assembly whether we're talking about the Assessment Appeal Board Amendment Act, 1987. Bill 15, or if we're talking about Bill 31, the Hospitals . . .

MR. CHAIRMAN: Did you request Bill 13?

AN HON. MEMBER: Fifteen.

### **Bill 15**

#### **Assessment Appeal Board Amendment Act, 1987**

MR. CHAIRMAN: Are there any comments, questions, or amendments proposed to this Bill?

Are you ready for the question on Bill 15?

[The sections of Bill 15 agreed to]

[Title and preamble agreed to]

MR. CLEGG: I move that Bill 15 be reported.

[Motion carried]

### **Bill 32**

#### **Water Resources Commission Amendment Act, 1987**

MR. CHAIRMAN: Are there any comments, questions, or amendments proposed to this Bill? Are you ready for the question?

MR. WRIGHT: I do wish that the mover of the motion on second reading would have said -- but since he didn't, I'll ask him to say so now -- the reasons why it is a good idea that the mandate of this commission be extended five years.

MR. CLEGG: Mr. Chairman, under the old Act the mandate did run out in 1987. This does give the mandate until 1992 to go. Without getting into a lot of details on the Water Resources Commission, it certainly does function well; it brings different departments within the government together so that each department isn't going around and -- you know, I think the departments of Agriculture and Municipal Affairs and forestry are all working together so that we can have proper management of our



water resources in this province. While I haven't been a member for a long time -- it's too bad the chairman isn't here today -- certainly I find it very informative, and they are doing a good job on our water management in the province.

MR. CHAIRMAN: Are you ready for the question?

[The sections of Bill 32 agreed to]

[Title and preamble agreed to]

MR. CLEGG: I move that Bill 32 be reported.

[Motion carried]

#### **Bill 18**

##### **Land Surveyors Amendment Act, 1987**

MR. CHAIRMAN: Are there any comments, questions, or amendments proposed to this Bill? Are you ready for the question?

[The sections of Bill 18 agreed to]

[Title and preamble agreed to]

MR. HERON: Mr. Chairman, I move that Bill 18 be reported.

[Motion carried]

#### **Bill 19**

##### **Boundary Surveys Amendment Act, 1987**

MR. CHAIRMAN: Are there any comments, questions, or amendments proposed to this Bill? Are you ready for the question?

[The sections of Bill 19 agreed to]

[Title and preamble agreed to]

MR. HERON: Mr. Chairman, I move that Bill 19 be reported.

[Motion carried]

#### **Bill 23**

##### **Glenbow-Alberta Institute Amendment Act, 1987**

MR. CHAIRMAN: Are there any comments, questions, or amendments to this Bill?

[The sections of Bill 23 agreed to]

[Title and preamble agreed to]

MRS. KOPER: Mr. Chairman, I move that Bill 23, Glenbow-Alberta Institute Amendment Act, 1987, be reported.

[Motion carried]

#### **Bill 13**

##### **Alberta School Trustees' Association Amendment Act, 1987**

MR. CHAIRMAN: Are there any comments, questions, or amendments proposed to this Bill? Are you ready for the question?

[The sections of Bill 13 agreed to]

[Title and preamble agreed to]

MR. CHERRY: Mr. Chairman, I move that Bill 13 be reported.

[Motion carried]

#### **Bill 6**

##### **Insurance Amendment Act, 1987**

MR. CHAIRMAN: Are there any comments, questions, or amendments to this Bill?

MR. McEACHERN: Well, I guess it would have been nice to have the minister give us more of the details and background on the Bill, but since she hasn't, I guess I'll ask my questions first and then perhaps she could.

I already mentioned in second reading that I had a couple of concerns about who these compensation associations apply to and who they don't. It would seem to me that the way the Bill reads, some sections of the insurance industry may be left out altogether or not be asked to participate in this kind of an association. Then on the other hand, some of the insurance companies that are asked to participate in this kind of an association ... Individual companies would have the right to request the right to back out and not be part of -- I'm not sure whether that would be granted or not or who would decide whether or not any particular company would be allowed to back out. So I would like to ask the minister to address that.

