

LEGISLATIVE ASSEMBLY OF ALBERTATitle: **Thursday, June 16, 1988 8:00 p.m.**

Date: 88/06/16

[The House resumed at 8 p.m.]

[Mr. Speaker in the Chair]

**head: GOVERNMENT BILLS AND ORDERS
(Second Reading)****Bill 46****Financial Administration Amendment Act, 1988**

MR. JOHNSTON: Mr. Speaker, I will only say, as I said when introducing this Bill, that the essence of this Bill is to increase the debt/borrowing limits of the province of Alberta by \$1 billion, to \$7.5 billion. Other than that, the sections themselves are essentially nominal in intent, but I do, of course, encourage all members to support the Bill in second reading so we can carry on with the good work of the government over the next year and a half.

MR. SPEAKER: Thank you.
Edmonton-Kingsway.

MR. McEACHERN: Thank you, Mr. Speaker. The Treasurer is good at asking for money. He started out in 1986 asking for \$5.5 billion borrowing power without much explanation about why he needed that much. In fact, the budget he planned at the time was something like \$2.5 billion. The next year he asked to increase it up to \$6.5 billion, and now he wants to increase it to \$7.5 billion. If he would come to this Assembly with some facts and figures and lay out how much he's borrowed where, and why he's going to need some more, then one might be inclined to say, "Well, yes, I guess it looks like that's the case, and I guess we'll have to do it." But when he just comes in and sort of says, "Yeah, you know, give me borrowing power up to \$7.5 billion," with little explanation and no rationale and no facts and figures as to how much he's borrowed already, then I don't really see why we should agree. I want to say that we need to take a little bit of a look at the overall picture of the province, and perhaps it's time he did too.

He's already borrowed a couple of billion dollars in the States. He's borrowed about \$2.5 billion out of the heritage trust fund; oh yes, at least \$1 billion out of the cash and marketable securities section, \$2 billion out of the Alberta division. Sorry; no, that's all out of the heritage trust fund. The other \$1.25 billion comes from the capital bonds that he issued last year and this year. So that's some \$4.5 billion, maybe moving on toward \$5 billion, total borrowing. Now, unless I've missed something and he borrowed some money elsewhere -- I know he was looking around in Europe, but I can't remember now off the top of my head whether he actually borrowed money in Europe or not. So that puts him at some -- even if you took the highest figure and said \$5 billion borrowed, he's still

quite a ways away from needing an increase over the \$6.5 billion. So, Mr. Speaker, I don't think we should give him that right to borrow \$7.5 billion at this stage.

Now, what he might do while he's thinking about how much money the province has got is that he might look at the heritage trust fund and quit trying to tell people in Ontario and the rest of Canada that we've got \$15.3 billion in the heritage trust fund. Then maybe he wouldn't have so much trouble getting his fair share of federal moneys. He might admit that the deemed assets should be taken out of that and count the \$12.6 billion at least, even then, as an exaggerated value of the heritage trust fund, considering the degree to which we have to prop up the Crown corporations, which a lot of that is invested in.

Now, when you balance the fact that we spent \$4 billion in the '86-87 fiscal year more than we took in, the Auditor General tells us that at March 31, 1987, we have some total assets of \$8.6 billion, providing you don't count the \$6.6 billion in unfunded liabilities for pensions. So if you throw that into the works and consider that we've also in the '87-88 fiscal year had another almost \$1 billion deficit -- those numbers aren't in yet, but it will be close to that, according to the government's own forecasts. Then this year they're planning a \$670 million deficit, and that was assuming an \$18.50 price for oil that may or may not materialize. It certainly hasn't so far.

Then I think that the Treasurer will have to admit that the economic picture in this province is a bit of a shambles. If you sort of balance all those things off, you come out with probably no money at the end of the fiscal year, no net assets over and above liabilities. Yet he comes in before this Assembly and just asks for \$7.5 billion borrowing power without outlining the reasons why, how much he's borrowed, when and where, and what it's costing. In his budget speech he did say it's going to cost us \$460 million to service this debt. That's a lot of money that Albertans are paying to service the debt. Yet he doesn't give us much explanation. He does things ad hoc, by order in council; he doesn't, you know, bring ideas before the Assembly and give us the facts and figures and explain to us what's going on and why he needs it. So we catch up to it a year or two later in the public accounts or through committees, where we try to ask questions and try to find out what's going on, or through the press and through press releases and orders in council. I think that's scandalous.

I think that the Treasurer -- I asked him a lot of questions about some of those very matters in Bill 32, which was the main estimates back before the Assembly in Bill form. He dismissed most of my questions and said, oh, he would make up some answers and put them on paper and bring it to the Assembly, or something to that effect, which he has still not done. He spent most of his time when he did talk launching into an attack on what he thought was supposed to be our policies which, quite frankly, we can enunciate for ourselves. We don't need him to do it. That was at second reading. We still had Committee of the Whole and third reading, and he still never answered any of the questions. In fact, at third reading he just stood up and moved the Bill and walked out. So, Mr. Speaker, the Treasurer's performance this session has been abysmal, and it's time that he took some things seriously and started telling us exactly what's going on with the numbers in this province and why he needs this money. Unless he's prepared to do that we on this side of the House are certainly not prepared to grant this request.

MR. SPEAKER: Edmonton-Highlands.

MS BARRETT: Thank you, Mr. Speaker. My comments will be brief. I only want to fill in a couple of thoughts that my colleague, the Member for Edmonton-Kingsway, actually prompted during his comments. One is that I worry about giving authority to this man. He says he's a chartered accountant. He says he's a reasonable manager, he's fiscally responsible, and all the rest of it. But quite frankly, I've heard so many times on the other side of the House how it is that, oh, any given caucus doesn't have a monopoly of good decision-making power contained within it. Mr. Speaker, I have never disagreed with that argument, not once. I would like to use that argument tonight in telling the minister that's sponsoring this Bill that I don't believe he's got a monopoly on good decision-making and I particularly don't believe that his little cabal of 24 buddies in cabinet have a monopoly on good decision-making.

See, what I speculate about every time these guys come and say, "Oh, let's increase the deficit" -- that's really what they're saying, only they won't use plain language -- I speculate that they want even more money that doesn't have to come through the Legislative Assembly by way of votes through estimates, money that they can spend at their own discretion. I think this is the same sort of tactic that they used with Bill 10, what was euphemistically called the Interprovincial Lottery Amendment Act. I'm well known for calling it the lottery slush fund Act. I think that's what's going on with this sort of Bill.

I find it very hypocritical that this man, a CA, is always talking about you know, gotta have fiscal responsibility and, gee, you just can't give enough money to hospitals to operate, never mind that you can afford to build them. But they can't give enough money to hospitals to operate because they have to be fiscally responsible and accountable. They can't come up with more creative and important job creation programs that would benefit people who are unemployed and benefit the province in which those people live, namely Alberta, not to mention the infrastructure in Alberta that seriously needs to be worked on. Nope. They can't even come up with money for things like the Capilano freeway extension: none of these projects, none of these things that are really worth while. I hear the Treasurer say: "No, we can't do it because it would be fiscally irresponsible of us. After all, we don't want to accumulate massive debt. After all, it's those doggone Liberals..." But in this regard, I agree with him, Mr. Speaker. Finally, Dick Johnston and I have a point of agreement "Those doggone Liberals in Ottawa, by God; they got us into debt and all the rest of it." That part's true.

But what I find so incomprehensible is that the Getty Conservatives are willing to imitate the Trudeau Liberals' mistakes. That's why I don't like this Bill in principle. I think actually it goes further than just forcing us more and more into debt, Mr. Speaker. I think that it adds to this notion that the Conservatives seem to have legitimized: that they can spend money on anything they want based upon decisions made from behind closed doors. I don't like that because I consider that an erosion of due parliamentary process.

Of course, this government has shown in the last two weeks that it hasn't got much regard for due parliamentary process, having invoked closure on three separate occasions. I'm not going to push the minister to having to invoke closure on a fourth occasion. I don't like seeing the abuse of power or the tyranny of majority, and I know most Albertans share my perspective. I also know, Mr. Speaker, most Albertans share my view when it comes to the way they make decisions from behind closed doors, which is granted to them through a Bill like this

that basically says, "Go ahead and add an extra billion dollars to your deficit and turn it into the equivalent of a slush fund." No way.

MR. SPEAKER: Provincial Treasurer, summation.

MR. JOHNSTON: Well, Mr. Speaker. It seems to me that we've heard this song before. There is no doubt that the opposition has run out of intellectual steam, creative ability, and anything that may resemble thought. They just haven't got it. Just have not got it. They've sat here now through two sessions. As I've said before, whenever this member gets up -- I have to look through the notes here, because I got a warning from my friend -- the Member for Edmonton-Kingsway gets up, I just relish the thought that he's the Treasury critic, Mr. Speaker. Because, you know, everything he says is wrong, everything he says is so wrongheaded that it's unbelievable, and I love to hear his position, because over the period of time I've kept pretty careful notes about what the NDP has said about their fiscal plan, and I love it. Every time they speak on one of these Bills, I just add to my little list. It's getting very thick now; I've got it carefully documented. I can hardly wait till we get on the hustings. In fact, I'm going to Edmonton-Kingsway for sure to speak. It's the first place I'm going, and I'm going to tell about the fiscal plan, and I'm going to talk about their position on taxation; I'm going to talk about their irreverent respect for the way in which this process is operated. It's going to be a good theme. In fact we may turn that into a song. I can hear the lines now; I can hear the lines now, Mr. Speaker.

MR. FOX: Come to Vegreville, too, please.

MR. PIQUETTE: And Athabasca.

MR. JOHNSTON: Well, Vegreville, you better stay in Vegreville, and you better stay in Athabasca. It's going to be a curious time in two years, Mr. Speaker, a curious time. [interjections]

MR. SPEAKER: Can we travel back to second reading of the Bill?