Another question I have is -- I hear that similar legislation is being proposed in all the provinces and that once this thing is in place, it will be under, to some extent anyway, federal jurisdiction. Is that the case? If so, would you explain and elaborate?

The Bill also seems to be aimed at paying the claims of people who have taken out insurance in case their particular insurance company went bankrupt. But if I understand the legislation right, there is no intention that that insurance would extend to the shareholders of that particular company, and I'm just asking for assurance that that is the case. It of course makes sense that it would be like that, but I would want to make sure that I'm reading the Bill correctly in that regard.

Also, these compensation associations will have a board of directors made up of industry people and consumer representatives. I guess I'm wondering -- that's probably something we're going to have some regulation on or some of the articles of association for these compensation associations, as they might be called, or articles of incorporation -- where does the superintendent fit into that structure? What responsibility does he have in regards to these boards of directors? That is something I would like the minister to elaborate on.

I guess I'm also kind of wondering -- this Bill is being touted as being a great thing for making sure that people who want insurance don't get cheated out of their proper claims because some insurance company goes bankrupt, but I can't help think-

ing that we sure haven't seen or heard much about this. I haven't heard much public debate or any move on the part of the government to make it known that they are moving in this direction, other than this Bill suddenly appearing. I'm wondering, if the government thinks it's such a good piece of legislation, why we haven't heard a bit more about it.

I believe I have the right to get back into the debate if the minister leaves me with some questions later. Is that not right?

MR. CHAIRMAN: A member may speak as often as he or she wishes, as long as they don't exceed 30 minutes. The minister of consumer affairs.

MISS McCOY: Thank you, Mr. Chairman. The first question that was put: why are some insurance companies exempt or some might not be required to be members of compensation associations? One example was given by the statute itself, and that is a reinsurance company. A reinsurance company is not a direct retailer with the policyholder, and therefore it makes sense that that reinsurance company not necessarily be a member of the compensation plan.

Also, those companies that would not be required to be members of a compensation plan: those that I would have in mind at this time are those that are covered by some equally adequate compensation association so that the intent is covered and the purpose is achieved, although it may not be the compensation association that has been designated. It would be another equally good one, and for that reason the policyholders in Alberta would still be covered and the same purpose achieved.

This is uniform legislation. It has been worked out across the provinces with the superintendents of insurance. It's been some two or three or more years in the making. The federally incorporated companies would be, in the same way they are now, operative in Canada, licensed in each of the jurisdictions, but still subject to their own statutes under which they are incorporated, so that there would be participation regardless of which jurisdiction is the home jurisdiction for incorporation.

I can confirm that the shareholders do not get compensated. This is for the policyholders. The plan will work in this way. If an insurance company becomes insolvent, then those other insurance companies in a similar line of insurance would each, on a pro rata basis, take up the policies and service the policies as if they were their own policies. The money in the fund, of course, will be available to them in the event that there are claims, but in the event that there are not claims and simply continuing insurance policies, the premiums accrue to the company that has picked that policy. This is so that the plan is entirely focused on the policyholder and not the shareholder.

Not to confuse the matter but just to be perfectly accurate, in mutual companies the policyholders are the shareholders, but that is like a credit union or a co-op, and again the focus is on the policyholder and not the shareholder.

One of the superintendent's major roles, of course, is to give advice to the minister, who then in certain circumstances carries that advice through to the Lieutenant Governor in Council. The superintendent's role will be of that nature in the compensation associations. You'll notice that in section 21.1(1) it states that "the minister may enter into agreements with compensation associations" and that is where the control factor will come. So the public policy will be introduced into the associations through the agreements insofar as the minister would not enter into such an agreement if the minister were not fully satisfied that the public interest of Alberta had been fully satisfied.