MR. JOHNSTON: Mr. Speaker, I'm sorry. I apologize, Mr. Speaker, but when I heard some of the comments, my normal competitive spirit was challenged. I'll try and move back to the essence of the Bill, the principles here. [interjections] Ignore the unwise statements from across because, you know, if you've been in here for at least three years or so, three sessions, you would have some fundamental understanding of how the process operated, where the information was reported, and how to put the numbers together. It's a very simple process, and we could do it for him.

But you know, it just isn't worth the while. Do you know why, Mr. Speaker? Because if I leave him out there as he is now, he'll continue to drift along in his never-never land, he'll come back with the same set of uncertainties that we just saw here and blame us for being the ones who are not telling the truth. Well, you know what? The longer he sits there and the less he knows, the better it is for us.

I move second reading of this Bill.

[Motion carried; Bill 46 read a second time]

Bill 47
Alberta Heritage Savings Trust Fund
Amendment Act, 1988

MR. JOHNSTON: Mr. Speaker, I'm going to move second reading of Bill 47, the Alberta Heritage Savings Trust Fund Amendment Act.

Now, Mr. Speaker, the fundamental initiative behind this legislation is to increase that very important section of the heritage fund called the capital projects investment division, moving the total amount of money within the fund that can be allocated to those important capital projects needed for diversification, fundamental to the infrastructure of this province, important to all constituencies, and at the heart of the fiscal plan of this province, from 20 percent to 25 percent.

Why is it we're doing that, Mr. Speaker? I think I'd better explain it because I know it's going to be a fuzzy calculation from across the way, and we've already seen that the opposition is dead set against the heritage fund. I've said it before: opposed to housing for those people in Alberta, opposed to small business through the Alberta Opportunity Company, and opposed to agriculture funding. Now, that's the record, Mr. Speaker, and I know darn well . . .

MR. McEACHERN: Point of order.

MR. SPEAKER: Well, hon. Provincial Treasurer, I seem to have a point of order.

MR. JOHNSTON: I'm sorry, Mr. Speaker, I was just going to go back [inaudible] . . .

MR. SPEAKER: I'm sorry. It's been raised by . . . [interjection] No. Thank you, Provincial Treasurer.

MR. McEACHERN: If the Treasurer would just stick to introducing why he wants to raise the amount of money from 20 percent to 25 percent, we'd be a lot further off. We are quite capable on this side of the House of articulating our own policy, and we do not need him to tell us what our policy is when he's supposed to be introducing a Bill.

MR. SPEAKER: Thank you, hon. member. It is not a point of order. It's a complaint.

MR. McEACHERN: Well, he's out of order.

MR. SPEAKER: I don't think that's necessarily true, hon. member. The Chair recognizes the complaint. The Chair has allowed a certain amount of joyful latitude here this evening because that seemed to be the way the House wanted to operate. If you want to tighten the guidelines, we can do that too.

Nevertheless, Provincial Treasurer, perhaps now we'll go back to your other comments on the Bill.

MR. JOHNSTON: Thank you, Mr. Speaker. Now, with respect to the capital projects division, there are some very long-term projects which are being funded from this particular vote of the heritage fund. I know that in the southern part of the province that I proudly represent, the irrigation division in particular is significant to food production, and now in the context of the drought which we're experiencing there, obviously the wisdom of investing in irrigation is becoming more clear. Of course, our

continuation of that commitment must be maintained. In doing that Mr. Speaker, along with a variety of other projects which are vitally important to all regions of this province, paid for from the capital projects division -- these continuing projects must continue. They must be funded, and it's for that reason that we're increasing the total amount that can be spent as a percentage of the total fund to 25 percent.

Now, there's not a whole lot of new money involved here, but it will allow us to continue with the commitments that this government has made to Albertans, that these Albertans understand will be carried through and are important and significant in diversification, food production, revitalization of our infrastructure, a variety of other areas that are well known to us, because we've just had that debate. So what we do here is to increase it to 25 percent, allow us to continue that commitment and really not add many new projects as a result of the dollars.

Without doing that of course, the convergence would take place that we'd bump up against the 20 percent limit now existing in the Act probably sometime in July or August of 1988, and obviously we'd have to curtail expenditures. So anyone who opposes this amendment, Mr. Speaker, is suggesting clearly that irrigation should not be funded, that land reclamation should not be funded, for example, that the medical research foundation should not be funded. There's a variety of problems if you oppose this particular amendment. I look forward to listening to anybody who may do that because of course that'll be another note on the pad with respect to how the fiscal plan is unfolding.

Mr. Speaker, that is essentially what this legislation does, and that's why I know all those who believe that the flag of Alberta flies over this fund will agree on the importance of this fund, will support this amendment and will give us unanimous support without prevarication with respect to the way in which this fund is operated. So, Mr. Speaker, I move second reading of Bill 47, Alberta Heritage Savings Trust Fund Amendment Act 1988.

MS BARRETT: Mr. Speaker, I'd like to respond to the comments that the minister has made in sponsoring second reading of Bill 47. First of all, I'd like to note that whenever the New Democrats and the Conservatives agree during an evening session, it usually is unanimous consent because usually no representatives from the other political parties are here at night with the exception of Little Bow, who's shown up today.

But secondly, Mr. Speaker, I'd like to point out that the minister transcends . . .

MR. JOHNSTON: He's been here for 25 years.

MS BARRETT: Yeah, right. And here's to another 25, Ray.

Mr. Speaker, I'd like to point out that while it's not an honourable practice of this Assembly to impute motives to other members of the Assembly, there's a person who continually breaches that parliamentary tradition, and that is contained in the Treasurer himself. Absolutely. I can think of a gazillion times when I have stood and called for . . .

MRS. CRIPPS: How many?

MS BARRETT: A gazillion, g-a-z-i-l-l-i-o-n.

A gazillion times I have stood up and called for more spending on needed social housing. Mr. Speaker, I've had to debate Calgary-McCall on the issue on many an occasion because he believes that social housing just reduces the property value of

his neighbours. I've argued against that. I've argued that the trust fund should be used in areas where it's needed, where it's useful, to provide people with access to decent shelter when the alternatives are rundown tenements on skid row.

SOME HON. MEMBERS: Oh, oh.

MS BARRETT: That's right, Mr. Speaker.

I've also argued in favour of the projects that the heritage trust fund capital projects division supports in all instances. There is no question that these projects are worth while. There's some question as to whether or not the management therein is always appropriate, and I'm one of the first people to call into question that management. But I don't impute motives to the hon. Treasurer in the way that he does to everybody else in this Assembly at his whim. I believe in the parliamentary tradition and observing the rules of the Assembly, in which that simply is not done. I know that it's defensive. When you have to attack the person instead of their policy, I know it's because the sponsoring member is just purely defensive. And little wonder. If I were kissing bye good government under these circumstances, I would be too.

MR. SPEAKER: Thank you.

Edmonton-Kingsway, to the Bill, please.

MR. McEACHERN: Thank you, Mr. Speaker. But of course, Bill 47 is in some ways innocuous enough, although it's a lot of money, I guess. From 20 percent to 25 percent will be quite a large increase in the amount of money the government will be able to spend under the capital projects division.

The expenditures this year were up a bit from last year, which I pointed out in the last Bill. We've still had no comment on that, of course, from the Treasurer. We were under the impression the year before last that you were winding down this section. Because I think, Mr. Speaker, even the government realizes that they're spending money out of the heritage trust fund on social programs. Nobody really minds that, but really, so many of those expenditures would make so much more sense to be done out of the general revenue departmental budgets where they could get the usual kind of estimates coverage. Now, we do bring them into the House and discuss them specifically. In fact, we have 12 days to discuss the \$164 million in expenditures under that part of the budget when we only get 25 days, I believe it is, for some \$10 billion of expenditures.

Nonetheless, it does seem rather funny that when the heritage trust fund was meant to be either a savings account or a diversification account, that sort of thing, that we should find ourselves just spending money. Let me name some of the kinds of things that the money is being spent on, Mr. Speaker. The first expenditure is the clinical research building. Now, that would fit probably fairly nicely under the Capital Fund estimates, because I think it could be done that way. But all the rest of them -- the agricultural ones: Farming for the Future, some \$5 million in research; Irrigation Rehabilitation and Expansion, some \$25 million -- are the kinds of things that are expenses. We're finishing off the building of the health sciences centre. That's just finishing off a project, so there isn't much point in putting it under the Capital Fund or anything. Capital City Recreation Park is just expenditures; we're not going to get that money back. Kananaskis Country: we're not going to get that money back.

So if that money is just being spent, why keep them on the

heritage trust fund books and claim them as deemed assets? It does not really make any sense. So if almost all the money being spent in this division is being spent in much the same way -- and in fact most of it is controlled by the departments; we pass their estimates in the departmental estimates in the regular budget -- then it really doesn't make much sense to keep them separated.

Nobody is quarreling with some of the irrigation works. We're quarreling with the Oldman dam but not most of the irrigation works. The medical research foundation: it really doesn't matter where you put the medical research foundation; the Treasurer has to look after it. I just sometimes wish that he would explain a little better in the heritage trust fund hearings, give us some numbers that we could work with as to how much it was worth as well as having the book value, the \$300 million that he put in to start with. How's the portfolio doing? Why don't we get the same look at that portfolio that we get at the commercial division of the heritage trust fund, for example, as to where that money is being invested and how well it's doing? In fact, what little information we did get this year was from Mr. Geddes, who told us that some 18 percent was invested on the stock market and did suffer a loss in the stock market crash on October 19. Yet the Treasurer wasn't about to bring that before the heritage trust fund committee.

So, Mr. Speaker, the capital projects division is an interesting enough division. It's got some \$2.8 billion in it. Sometimes the government keeps the Vencap part in it, and sometimes they don't. They sort of keep that off to one side as assets, which is a kind of a way of owning up that the rest of them really aren't assets, so they call them deemed assets. They're expenditures. We've spent the money, or we've given it to somebody to control, like the medical research foundation, and no longer have control of it. Somebody else does. So to claim that we will get it back and to call it assets is what really bothers myself anyway.

Instead of just asking for another 5 percent allowance on what they can spend in that division out of a total of some \$15.3 billion -- which the Auditor keeps telling them is not the value of the heritage trust fund. He tells them that it's \$12.6 billion and that they really shouldn't add on the deemed assets and then claim that it's \$15 billion. So by that criteria he's already over the 25 percent of the \$12.6 billion.

Mr. Speaker, I raise these questions, and the Treasurer can't seem to bring himself to answer them. All he can do is get up and make some innuendos about what he thinks our policy is. It's not our policy, sir, that's at stake. It's whether or not this House should give you the right to raise the capital projects division total amount as a percentage of the heritage trust fund from 20 percent to 25 percent. And if you accounted for the dollars accurately or correctly, it's already over 25 percent. So I don't really understand why the Treasurer doesn't sort out that mess. I know he inherited it; I know he didn't invent it. But the least he could do is stop and make some rational definitions about what's an expenditure and what isn't. If you spend the money and you're not going to get it back, then it's an expenditure, not an asset.

That same thing is true of a whole list of items: capital projects division, Advanced Education, Alberta Heritage Scholarship Fund. Nobody's against an Alberta Heritage Scholarship Fund, as he tries to say we are whenever we criticize the way he organizes the money. He wants to construe that as somehow a criticism of having a Heritage Scholarship Fund, but that's nonsense. Of course, we think that the scholarship fund is a good idea.

He seems to think that somehow he can construe my remarks to say that we're against having a medical research fund, and of course that's not true. In fact, we proposed that heritage trust fund money could be used for a \$100 million social sciences research fund and the same, \$100 million, for a natural sciences endowment fund. A couple of very good ideas that in fact this government will pick up within a year or two at about election time and promise it to the people of Alberta. It might take them another couple of years to get around to doing it, but nonetheless it's an idea we put forward at the heritage trust fund hearings and which they turned down, but we know very well that they're contemplating exactly that kind of an idea.

So, Mr. Speaker, what we object to is the way the Treasurer defines things and asks for blank cheques in a number of different ways without explaining why or without rationalizing the process of accounting for and explaining where he's going and what he's doing and bringing legislation into line so that we're actually dealing with the heritage trust fund in a rational way. Nobody's against social housing, which is another aspect of the fund, but some of your own members, of course, would tell you what a mess the Alberta Mortgage and Housing Corporation is in. Yet the Treasurer goes on trying to kid us all that somehow that's earning 12.6 percent in 1986-87. Before that he was claiming 14 or 15 percent, when we all know that since 1981 that corporation has been losing money. He shovels money in from the general revenue account to make it up, leaves a big debt on the book. In the last five years we've put a billion dollars from the general revenue account into Alberta Mortgage and Housing Corporation, plus it's accumulated a deficit of a half a billion dollars. Yet this Treasurer won't do anything about sorting out that kind of a mess. All he does is come before us and ask for borrowing power for \$7.5 billion in one Bill, with no explanation and no answers to the myriad of questions I asked, and now he's turned around and doing the same thing with the capital projects division of the heritage trust fund. When he gets up to reply, doubtless he'll launch into another attack about what he thinks our policies are.

Mr. Speaker, the Treasurer should take debate seriously and should try to answer the questions. That's what ministers are for, and our job is to raise those questions and to say: "Why is it they're doing it this way? What is going on, and why don't you rationalize it in some manner?" I see no reason why he should just dismiss our comments as if it somehow gives him a licence to tell us what we think about the heritage trust fund. We think the heritage trust fund idea was a good one. But the fact of the matter is that this government has messed it around so much they've blown it. They've stacked up a big deficit on the general revenue side; they've got a large part of the fund that is not bringing in money. Two point eight billion dollars of it is expenditures, and they keep calling that assets. Three of the Crown corporations have been losing money for years: \$4.5 billion total assets of the Alberta division, biggest half of the Alberta division, and the Alberta division is the biggest half of the heritage trust fund. So, Mr. Speaker, the claims that they make for the fund . . .

I think I've finally got the minister convinced. At least I hope I have. Maybe I just haven't heard what he's been saying lately, but I haven't heard him say for a long time that the heritage trust fund is worth a 7 percent sales tax. He did say that a few times, so I pointed out to him the \$7 billion that we've taken out of the fund since 1982, the five years from '82 to '87. That \$7 billion might very well be the equivalent of a 6 or a 7 percent sales tax. Oh, you said 6 percent in your budget speech,

but you usually say 7, in case that's what you're looking up. In any case, when I pointed out to him that in fact the same time you were taking the \$7 billion out, we put \$3.7 billion in. Some of it -- well, the \$3.7 billion was from the resource revenues of the province that we were putting in at the same time we were taking the \$7 billion out. We also put a billion and a half into those three Crown corporations, Mr. Speaker, so the net gain was \$1.765 billion in that five-year period. And that's not to be sneezed at; that's a very important and large amount of money. But it's certainly not the equivalent of a 6 or a 7 percent sales tax.

So I raise these things, and the Treasurer never answers them or explains why or how he's thinking or where I'm wrong in my thinking. But he does think that he then somehow knows what our policies are and that he has a right to somehow expound those in, of course, a misrepresented manner. So, Mr. Speaker, I wish the Treasurer would just once . . . He's always asking us for ideas and for serious debate. I've raised a lot of serious questions; I've put a lot of numbers on the table. I said, you know: "Why are you doing this? Why are you calling expenditures assets? Why do you just tinker with the heritage trust fund Bill, this section covered by this particular Bill 47? Why don't you do something about sorting out an expenditure from an asset and bring us a Bill to this House that would sort out some of the mess that's been created over the years?"

The fact of the matter is that the government is afraid that if they can't go around the province and in some kind of way claim that the heritage trust fund has \$12.6 billion in it, they'll get unelected next time. Now, you can stack up a huge deficit on the general revenue side if you like, even borrow money out of the heritage trust fund and put in an IOU note, but the balance sheet still comes out pretty close to zero any way you look at it if you take the Auditor's report for 1986-87 seriously and look at what's happened in the cash flow of this province in the subsequent year and a bit that we've had. So it's time the Treasurer took that seriously and took a look at the whole capital projects division. Instead of just increasing the amount from 20 percent to 25 percent, why doesn't he sort out the mess and explain what's really going on to the people of Alberta in a straightforward manner?

Mr. Speaker, with those remarks I'd just like to say that I don't see any reason why we should support this legislation.

MR. WRIGHT: I have a question for the Treasurer that I think he can answer. It's very simple. The Treasurer explained the principle as being the raising of the capital projects investment fund from 20 percent to 25 percent of the Heritage Savings Trust Fund, but the other principle, insofar as this Bill has a principle, being just an amending one, is contained in some words that recur, which is the "lending of securities." That's an odd concept. Lending to whom, for what purpose?

MR. SPEAKER: Calgary-Mountain View.

MR. HAWKESWORTH: Thank you, Mr. Speaker. Well, if we ever wanted evidence or symptoms of the failure of this government's energy policy, we have it in front of us tonight. If we ever wanted evidence of the failures of their fiscal policy, we have it in front of us tonight or their long-term planning policy. We have in it front of us tonight in the form of -- we've already dealt with one of the Bills, but the one in front of us in particular, Bill 47: if there was ever a failure of this government's political policy, it's right here, Bill 47.

Now, Mr. Speaker, it was not too long ago when the province, because of its energy policies and, among other things, failure to diversify and a whole number of those sorts of issues -- all of a sudden the revenue gave out. So we decided: "Well, we better not put any resource revenue into the Alberta Heritage Savings Trust Fund. And because revenues have dropped off, we better take everything that that fund earns and put it into the General Revenue Fund." So there was a cap put on the Heritage Savings Trust Fund. But that didn't stop all the commitments that were made under the capital projects division. Those projects kept right on spending. The commitments had been made, and the money had to go into them. So you've got a cap, and that capital projects division underneath that fund just kept increasing and increasing and increasing.

You know, it's interesting to look at that capital projects fund, Mr. Speaker. I think all hon. members would recognize that many of the good things that were undertaken in the province were undertaken under the capital projects division. The fact is they could have been undertaken by the General Revenue Fund. If you want to rehabilitate irrigation canals, you can do that under the General Revenue Fund. You didn't have to go to the Alberta Heritage Savings Trust Fund to do it. You want to spend money on hospitals? We're spending lots of money on hospitals out of the General Revenue Fund. Why in heaven's name would we also do it under the capital projects division? Well, I don't know. It was done. Building parks, buying up parkland -- a little bit anyway. A little bit of money was spent on buying up parkland. They were great. They're beautiful. You go to any city in this province, and there's some beautiful parks all over urban Alberta: Kananaskis Country, wonderful projects. But, Mr. Speaker, they could have been spent out of the General Revenue Fund of the province.

Mr. Speaker, the capital project fund for many years was really a public relations fund for this government. It was to spend money and put these big, beautiful Tory blue and orange signs all over Alberta saying, "Look at the wonderful work of the Heritage Savings Trust Fund." So I look at this request in front of us with that in mind: an increase of the capital projects division from 20 percent to 25 percent. I'm trying to do this roughly in my mind. Every 1 percent of a \$15 billion fund is approximately \$150 million, so I presume I'd be not too far off if I said that what the Provincial Treasurer is requesting of the Legislature tonight is to increase the amount of money that can be spent under the capital projects division by another \$750 million -- three quarters of a billion dollars.