I believe I've covered all the questions that the member has asked, but I'll sit down in the event that there has been something left uncovered.

MR. CHAIRMAN: Hon. Member for Edmonton Kingsway.

MR. McEACHERN: I didn't stand up.

MR. CHAIRMAN: I apologize. The hon. Member for Edmonton Strathcona.

MR. WRIGHT: My question is short, and it's to do with the financing of the operation. I perhaps have not read the Bill with the attentiveness I should have, but can the minister kindly explain how the reinsurance -- I use the word colloquially -- is financed and to what extent if any there is public input of funds?

MISS McCOY: I'll try to keep my answer equally brief. The compensation association will work something like the assurance fund for the law society, so the members will be required to pay in levies and assessments: levies on a regular basis and assessments in the event that the fund becomes too small to meet a crisis that it faces. That is made clear in the new section proposed, 29.1, particularly in subsection (4), and then (5) and (6) provide a mechanism for collecting such levies and assessments from the members themselves.

Let me stress that there is no intention to put any public funds into this. It is a private-sector arrangement. This legislation merely facilitates that, if I can use the word "facilitate" when I am speaking of having it become mandatory.

MR. TAYLOR: This is rather more a point of seeking information too. To the hon. minister. The amendment to section 184 talks about "the insurer's unimpaired paid-up capital stock." That's been changed to:

"in the case of a joint stock company, the insurer's unimpaired capital stock and, in the case of an insurer incorporated without capital stock, the excess of assets over its liabilities.

The second part of that was fairly logical, but the first part, the unimpaired capital stock -- I was just wondering if the minister could enlighten me on whether she is referring to a financial attachment alone, or would you consider capital stock that's being held in escrow also impaired? Certainly the value of capital stock in escrow is entirely different from marketable capital stock. I was just wondering what your department's interpretation of "unimpaired" is.

MR. CHAIRMAN: Edmonton Kingsway.

MR. McEACHERN: Yes, I discovered among my questions one that I'd forgotten to ask so would like to do so now. There is some reference to a \$500 deductible, but I'm not quite sure how that will take effect. Would it be a pure deductible or a franchise deductible, and just how would that fit into the scheme of things? I wonder if the minister could answer that question.

I was also wondering at what stage the draft of the articles of incorporation are for these compensation associations and when one might get a copy of how they're progressing. [interjection] The draft articles of incorporation for these compensation associations are in the process, I assume, of being worked out. I wonder at what stage one could get a copy to have a look at how they're progressing.

MISS McCOY: Firstly, in answering the hon. Member for Westlock-Sturgeon's question, there is quite a complicated formula to calculate unimpaired paid-up capital stock, and if it's agreeable with him, I will share that with him. I will have an explanation prepared and sent to his office for his information. I see he is nodding, and I take it that he is agreed to that suggestion.

Regarding the deductible, the deductible that is proposed is proposed for two purposes. One, it is to maintain market discipline by placing some responsibility on the insured -- that is to say, on the policyholder -- to shop wisely and not purchase insurance simply on the basis of cheapest premium. That is to say, when a person is shopping for insurance coverage, if the insurance premium is extraordinarily low given other premiums in the marketplace, that could be a tip-off as to the financial condition of the insurance company, and it would be wise for the prospective policyholder to check that out. The deductible would be an inducement to the policyholder to do that, and this would presumably encourage the person to inquire as to the financial health of the insurance company and not simply rely upon the compensation fund.

Secondly, the other purpose of the deductible is to eliminate small claims, sometimes referred to as nuisance claims, which are relatively costly to process and settle. It's something like the deductible for a car insurance premium, the \$250 for windshield coverage, for example, if such is the case. It simply is often felt to be, on the policyholder's decision, of course, better to absorb the small loss and leave the insurance claim and the insurance premiums to not reflect the small claim.