[Mr. Deputy Speaker in the Chair]

Then I go, Mr. Speaker, to see what are all these things he wants to spend money on. He said that we would be against irrigation if we were to vote against this request. Well, you look at what's being spent in the current fiscal year under both Agriculture and Environment in the area of irrigation in the capital projects division: \$66 million. It's falling from what it was the previous year. Well, maybe it's that Individual Line Service under Technology, Research and Telecommunications. That's going up, but it's only \$57 million. It's a long, long ways away from \$750 million. The other projects that have been brought before us: as far as I can tell, most of them are in the final stages; they're not increasing. In fact, in future years -- as far as I can tell from these requests that have been put in front of us, the requests are decreasing, and in the next few years there may not be any requests whatsoever. I mean, just take the Walter C.

Mackenzie Health Sciences Centre. After the hundreds of millions of dollars that have been spent on that, just the final expenditures in this year and perhaps a few next year, we're down to a little over \$2 million.

So, Mr. Speaker, I add up all these requests for this year and project them into the future and, my golly, \$750 million -- assuming that the trust fund is going to be capped in the years ahead -- is far, far, far more than is needed to complete the commitments that have already been made. So I still, in my mind, am wondering: why does this Provincial Treasurer need so much money in the capital projects division?

Well, Mr. Speaker, you know, taking the history of this fund, it makes a wonderful opportunity for members of the government to be seen having their picture taken turning sod at various projects and sites all over Alberta. I know that the lottery fund is going to give the government a nice political slush fund in the future to dole out and get their picture taken, but maybe it's not going to be enough. An election's coming; if not very soon, someday soon the day of reckoning will come. Wouldn't it be nice to have another \$500 million just sort of sitting there in the trust fund and allowing the Provincial Treasurer and the minister of telecommunications and the minister of transportation and all the government MLAs to be seen turning the sod on some new Heritage Savings Trust Fund project?

So there you are, Mr. Speaker. What we're being asked for tonight, I humbly submit, is a \$750 million publicity fund for the government. I know that the Provincial Treasurer . . . He's a shrewd man, and I don't blame him for bringing forward such a request. I just would like him to tone down his rhetoric when he comes to explaining to the Legislature why it is that we might not agree with him. We can do that perfectly well. I hate to say it, but he often doesn't get it right when he comes to explaining our position on various issues.

Now, to be honest and fair about it, as it's all part of the public record, some members of our caucus who sit on the standing committee made a number of proposals for additional spending under the capital projects fund. No doubt about it. I'd like to explain exactly why we did what we did and what we put forward. Two \$100 million endowment funds: Mr. Speaker, we've been impressed with the Heritage Savings Trust Fund endowment fund for medical research. We're impressed with what it's done for the province, for the people of this province, in the area of scientific and medical research. I think it's a model that we should be looking at. It's helped to diversify our economy. It's helped to draw talented professionals into our communities across the province, and it's done some very good things which we believe could also be done in some other areas. In the area of social sciences or the humanities we could be doing much the same thing. Or, I'm afraid to say, this government, because of their niggardly funding for universities in the last few years, has allowed research in the natural sciences and engineering to decrease and threatens in some ways, some important ways, the viability of our scientific research in this province. We felt it was important to rectify that and provide a better balance in the funding for our advanced education institutions, so we proposed two \$100 million endowment funds. We made that proposal in the trust fund committee.

We also felt, for the sake of fairness and tourism diversification of our economy and in fairness to all regions of the province, that it was about time we moved ahead with the northern Alberta tourism development project. We believe that a \$75 million program would go a long way in advancing that particular project. Well, we also feel it's responsible, when we put pro-

posals like those three on the table, to say: now, how are we going to fund those? Recognizing the cap on the fund, recognizing that there's no resource revenue coming in, we had to face the reality that that cap or the percentage of the fund allocated to the capital projects division would have to move. We just couldn't allow it to sit at 20 percent if we wanted to do the things that we were proposing be done. So we proposed two things: first of all, to take some of the money that's not being used in Vencap that has been allocated from the trust fund to Vencap -- it's just sitting there not being used for the original purposes it was designed for -- take some of that money back into the trust fund and raise the cap from 20 percent of the overall assets of the fund to 22 percent.

It was not only to fund tourism development and the endowment funds, but we also recognized that we have to complete the irrigation projects that have already been undertaken. We agree with that spending. We support it and we believe that those projects have to be completed. We have also been approached by those who are part of the medical research endowment fund to request that trust fund committee to review whether the funding for that endowment fund is adequate and that there may be a need to enhance that fund, to put more money into it to continue the quality and type and level of medical research going on in the province. We recognized all of those commitments as well as some possible commitments to come and believe that we could finance all of that by increasing the cap from 20 percent of the fund to 22 percent.

Now, Mr. Speaker, that would have been a reasonable request but to go from 20 percent to 25 percent only leaves a question mark in my mind, and many of us on this side of the House, that all that's being requested of the Legislature, without any indication that that kind of money is required for the capital projects division . . . It's only going to be a publicity fund for the provincial government leading up to the next provincial election.

Well, I would only say to the Provincial Treasurer, Mr. Speaker, that the best defence, when you don't have much of a defence, is offence. I think that would be a fair characterization of his opening comments tonight especially when he tried to describe our position. He didn't do a very good job of that; he was way off base. I hope he will accept that the explanation I've given tonight is far better than the one he did, and far fairer to our position. I'm pleased to be able to put it on the record tonight. But simply having an offence as the only means of defence doesn't mean that it makes good public policy or good legislation. I would just say to the Provincial Treasurer tonight he's just asking a little bit -- like about half a billion dollars little bit -- too much of this Legislature this evening.

Thank you.

MR. DEPUTY SPEAKER: Hon. Member for St. Albert.

MR. STRONG: Thank you, Mr. Speaker. It's a pleasure for me to rise this evening to speak to second reading of Bill 47, the Alberta Heritage Savings Trust Fund Amendment Act 1988.

To commence my remarks in responding to some of the, I guess, innocuous allegations that the Provincial Treasurer made in his opening comments on the principles of Bill 47, I would respond in this manner: to make it very, very clear to this Provincial Treasurer that when he hops up to speak to the principle of his Bill, he should confine himself to that and not get carried away on all those other things.

Let me assure the Provincial Treasurer that the Official Op-

position certainly does support small business. Certainly we would like to support small business in a lot better way than the current government is representing small business. I'd like to make that perfectly clear so that the Provincial Treasurer is under no misunderstandings on what the facts are.

Secondly, the Provincial Treasurer spoke and said -- stated, in fact -- that the Official Opposition was opposed to agricultural funding. Let me assure the Provincial Treasurer that the New Democrat Official Opposition is not opposed to agricultural funding. As a matter of fact we applaud this government for the in excess of \$2 billion that they provided for farmers in the province of Alberta. Unfortunately, that money wasn't provided quickly enough, because there was a lot of them went broke while these Conservatives were figuring out how to spend some money to get themselves some votes.

Thirdly, the Provincial Treasurer indicated that the Official Opposition was opposed to the heritage trust fund. Let me assure the Provincial Treasurer that we are not opposed to the heritage trust fund. We think that the heritage trust fund is a useful economic tool to aid and assist all Albertans in providing them a better way of life, certainly a better quality of life. But when it comes to the heritage trust fund, certainly we have some misgivings; that is, to the concept of that heritage trust fund.

Mr. Speaker, I don't think anybody in this Assembly -- certainly we in the Official Opposition -- doesn't have some doubts about the heritage trust fund itself. The example I'll use for that is a very valid example. When Alberta fell on hard times five years ago -- and many of the other provinces in Canada fell on hard times -- when they went to ask the federal government for some assistance, Alberta was sitting on a \$14 billion to \$15 billion heritage trust fund. Certainly when the federal government was handing out assistance, they didn't look at Alberta. Part of the reason for that was those billions of dollars sitting in that heritage trust fund, and that's why they went to some of the other provinces prior to coming to Alberta to grant them any assistance at all. I think that if you look back on what's happened here over the last two years, certainly the federal government has come to the aid of provinces like Saskatchewan, Alberta, British Columbia, and Manitoba in matters like this. We have a western diversification fund, another election goodie that was promised and delivered on that amounts to -- what? -- \$60 million a year for each of those provinces. We can look further than that at the billion dollars in farm aid that was promised by the federal government shared by four provinces over five years . . .

MR. DEPUTY SPEAKER: Excuse me, hon. member. We seem to be straying somewhat from the principles of Bill 47. Perhaps the hon. member could bring his comments back within the context of the Bill before us.

MR. STRONG: Thank you, Mr. Speaker. I want to respond to one other allegation that was made by the Provincial Treasurer, and that was that the Official Opposition is opposed to housing for Albertans and funding housing for Albertans out of the heritage trust fund. That again is simply not the case.

Mr. Speaker, in speaking to the principle of the Bill, what the Provincial Treasurer is asking for is an additional 5 percent to be used and capped off for capital projects, the capital projects division of the heritage trust fund. Certainly the principle I am not opposed to, and I don't think any of us in the Official Opposition are opposed to that. But in the Provincial Treasurer's attempt to reach that conclusion and truly get to the principle of

what he has before us in Bill 47, that is going to be rather difficult, because what we have to look at here is not creative accounting but financial responsibility. I'd like to point out to the Provincial Treasurer that when you start adding up some of the numbers, certainly the Provincial Treasurer is going to have some difficulty in attaining the goal that he set out in the legislation that's before this Assembly.

Mr. Speaker, when we examine the seven pension plans that this government administers and guarantees, we find in public accounts, March 31, 1987, that those plans are \$6.6 billion underfunded. I would like to ask the Provincial Treasurer: when was the last time an actuarial valuation was done on those seven plans?

MR. DEPUTY SPEAKER: Hon. member, order please. The Chair didn't have the pleasure of being here at the beginning of the debate, so the Chair really can't judge what comments were made. A rebuttal is certainly entitled to the member but only within the context of Bill 47. Would the hon. member come back to the Bill before us?

MR. STRONG: What I'm pointing out is that the minister might have difficulty in attaining 25 percent, an additional 5 percent, directed towards the capital projects division. That's what I'm pointing out, Mr. Speaker, because he is going to have difficulty in attaining that goal, the principle that he's set out before us.

Mr. Speaker, when we look at things like the Oldman River dam . . . Certainly we're not opposed to funding of special projects, but when you look at the Oldman River dam, what you have to examine is the economic viability of that project, any moneys that are spent on these projects. Irrigation projects: we're not opposed to them, but certainly in some areas this government has to re-examine their philosophy, their bent, in many of these areas.

Mr. Speaker, we go on. We turn around and say that we don't question the utilization of the heritage trust fund, not for a moment. Certainly some of the deemed asset provisions, which amount to almost another \$3 billion: we question how that can be held as an asset of that fund, where what we are doing is through creative accounting taking that 25 percent up to, say, 25 percent of the total heritage trust fund. These deemed assets have to be eliminated from the calculation in order to reach that 25 percent. Because are they indeed assets? Or are they things that were done, that are there, but certainly who are you going to sell a hospital to or who are you going to sell Kananaskis to?

Mr. Speaker, we turn around -- in addition to that we have to look at cleaning up the ledgers of this government. I would like to point out to the Provincial Treasurer that in cleaning up the whole concept of where we are financially as the province of Alberta, what we also have to have to examine -- and the Provincial Treasurer has indicated this even himself -- is that we have over \$2 billion out of taxpayers' money, public money, invested and guaranteed in various projects, including \$167 million or \$155 million, however you want to create it to a friend of this government, Peter Pocklington. Now, when we examine all of these areas and see \$6.6 billion in unfunded pension liabilities, almost \$3 billion in deemed assets, an additional -- what? -- \$2 billion in loan guarantees that the province is on the hook for: when we balance out all those areas of the books of the province of Alberta to look at the pluses and the minuses, certainly the Provincial Treasurer has to take -- it's mandated, demanded that he take -- all these areas into consideration. If he

does that he will find that he cannot attain the principle he has before us in Bill 47.

Mr. Speaker, it's not only that we're not opposed. We certainly do support \$200 million, \$300 million loan guarantees to Champion Forest Products, equity investment in excess of \$100 million in Millar Western. We support those things. Coming back to my initial comments, they are useful tools to create more jobs for Albertans where they're creating a better quality of life, a better standard of living for Albertans. But again, to come back to the principles that the Provincial Treasurer has outlined, he simply cannot achieve them. Now, if he can't achieve them, what is the Provincial Treasurer doing?

When we examine and look at a \$1 billion tax increase, could the Provincial Treasurer, rather than coming before the Assembly asking for another 5 percent in the capital funds division, have turned around -- last year, Mr. Speaker, instead of ripping off Albertans for in excess of \$1 billion in taxes, could the Provincial Treasurer have examined eliminating those taxes, not bringing those taxes forth, and subsidizing those taxes out of the heritage trust fund? Mr. Speaker, over the last four to five years many Albertans, tens of thousands, hundreds of thousands, have found themselves in serious financial difficulty. Is it fair for this government to invoke that on the people of this province, the people they swore a commitment to when they were elected and failed to look after those people's interest at a time of extreme hardship for Albertans?

Mr. Speaker, the Provincial Treasurer has to examine these areas very, very thoroughly before he tries to attain the principles he has outlined in this Bill, for he cannot achieve them. What the Provincial Treasurer should do is look at balancing the books for the whole province of Alberta, balancing this government's books, not bringing forth something that I think is nothing but nonsense, creative accounting, another political slush fund. It's wrong and it's not in Albertans' best interests.

MR. DEPUTY SPEAKER: Ready for the question?

SOME HON. MEMBERS: Question.

MR. DEPUTY SPEAKER: May the hon. sponsor of Bill 47 . . . [interjection] Order please. May the hon. sponsor of Bill 47 close the debate?

HON. MEMBERS: Agreed.

MR. DEPUTY SPEAKER: Opposed? Hon. Provincial Treasurer.

MR. JOHNSTON: Mr. Speaker, first of all, dealing with the reasonable question asked by the Member for Edmonton-Strathcona, which I should have in fact spent a second in explaining, which is another section of the Act providing for the use of the securities of the fund to loan those securities to investment dealers or others: what that is, Mr. Speaker, is an empowering section under this Financial Administration Act to allow us in the normal course of business to raise more money for the heritage fund. From time to time it is required in the securities business in particular and in fund management more specifically that securities are sold and they haven't actually got the securities in their hands. So on a very secure and fully covered basis, we would use the many number of stocks which are held by the fund in various divisions, loan those on a short-term basis to an investment dealer who, for example, if he found himself

selling short for one of his clients, would have stock to cover it. It's done in many large portfolio management schemes right now. Harvard University in particular made something like 3.5 percent in one year simply advancing stocks in a portfolio in a normal course of business. So it's perfectly secure. It is traditional and conventional in the securities business.

Because the province of Alberta does have such a large pool of securities, we can obviously generate more money, more funds, more services of service fees for any of the funds we manage, including, by the way, the pension funds referred to by the Member for St. Albert, because I also neglected to say that in the Financial Administration Act and in the Heritage Savings Trust Fund are parallel sections to allow us to do that. So it would be on a short-term basis. We'd simply take the securities, advance them on a short-term basis, get considerable fees back, and it's mostly enabling legislation. As to whether or not the activity will take place that much in Alberta is still uncertain, but we thought we would have the opportunity to do it.

So because we do hold dollars in the Heritage Savings Trust Fund, in particular the commercial investment division, and certainly in some cases in the general section -- section 10 investments -- we would use those dollars to earn a high rate of return for the fund itself. I think that is an omission I did not touch on, and I apologize for not advising the House on that particular section. Perhaps more fully in committee I may deal, in fact, with other sections, but that was a reasonable request, I thought.

Now, Mr. Speaker, I'm not going to jump into the obvious opportunity to outline for the NDP their fiscal position. I would only say it was curious that after the Treasury critic spoke, clearly opposing this recommendation, all other members scurried for some other safe ground. There are reasonable positions. There were some people who said, "Well, 22 percent is okay, not 25 percent." Still others said: "We don't oppose the fund. We don't oppose this." I mean, they're now starting to cover their position. But what is curious, though, Mr. Speaker, is just this: if 22 percent is a reasonable level, I guess 25, of course, invokes some debate. In my mind it's not a big issue, it's not a significant issue, because the dollars aren't all that great relative to the size of the fund and relative to the importance of the projects which are embarked on and being carried through by this government for all Albertans.

But of course I could go on to say that here is an opposition party opposed to rural line telephone systems. I'm not going to say that. I'll find a place to say it, Mr. Speaker. But one thing I must note, though, and I think the record should show it clearly, is that our colleague from St. Albert suggested we should take the fund apart, transfer all the money to Albertans in lieu of taxes. That's essentially what he said. That's essentially what he said. Now, the record, the words, will show it. The words will show that instead of putting taxes in place, take the capital of the fund, wipe the fund aside, and distribute it. Now, I guess . . . [interjections]

MR. DEPUTY SPEAKER: Order. Order please. [interjections] Order please. Hon. Member for St. Albert. Do you have a point of order, St. Albert?

MR. STRONG: Mr. Speaker, a point of order brought under Standing Order 23(h) or (i). Again, the Provincial Treasurer is standing up imputing and making allegations of something I didn't say, because obviously he wasn't listening. When I stated to take a look at the heritage trust fund and balance the books on the heritage trust fund, it's clear in *Hansard* what I

said: not to dismantle the heritage trust fund -- there was no suggestion of that at all. It was to take a look at balancing the books in the province of Alberta. I'm sure if the Provincial Treasurer examines the Blues, he will find exactly what I said, and it certainly doesn't even come close to what he said.

MR. DEPUTY SPEAKER: Thank you, hon. member. Under Standing Order 23, the Chair really couldn't find or substantiate the point of order of imputing motives. It appears there's obviously a difference of opinion between two of the people involved in the debate. Indeed, there could be, following a perusal of *Hansard* tomorrow or the Blues tonight, a misinterpretation of the facts. However, the point raised by the hon. member was probably borne in mind by the hon. sponsor of the Bill.

Provincial Treasurer.

MR. JOHNSTON: Well, Mr. Speaker, rather than say what the opposition would do with the fund, let me tell you what the province of Alberta under the Conservative government of Alberta has done and will do. Because really the heritage fund in itself is part of the vision of this province, part of the future of this province, part of the long-term sustaining strength of this province. As has been admitted, there are some major elements in this fund: the research elements, the scientific research elements, medical research elements; elements which encourage excellence in this province, which attract very high quality people to this province, research in particular, medical research more specifically, advancing educational interests. That is what this government will do. We will continue with these projects, and that's what this Bill will do, Mr. Speaker.

We would not take this fund apart. We would not dismantle this fund, distribute it in some careless fashion to the people of Alberta. We know that they want us to hold it whole, to use it to sustain our strength, to use the income to transfer the General Revenue Fund at a rate of about 6 percent equivalent sales tax so that all Albertans can be sheltered from that regressive sales tax impact that all other provinces have to suffer from.

We will use the fund as a key and integral part of the financial plan of this province in the future. We will use it, Mr. Speaker, to build important, significant, and unique projects for Alberta, as we have done: life saving, expanding the resources, developing the talent of this province. Now, I know that kind of vision is not well held by the socialists. We know full well they do not have any imagination whatsoever. We do know from the hints and the clues which have been given to us over the past three years how they would manage. We know clearly what they would do. The people of Alberta know what they would do. It is our responsibility to remind the people of Alberta from time to time how you would do it. That is responsible government, and that . . .