MR. CHAIRMAN: The Chair would remind hon. members not to walk between the Chair and the member speaking.

Are you ready for the question on Bill 6?

[The sections of Bill 6 agreed to]

[Title and preamble agreed to]

MISS McCOY: I move that Bill 6 be reported.

[Motion carried]

### **Bill 21 Consumer and Corporate Affairs Statutes Amendment Act, 1987**

MR. CHAIRMAN: Are there any comments, questions, or amendments proposed to this Bill? The hon. Member for Edmonton Kingsway.

MR. McEACHERN: Thank you, Mr. Chairman. As I mentioned in second reading, the part of this Bill that has the most significance -- most of the Bill deals with the Public Contributions Act, and it talks about setting up something called a charitable promotion business, meaning an organization that can either raise campaign funds on behalf of a charitable organization or participate with a charitable organization in a campaign. So they can do it all or do part of it. The majority of the Bill deals with some of the rules governing that activity, and I had a number of questions that I would like the minister to address.

The one part that bothered me somewhat was the -- I don't have the right Bill here, the one with my markings in the margins, so I'm having to look a little bit. I believe it's page 5, sec-

tion 5 as amended. No, it's not the application one; I'm sorry. Just skip over to the next page, I think. Yes, here we are. On page 7, section (10), number 8, says:

An organization that conducts a campaign to obtain funds for a charitable purpose shall account to the Director or the approving authority of the city, as the case may be, in accordance with the regulations.

And then on the last page it says that the minister shall make regulations. If you look at page 7 on the right-hand side, you'll see that section 8 presently has a whole list of regulations which it specifies in the Bill. What you're proposing here is to just take out all those regulations and say that the director will make regulations, and I can't help wondering why you would do that. I mean, is there something wrong with these particular sets of regulations that are already in there? Is it just a matter that you prefer to work, if you like, somewhat in secrecy, and you know, instead of having them specified here so we can look them over and debate the merits of them, you would rather just have the director go off and do it, and later if we can get hold of a copy and argue about them then, fine, but it's a little late. Of course, the minister can merely approve them, and I don't see what appeal or repeal anybody would have as to what is in those regulations. So I see no reason why the guidelines as laid out in the old Bill should be just taken out without any substitute regulations put in or any amendments made. It's just sort of saying, "We'll let the director do it any way he chooses," assuming that the minister, I guess, would look at it afterwards.

There seem to be relatively good requirements for disclosure. If you look on page 6, section 7.1:

An organization or officer of an organization who conducts or any person who participates in a campaign to obtain funds for a charitable purpose shall provide the following information, if so requested, to any person from whom a contribution is received or solicited, to a peace officer or to the Director.

And they have to give the name of the organization, the charitable promotion business information, the purpose for which the money is to be used, and the percentage hung onto by that promotion business. But what I wonder is: why does somebody have to be solicited for funds or be a peace officer or be a director to get that information? Surely once it becomes public -- it is public if it's registered with Consumer and Corporate Affairs -- then anybody should be able to ask the Consumer and Corporate Affairs department for it and get that information. It shouldn't depend on having been solicited for funds by that organization.

There is a similar kind of problem with another section here if I can just find it. I believe it's section 10, bottom of page 7. Again, 10(1) says:

An organization that has obtained funds from the public for a charitable purpose shall at any time permit the Director, or a person designated by him in writing for the purpose, to inspect the books, records and accounts of the organization relating to the collection, expenditure and distribution of the contributions.

Surely that information -- I don't say that sort of anywhere through the middle of the year any old body should be able to demand to look at the books and expect them to be updated as of today, sort of thing, when you ask. But with reasonable notice, shouldn't any person be able to ask for that information, whether or not the director thinks he should have it? I mean, why does it depend on the director deciding? Either the director can ask, or anybody designated by the director. So I guess I

could go to the director and say, "Would you tell them to give that information to me?" But what if he says no? So I am wondering why the -- I don't know if it's a penchant towards secrecy or whether you think it's an inconvenience or what, but once something is public, why shouldn't it be totally and fully public and available to anybody on request? Why should it have to be that the director can tell you, "Well, yes, you're allowed to ask for this information, and they must give it to you"? Why shouldn't just anybody be able to ask?