MR. DEPUTY SPEAKER: Order, hon. Provincial Treasurer. The closing of debate must be kept within the constraints.

MR. STRONG: How about answering some of the questions?

MR. DEPUTY SPEAKER: Order please. . . . within the constraints of the debate within the principles of Bill 47. Would the Provincial Treasurer come back to closing debate.

MR. JOHNSTON: Mr. Speaker, when I talk about the immense potential this fund has in carrying Alberta through the next

decade, obviously the emotional level reaches new plateaus because it is so significant. We know that we will have a responsibility to keep this fund whole, and that's what this Act does. This amendment allows us to expand the capital projects division to keep on with those important projects which Albertans have voted for on a succession of elections, clearly in support of the process, the policies, and the programs of this government. So this savings account, this little savings account started in 1976, has carried its way through this difficult period with immense power. It's the envy of all other democratic countries, and it is unique and significant to this province's future. That is why we will, in fact, remind the people of Alberta of how we have managed this fund, how we will manage the fund, and the doom and peril should the socialists ever get their hands on it.

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

[Motion carried; Bill 47 read a second time]

Bill 48

Department of Tourism Amendment Act, 1988

MR. SPARROW: Mr. Speaker, I move second reading of Bill 48, Department of Tourism Amendment Act, 1988.

MR. DEPUTY SPEAKER: Hon. Member for Edmonton-Belmont.

MR. SIGURDSON: Thank you, Mr. Speaker. I would have thought for something that may reach a million dollars, we would have had more than one sentence from the Minister of Tourism. However, the old line "What's a million bucks?" seems to be coming true more and more frequently in this House these days.

We're aware, Mr. Speaker, that there are a number of revolving funds created by the government, but this is a brand-new fund for the Department of Tourism. We're just curious to know what kinds of projects the minister hopes to use this money for, because quite frankly this amendment makes provision for

the Minister to acquire supplies and offer articles and services related to tourism [and other things] including other departments.

I for one would like to know what other articles are being offered to other departments, Mr. Speaker.

There's provision here that allows for the collection of moneys by the minister that is to go back into the revolving fund. But still it doesn't say that that money will necessarily be charged. The minister is free to give any of these articles, any of these supplies, away. So again I would ask that we get more of an explanation to the Assembly from the minister.

I quite frankly think this may be just a small, miniature slush fund for the Department of Tourism to set up and establish for a period of time. There is a sunset clause in here. It says that this section will expire on March 31, 1992. Well, it begs another question: why is that? Is it because it's just after the next election?

So, Mr. Speaker, I would hope the Minister of Tourism will at some point in second reading stage stand up and tell us what he hopes to do with this new little fund that's been created for his use.

MR. DEPUTY SPEAKER: Ready for the question? Hon. Member for Edmonton-Strathcona.

MR. WRIGHT: I'm obliged, Mr. Speaker. The principle of the Bill is this revolving fund. Perhaps when the minister sums up he can tell us what supplies it is to enable the purchase of, and where the money is to be found in the budget and why it was not provided in the normal way in the budget. And what is the rationale behind the period of the fund, which is due to expire, I note, in the latest year it will be possible to have the next election in.

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

MR. CHUMIR: Thank you. I would second the questions the previous two speakers have asked, Mr. Speaker. I would really like to know what this revolving fund is being set up for. What use is intended for it? What does the minister need to do? What types of expenditures and services are to be made that he can't get involved in now? What are the difficulties his . . .

MR. DEPUTY SPEAKER: Order please, hon. member. Please address your comments to the Chair.

MR. CHUMIR: And why in particular, as has been asked by previous speakers, is this fund to end on March 31 of 1992? If this is not an idea which would stand the test of time, then why are we involved in setting up such a fund in the first place?

I think these are important questions, and I think it's unacceptable that the minister remain silent and these remain unaddressed. I would hope that the minister will be able to answer them to our satisfaction and obtain the support of this House. But good explanations with respect to those matters absent, I certainly intend to vote against this piece of legislation, which does hold out the promise of another mini slush fund, smaller than usual.

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

MR. McEACHERN: Thank you, Mr. Speaker. As Treasury critic, I can't resist asking: where's the accountability, Mr. Minister? This Bill sets up a revolving fund. That means that we in this Assembly won't get to decide whether or not the expenditure should be allowed that will come out of that revolving fund, at least not necessarily so anyway. The purpose of a revolving fund is to sort of take some money in and put some money out, and there's usually some kind of rhyme or reason or purpose for setting up the revolving fund. I can find nothing in here that tells us what that purpose is. For the minister to just move the Bill without giving us a bit of an explanation is absolutely scandalous. It would have taken him only a couple of minutes, probably, to explain what he has in mind, and most of us would have accepted that, I would assume. But if they're going to act in this undemocratic manner, then I think we should refuse to give assent to this Bill.

Now, the revolving fund will be accounted for eventually in the public accounts, but it's always a year to two years behind when we get to find out what was done with the revolving fund. So, Mr. Speaker, unless the minister is prepared to tell us what the purpose of the revolving fund is, there is no reason we should accept the idea that he should have this little slush fund. It's not quite the same thing as the lottery Bill, but it's not much different. It's sort of saying that the minister can do things up to \$1 million of what he wants without being accountable to the Assembly. The lottery fund, of course, was even worse in that

regard, and the excuse the government made was, "Oh, well, you know, we'll find out two years later when the public accounts come in." But so what? We want to at least have some idea what this is for. For the minister to think he can be so sneaky and sort of say, "You know, if I do tell them what it's for, they might have some comment on it," well, that's too bad. We'll have some comment in Committee of the Whole or third reading then. So for heaven's sake, come up front and tell us what it is right at the start. Probably only one of us would have spoken on it and would have accepted it because it probably really isn't all that important an expenditure you're asking us for. But to try to be sneaky like you were trying to be I think is ridiculous. I object very strongly to that procedure.

MR. DEPUTY SPEAKER: Hon. Member for Vegreville.

MR. FOX: Thank you, Mr. Speaker. Speaking briefly to Bill 48, I would like to echo some of the concerns of my hon. colleagues. We're being asked by the Minister of Tourism to support something that we know very little about. There's nothing in here that tells us where the minister plans on getting the money, what he's going to charge, who he is going to give things to, what he's going to give to people. It may well be that the minister's plans are benevolent and productive and that he's going to do some very good things with the Department of Tourism Amendment Act. In fact I'd be willing to wager that he is. But we don't know that and it's difficult for us to be able to make our judgments on this.

I would like to point out that we've had a precedent set in this Assembly with debate on another Bill, Bill 10, where the minister was less than forthcoming with some of the information about what his intentions were with the Bill. We were able to put up substantial resistance to that. I would hope that the hon. Minister of Tourism wouldn't force our hand in that regard, that he'd be forthcoming with the answers that were requested by members, and he may be able to encourage members opposite to support his Bill.

MR. DEPUTY SPEAKER: May the Minister of Tourism close debate on this Bill?

HON. MEMBERS: Agreed.

MR. DEPUTY SPEAKER: Hon. minister.

MR. SPARROW: Thank you, Mr. Speaker. I am glad to see there's some interest. I was under the impression that the principles of the Bill were to be discussed in second reading, and the principles are very clearly laid out in the Bill. If we look at item 2, it very clearly spells them out. So in the interests of time, rather than standing up and reading into the record the Bill, which clearly spells out the principles, I felt we should just move on. But since the questions are answered, definitely there's an accountability. As admitted, the Auditor General and public accounts will be doing that auditing.

As far as the ideas of what we can do with the revolving fund, basically we're trying to facilitate the provision of supplies and services such as posters, selected literature, photo services, et cetera, to public and other government departments that are on demand. Tourism is very definitely a growing industry in Alberta. We're going to try and take it from \$2.3 billion to \$10 billion by the year 2000, and we need some flexibility. As time goes on, we can't wait 12 months of the year, waiting for the

next budget to decide whether or not we get in this opportunity to advance tourism in this province.

I'll give you a good example, Mr. Speaker. We have the Spirit of Alberta traveling throughout the United States and doing an excellent job of following up on the Olympics and creating an interest in bringing people to Alberta. But unfortunately, with the Act the way it is, we can give away posters, pins, pictures, photographs, and everything that's in that traveling display of Alberta. Yes, we can give them away and print some more. But there's a limit. And there are some people out there that believe in the free enterprise system of paying for what they get and people are wanting supplies we have and good photos we have and good posters on that trip all the way through the United States. This will enable us to supply that Spirit of Alberta trailer with supplies. When they sell those supplies and articles, they can replenish that supply and sell them over again and break even at the end of the year and hopefully make a profit.

Many other cases: our library, Mr. Speaker. We have an excellent library of photographs and films. Yes, and we can give them to the TV stations and the newspapers and everyone else, but who has to supply and keep that photo library up to date? If we don't charge for it and keep it up to date, it'll dwindle and disappear and we'll have to budget for it next year. Mr. Speaker, there are many small things like that in the department that can be done.

As far as the expiry date, I believe every Bill should have an expiry date. It makes you sit back and say yes or no at the end of that time period, whether or not that was a good change in the Act or whether it was a good Act. If it's a good Act in 1992 and we've done a successful job of demonstrating to my colleagues in this House that we can, by use of a revolving fund, be very useful to a department they will reinstate the revolving fund for ongoing years. Many, many more of our Acts, as far as I'm concerned, should have that principle in it.

Mr. Speaker, I'd love and I'm waiting -- I've been waiting to get into Committee of the Whole to have a discussion of the detail of this Bill. We've already done it and there's a lot of it here tonight. I'd like to move second reading and get on to other Bills.