I suppose those are my main concerns with the Bill, so I will at this stage sit down and let the minister answer my questions.

MISS McCOY: In dealing with the questions in somewhat different order, the question regarding information given to a person, which is found on page 6 of the Bill. It's the proposed section 7.1. The purpose of the statute is to ensure that someone who is being solicited for funds or is contributing can have a full picture of what indeed the person is contributing to. There are many telephone campaigns, and I think this is where the Bill is directed. There are many telephone campaigns now conducted by charitable promotions businesses, as we have defined them, and many people are unaware that the person who is actually conducting the telephone campaign is not a member of the organization for which the funds are being raised. Many members of the public of Alberta have spoken to me on this issue and have said that if they had known, they would have given their contribution directly to the charity. Therefore, 100 percent of the contribution would have gone to the charity, and none of it would have gone to the charitable promotions business. So the section is designed primarily for those people who are receiving telephone calls, as an example, to have enough information that they can indeed make their own choices as to where they want to make their charitable contributions.

The director or a peace officer have been added to that section so that there will be an authority who may ask those questions. There have been cases recorded recently of apparent charities which in fact were not; for example, sales of chocolate bars which people thought they were purchasing for a charity, and indeed it turned out that they were not. So a peace officer or the director -- if complaints are made, allegations are made, it is only proper that they should have the authority to be able to demand the information and in due course take whatever action they consider necessary.

The information being public because of the licensing: that will continue to be public information, and any member of the public will be able to inquire after that. That is not being changed, and I wouldn't suggest that this section is in any way limiting any member of the public's access to that information in the normal course.

The first and third questions of the hon. Member for Edmonton Kingsway had to do with the accounting and the inspection of accounting records. The accounting rules will be made by way of ministerial regulation. Ministerial regulations are published in the *Gazette*, and they will be as public as they may be. Indeed, there are regulations now written which are more precise than the previous section 8 included, and we will intend to keep them as precise and as public as public policy demands. The suggestion that the hon. member made -- it is not part of our intention to do anything that is in any way secret. It is, in fact, to have more flexibility and to have more of an input into controlling these things, which are a large business. Many Albertans are participating in it now, and we do want to make sure that those Albertans are getting what they expected to get. So

the accounting regulations, as I say, will be public, and they will be as stringent as we consider public policy demands.

The ability to inspect the books is a critical ability insofar as there have been cases in which disputes have arisen between a charity and a charitable promotions business, and it usually centres on the agreed-upon split. Of course, without the knowledge of all of the money coming in and being recorded, it is sometimes difficult to determine whether the money is indeed going to the charity as properly agreed. In those instances, the director needs to have the authority to go in and seize the books and ensure himself, and therefore the minister, that the charity is receiving those funds that it should receive.

The delegation or the designation by the director: there is a delegation section added in the proposed section 2.1, which states:

The Director may delegate any power or duty . . . to any 1 or more employees of the Department of Consumer and Corporate Affairs.

It would be those instances in which the designation would in all likelihood be made. But from time to time it is required that a person with special expertise, a forensic accountant, as it is sometimes referred to, is the better person. If that person is not an employee of the department but it would serve the purposes behind the statute to have a forensic accountant on the job, then it would be possible for the director to designate that person to go in and properly inspect the books. That is the intention of that section.

MR. CHAIRMAN: Edmonton Kingsway.

MR. McEACHERN: Thank you, Madam Minister. You point out that these sections have a slightly different purpose then, and I accept that, the last one particularly. I guess that still leaves me with the problem of disclosure. Are we anticipating some legislation in the near future about the disclosure of the books from charitable organizations? If so, will it take care of that? This document then doesn't take care of the public disclosure of the accounts and the records of each company once a year. A charitable organization may end up with that responsibility in some legislation that is supposedly pending, but where will the charitable promotion companies' interests or activities, I suppose is the word I want, fall in with that? For instance, will some charitable organization which has hired one of these promotion companies be able to just give a sort of annual overall statement and not indicate in some detail the arrangements they made with the people who collected that money and how much of it went to that company as opposed to how much went to the charitable organization? Because I don't see anything in here that says they've got to disclose that, other than to the director or his designate who may wish to investigate if he thinks there's something wrong.

I'm also wondering in these regulations which you mention -- and I've got to say a thing about regulations, and that is that they're not debatable in the House. They're sort of made by the minister or his designate -- his director, or superintendent, or whatever the tide might be in the various fields -- and written out, and then people have to live with those regulations. And unless they can create some kind of a great stink and get some kind of a debate into the House a year later or who knows how many years later, they don't really get the kind of public debate that a Bill can get. So to take large chunks of fairly specific requirements out of a Bill and just leave it to regulation is still kind of a wrong direction to go, in my view.

The other thing I wanted to ask is: you talk about a percentage that the charitable promotions company might charge to an organization; what kind of limits will you be setting on that, if any? I mean, certainly nobody would want to donate to a charitable organization if they thought the collectors were taking 80 percent of it or something like that. Have you any numbers that you have in mind in your regulations?

MISS McCOY: The annual accounting for the charities will be governed by the Societies Act, and that Act, the statute that is on the books at the moment, requires all societies to submit financial statements every year with their annual report. And not to pre-empt any further legislation that might be intended in that area, I can advise the Assembly that I am even now considering a new Societies Act, to be called the volunteer and corporations Act, which would address that subject in particular, and particularly any society or nonprofit association that has received moneys from the public, and they would continue to be required to file financial statements every year.

The point about the regulations. It is of course a principle of law that no regulation can exceed the authority given in the statute. The clear purpose of the amendments that are proposed is to ensure that adequate disclosure is made, and that intent must be carried through in the regulations. There are regulations in existence at the moment, I believe, and I can assure the Assembly that the new regulations will be no more lenient and, if anything, they would be more stringent, so that there would be a requirement for fuller disclosure.

The amount of percentage that is allowed between a charitable promotions business and a charity -- at the moment I believe there is a rule of thumb, and either the approving authorities of cities or the director, when he's approving such contracts -- has been that a maximum allowable percentage is 46 percent. That is to say, 46 percent may be kept by the charitable promotions business. It would be my expectation that if more people knew that that large a percentage is sometimes retained by the charitable promotions business, there would be more direct contributions to the charity. But I think that is something

that we will watch with interest as the months go by and we monitor the case and see whether indeed some diminishing percentage returns are retained by the charitable promotions businesses.

MR. CHAIRMAN: Are you ready for the question on Bill 21?

[The sections of Bill 21 agreed to]

[Tide and preamble agreed to]

MISS McCOY: I move that Bill 21 be reported.

[Motion carried]

MR. CRAWFORD: Mr. Chairman, I move that the committee rise and report.

[Motion carried]

[Mr. Speaker in the Chair]

MR. GOGO: Mr. Speaker, the Committee of the Whole has had under consideration the following Bills and reports the following: Bills 12, 15, 32, 18, 19, 23, 13, 6, 21.

MR. SPEAKER: Does the Assembly agree with the report?

HON. MEMBERS: Agreed.

MR. SPEAKER: Opposed?

MR. CRAWFORD: Mr. Speaker, as the Assembly will be in Committee of Supply this evening, I move that the Assembly now adjourn until the Committee of Supply rises and reports.

[The House recessed at 5:21 p.m.]