[Motion carried; Bill 48 read a second time]

Bill 49

Consumer and Corporate Affairs Statutes Amendment Act, 1988

MR. DAY: Thank you, Mr. Speaker. Actually, two Acts are being addressed under the umbrella of the Consumer and Corporate Affairs Statutes Amendment Act 1988. One is the Employment Agencies Act which is being repealed and incorporated under the Licensing of Trades and Businesses Act. The other is the Co-operative Associations Act which is being amended so the auditing requirements are compatible with the new accounting legislation and also to allow the co-ops to continue to audit some of its own member co-ops.

Mr. Speaker, I'd like to move that this Bill be reported.

SOME HON. MEMBERS: Question.

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

MR. CHUMIR: Mr. Speaker, I move that we adjourn debate on

this Bill.

MR. DEPUTY SPEAKER: Order please. A motion to adjourn on a matter of business is nondebatable, and the question must be put forthwith.

All those in favour of adjourning debate on Bill 49 as moved by the hon. Member for Red Deer-North, please say aye.

SOME HON. MEMBERS: Aye.

MR. DEPUTY SPEAKER: Opposed, please say no.

SOME HON. MEMBERS: No.

MR. DEPUTY SPEAKER: The motion fails.

SOME HON. MEMBERS: Question.

MR. DEPUTY SPEAKER: Are you ready for the question?
Hon. Member for Edmonton-Strathcona.

MR. WRIGHT: Yes. I take it from this Bill that it's basically housekeeping stuff in the Acts dealing with fleshing out the powers of co-operative associations, particularly with regard to auditors, and there's nothing startling about it. That's the way it strikes me, Mr. Speaker, and I think second reading should be a formality.

[Motion carried; Bill 49 read a second time]

Bill 50 Planning Amendment Act, 1988

MR. BRASSARD: Thank you, Mr. Speaker. I move second reading of Bill 50.

This Bill speaks to specific portions of the current Planning Act and addresses a number of concerns which have arisen over a period of time. These specifics are well identified in the Bill and really should require no further clarification at this time.

MR. DEPUTY SPEAKER: Hon. Member for Edmonton-Strathcona.

MR. WRIGHT: Mr. Speaker, I beg to take issue with the mover of the Bill that the principles are obvious from the rather complicated wording of the Act. I daresay that this can be well done at committee stage, because the details can be gone into then and are gone into.

Nonetheless, could it be confirmed that the purpose of the main amendments is to put at rest the dispute that has arisen as to whether a municipality is compelled to, within a certain period of time, purchase land that is zoned for public purposes?

[Mr. Musgreave in the Chair]

MR. ACTING DEPUTY SPEAKER: Hon. Member for Edmonton-Gold Bar.

MRS. HEWES: Mr. Speaker, yes. I'll have something further to say to this one at committee stage as well, but I just want to register my concern in regard to the first part of this particular amendment.

I've spoken before about the growing move to place power

and jurisdiction into the hands of the Alberta Planning Board and take it from regional planning commissions. I have a grave concern with that move. I realize that it probably would be a lot tidier and more efficient methodology, Mr. Speaker, but once again this particular amendment gives the Alberta Planning Board the authority to make decisions where there is a disagreement about a statutory plan in place, where a statutory plan is believed to be detrimental to another municipality. The referral can be made to the Alberta Planning Board and a decision made, which then has to be appealed within 30 days to the courts.

Mr. Speaker, I think this appears on the surface to be an efficient kind of amendment and, yes, a housekeeping item. But once again we are taking the jurisdiction from the accountable elected representatives of our municipality or of our regional planning commissions and giving it to an appointed board of the province, from whom any appeal would have to go to court, and I have some real desires to see that fully thought out. I'm in no way suggesting that the Alberta Planning Board has not discharged its responsibilities adequately in the past but I do believe that where we are talking about land use planning and where we are making binding decisions related to land use planning, those decisions should be made by elected officials who are accountable to their publics and not by an appointed board. I think that's a principle, a fundamental principle, of democracy that we should try to maintain at all costs. I fear that is being eroded by the kind of move that's being made here, and as I say, I'm sure in the nature of making it a smoother operation.

Mr. Speaker, I'll have some comments about that further when we get to discussing it at committee stage. Thank you.

MR. ACTING DEPUTY SPEAKER: Member for Edmonton-Kingsway.

MR. McEACHERN: Yes, Mr. Speaker. I just want to agree with one of the points the last speaker made: that one of the basic principles of the Act should be that the decision should be made by elected officials, that appointed boards should have limited powers, and that the final decisions should be made, in most cases, by elected officials because they are, in the long run, accountable, whereas appointed boards are not necessarily so. I just thought that was a good point worth reiterating.

MR. ACTING DEPUTY SPEAKER: Hon. Member for Calgary-Mountain View.

MR. HAWKESWORTH: Yes. Thank you, Mr. Speaker. First of all, to the minister. I gather he's undertaken to consult with a number of people across the province who have a stake in planning, and I only say I wish other ministers would listen to the input they get the way this minister has, and the member introducing this amendment to the Planning Act.

What it does, Mr. Speaker, is a number of things that have been irritants over the past number of years in planning. It does, for example, shorten the regional plan amendment process. It also means that, among other things, regional planning commissions can appeal subdivisions that are approved by other subdivision approving authorities, can appeal those subdivisions, as I understand it, to the Alberta Planning Board. That has been more than an irritant Mr. Speaker. It was the subject of a court challenge between the Calgary Regional Planning Commission and the Alberta Planning Board some years ago. I think the change in the Act will clarify that and, I think, by and large uphold the position the Calgary Regional Planning Commission

had taken at that particular time. By clarifying the relationship between different sections of the Act, I think that'll provide for much smoother implementation of the process in the years to come.

In the past, Mr. Speaker, especially where regional planning commissions acted as subdivision approving authorities, they were bound under the Planning Act to refuse certain applications because the application didn't deal with the very specific details of the bylaw; that is, the local land use bylaw in the local municipal authority. In fact, they were bound to refuse that, even though they didn't want to or didn't see the need to refuse it. Because of the Act they had no choice; they were compelled to refuse those applications, which were then sent on to the Alberta Planning Board who did have the power and authority to relax or vary the subdivision. Now, I haven't always been happy with the decisions the Alberta Planning Board has taken in the past when it comes to some variations on subdivision applications. But what it did do was provide that final court of appeal that had some discretion, and often they were minor changes requested and it was only the Alberta Planning Board that could make those changes.

Now, what I understand this Act is doing is delegating that power the Alberta Planning Board has to the regional planning commissions, which I think is a good move. It now will allow regional planning commissions to vary standards on subdivision approvals that might not conform to the letter of the local land use bylaw. There is a problem, of course, that the regional planning commissions could get carried away from time to time -- as the Alberta Planning Board did, in a minority of cases, get carried away from time to time -- and fall into a conflict with the local authority, because what they now have, by the changes in these Acts, will be the power to override the subdivision approving authority at the local level.

I would only say this, Mr. Speaker. First of all, I don't anticipate there will be very many problems in the future, certainly no more than there are with the present system. Secondly, regional planning commissions have on their commissions representatives from the local municipal councils within that region. So it's the local politicians who form the regional planning commissions. At least they're elected. None of the Alberta Planning Board members are elected.

As well, Mr. Speaker -- and I recommend this to each regional planning commission -- I think that as a matter of policy, although not part of the Act or part of the regulations, each regional planning authority should have the policy that they will not approve or vary the standards of a subdivision application without the consent of the local authority in which that subdivision is being undertaken. By that I mean that by appealing through the subdivision approving authority or through the local council to the local planning commission, to the regional planning commission, they may find that this application is at variance with the local land use bylaw. Now, if the local council and the local planning commission say, "We would agree or support the variation," then in acting as the subdivision approving authority the regional planning commission could approve it. But if the application coming to the subdivision approving authority at the regional level is of such significance or of such a variation that the local council is not in support of it then I believe that notwithstanding what's in this Act or in these amendments tonight that regional planning commission should not override the objections of the local council or the local planning commission.

That Mr. Speaker, I think would solve all the problems, if

planning commissions across the province adopted that kind of attitude. I found in my brief experience in planning and at work on the Calgary Regional Planning Commission that co-operation goes a long way, because no Act no matter how extensive, can imagine each and every situation across the province. In fact, it can't imagine all the variations and difficulties and problems in any one given municipality. So despite the rules and the regulations and the planning documents, it often comes down to a judgment call as to what's good common sense. And I believe if all the parties are honestly working in co-operation, then the kinds of negotiation can take place, the kinds of compromises can take place that the planning system will work.

I think we have had a good framework of planning legislation in this province over many years. I think the regional planning commissions have been a kind of unique forum, unique to Alberta, in their powers and their structure. I see this as being able to bring some more discretion down to the level of the regional planning commissions. I think we're going to see as a consequence that there'll be fewer appeals taken through to the Alberta Planning Board. I think that will be a good trend. And then only the more difficult ones, the ones that really need that final arbitrator to make those final decisions -- only those will be the ones that I suspect will flow through to the board, and they can focus on the most important job they're expected to perform. They won't in the future see a lot of these minor appeals where these variations with the local land use bylaw are required, so their agenda, I think, of those kinds of appeals is going to be greatly reduced.

As I understand that, these are the main areas in which the Bill amends the Planning Act. If there would be only one criticism of the government it would be that these have been irritants for a long time. I would just commend the hon. member who has introduced the Bill, and the minister, for finally recognizing that and making these changes. I think, again, that as the Planning Act from time to time does get amended, we'll have some experience with these new rules; we'll see how they work. I don't anticipate major problems, but if they do develop, I'm sure those can be rectified with future amendments.

I think that if all planning commissions in the province adopt that co-operative approach to make this new system operate, it's going to provide greater satisfaction to the individuals out there who are making applications. They will get speedier applications, speedier responses. I think if there's that element of co-operation with the local authorities at the local council level, the local municipal planning commissions, they're going to be much happier. I think it's going to be more satisfying for those who serve on regional planning commissions that they will have some more discretion. And finally, I think from the Alberta Planning Board's point of view that they'll see a reduction in some of those irritating applications that are brought to them more as a matter of formality. So all the way around, Mr. Speaker, I see the possibility of all parties in the system being satisfied with these changes and make the Planning Act work better.

I register that one concern. I think that can be dealt with by each regional planning commission by adopting the attitude or philosophy of working in co-operation with the local authorities. Let's see how it works. Let's give them the chance, and if there is any problem in the future, we can be back here again to sort it out. But I look forward to approval of these amendments.

Thank you, Mr. Speaker.

MR. ACTING DEPUTY SPEAKER: Can the hon. Member for

Olds-Didsbury close debate on this motion?

MR. BRASSARD: Thank you, Mr. Speaker. There are only a couple of points. I'm not sure exactly what the Member for Edmonton-Strathcona was referring to, but if I understand what he was saying, this has not been addressed in this amendment at all.

The Member for Edmonton-Gold Bar, I think, would agree that there is a need for a final arbiter in a dispute. Whether or not it be an elected official or a planning board as such I would look forward to discussing further in third reading.

I found the comments from the Member for Calgary-Mountain View very supportive, and I sincerely thank him for that. There was an awful lot of thought that went into this amendment, and I look forward to his continued support in third reading.

Thank you, Mr. Speaker.

[Motion carried; Bill 50 read a second time]

Bill 51

Personal Property Security Act

MR. STEWART: Mr. Speaker, in moving second reading of Bill 51, I must point out that the Bill, or at least the substance of the Bill, is certainly no stranger to this Assembly. The Bill in substantially the same form was before the Assembly for first reading in 1985 under Bill 73. It was left on the Order Paper at that time to get further refinement because, in fact, even earlier than that, back in 1980, Bill 98, again a Bill of the same name and generally with similar content, was introduced in the House and left for discussion purposes on the Order Paper.

The process of developing the personal property security law certainly has come through a number of years in a very consultative process. It was introduced in Ontario in the first instance, I think, some 21 years ago, and it was substantially taken from the uniform commercial code of the United States. Subsequent to that, in addition to Ontario adopting this legislation, Manitoba and Saskatchewan and Yukon territory have done likewise with substantial uniform types of provisions. I understand that British Columbia is now moving in a similar direction.

With respect to the Bill itself, the present situation is that we have a number of what you might call security interests under a variety of labels: conditional sales contracts, chattel mortgages, assignment of book debts, and so on. They're governed by a variety of Acts with different registration procedures, and they have different rules that apply insofar as their legal effect: different remedies of creditors. So there's a sort of hodgepodge of interests out there that are covered, as I say, in a variety of ways in a variety of statutes. Also, there are three existing registries that exist for personal property security, which complicate the process even further and make registration and searches that much more difficult and, I believe, add unnecessary cost to the borrower, because the borrower is the one that ultimately pays the bill as far as registration and preparation of security interests. The system has proved to be rather inflexible in meeting the needs of today's commercial transactions, and different rules of priority also apply, which I think complicates the situation even more.

So the purpose of this Bill is to combine into one Act and in a uniform manner all of these security interests in personal property and to streamline and simplify the form and the registration of those security interests and, hopefully, thereby reduce the

cost to the consumer and the overall cost of administration. It will also bring uniformity to the rights of creditors who hold those security interests, and it allows the flexibility to tailor commercial transactions to the specific needs of the party, because they can carve out their own security interest and the period for which it is to last. So the uniformity of the provisions is certainly a big asset to clarify the whole business of the personal property security interests from province to province.

Mr. Speaker, with those comments, I just add that the substance of the Bill has been reviewed by various organizations. The Canadian Bar Association has had a good look at it, and they had two or three concerns with respect to it that I might just mention. One concern was that in the concept of notice filing, the document itself is not filed with the registry, which, of course, is the case at the present time. So there's no document on file in a public place. The concern was that because of that there might be an opportunity for fraudulent acts to take place with respect to the security documents, since they were not so filed. All I can say is that experience has not shown up in other jurisdictions that have had this. It hasn't been a problem at all. Of course, each party to the document always keeps a copy, or should keep a copy of the document, in any event, and that would discourage any such activity.

Also, there is a concern that notice filing may prove that the timely information would not be available to the interested parties. Again, this has not proven to be the experience in other jurisdictions.

One other concern was that debentures now have an unlimited registration life, and reregistration requirement in this Bill may imply some sort of onus on lawyers to follow up on behalf of previous clients. Here the plan would be, of course, to provide an extensive advertising campaign and a three-year transition period, and that should meet that concern.

I think, Mr. Speaker, that's the essence of the Bill, and I'd appreciate hearing from other members on this reading.

MR. ACTING DEPUTY SPEAKER: The Member for Edmonton-Strathcona.

MR. WRIGHT: Mr. Speaker, I'm obliged to the hon. learned gentleman, the Member for Calgary-North Hill, for his introduction of the Bill. The principle of it can be summed up in practically any provision of the Bill taken almost at random. For example, this is a single sentence.

(3) If no notice of objection is made, the secured party is, at the expiry of the 15-day period referred to in subsection (2), deemed to have irrevocably elected to take the collateral in satisfaction of the obligation secured by it, and is entitled to hold or dispose of the collateral free from all rights and interest of the debtor and any person entitled to receive a notice

(a) under subsection (1)(b), and

(b) under subsection (1)(c) whose interest is subordinate to that of the secured party,

who has been given the notice.

Mr. Speaker, it is a Bill that only a lawyer could love. [laughter] But having said that - to be serious for a moment - it is undoubtedly a useful Bill. It's been thoroughly worked on in many jurisdictions, and although I can't understand it, I have no doubt it's a good Bill for us to have.

I have only one complaint, and that is that it should have a warning on the front that reading it might be dangerous to your health in the manner of this certain . . .

AN HON. MEMBER: We've got a Mental Health Act on the

Order Paper too.

MR. WRIGHT: No, not that kind of health, because after you've read it carefully, I'm sure you'd end up with crossed eyes which would never become uncrossed.

[Motion carried; Bill 51 read a second time]

Bill 52
Land Titles Amendment Act, 1988

MR. SCHUMACHER: Mr. Speaker, Bill 52 has been written to bring our land titles registration system into the computer age. At this time I'd like to thank members of the Bar of this province for their involvement in developing this legislation. It is really an amending Bill to amend the Land Titles Act, but it goes to the root of the system by which we do the registration of land titles in this province. It removes the requirements to keep title records on paper certificates, and will allow full implementation of an automated title system. This new system will provide flexibility to adapt record-keeping practices to future technological developments.

The second major thrust of this Bill is to eliminate the general register. The general register is a place where judgment creditors register their judgments or writs of execution against the debtors.

This will not be immediate but will be effective three years after the titles system is computerized.

[Mr. Deputy Speaker in the Chair]

The reason for this change is that the present system places an unfair onus on innocent persons. Whenever somebody is buying or selling land and their name is similar to somebody who has a judgment debt against them, they are required to complete a statutory declaration detailing their places of residence throughout the province and their occupations and proving that they aren't the person who is named in the legal action in the judgment that's registered in the Land Titles Office. People with common names can have a great deal of inconvenience and expense put to them because of that system. So that inconvenience and expense will be eliminated by this Bill.

The new system will require creditors to register their judgments against specific lands owned by debtors. Up to this point they haven't been able to do that in any practical way because the system of searching titles is by legal description and not name. So the offsetting advantage to creditors provided by this legislation is that after automation they will be able to search land by name of registered owner, which they cannot do now. British Columbia abolished its general register several years ago, and the province of Manitoba is now in the process of eliminating it.

The Bill also amends the existing Act to bring it into conformity with the Surveys Act, which the Legislature has dealt with recently, as it relates to the registration of plans of subdivision and allows the Registrar of Titles the discretion to change the way parcels are described or combined so as to simplify and clarify parcel description to accommodate computerized titles.

The Bill contains provisions that make it easier to remove expired interests in land, such as expired leases, from titles, and makes it more difficult to remove caveats relating to dominant and servient lands; that is, only the registered owner of the benefiting land now will be able to remove such caveat.

It will also allow duplicate certificates of title to be given to those owners of land where the land is subject to a mortgage relating to maintenance of grounds and facilities of the common area of a subdivision. This applies, for example, to Lake Bonaventure, Lake Bonavista, and the other lake subdivisions in Calgary -- I believe there are two or three of them in the city of Edmonton also -- where there have been common areas that all residents of the subdivision are responsible for the maintenance of. Money was borrowed to construct those things, secured by way of mortgage, and everybody's titles were kept at the Land Titles Office. So now these titles will be able to be released to the people to have and to hold as everybody else is able to have their titles.

Mr. Speaker, as I noted when this Bill was introduced, the primary purpose is to allow for the establishment of an automated titles system. When we established our present system of land titles registration, we adopted a state-of-the-art system, and we were, in North America, leaders in the way this was done. This Bill will keep a state-of-the-art system of land registration available to Albertans, and I would urge all hon. members to give this Bill speedy passage.

Mr. Speaker, I move second reading of Bill 52.

MR. DEPUTY SPEAKER: Before proceeding, hon. members, as the pages have been dismissed for the evening, members requiring any service perhaps could indicate to the Sergeant-at-Arms.

Hon. Member for Edmonton-Strathcona.

MR. WRIGHT: Mr. Speaker, we're indebted to the hon. learned gentleman the Member for Drumheller in his introduction of this Bill. The Bill's okay. The hon. member did omit to say that the state of the art he was talking about, namely the Torrens system, was 19th century state of the art. Nonetheless, it is a step forward when even lawyers will in one fell swoop move the procedure from the 19th century into the 21st century. [interjection] Yes.

That's the purpose of this Bill. As far as I can see, it will achieve it, and so it should be supported in principle.

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

MR. CHUMIR: Thank you, Mr. Speaker. By nature, this Bill and the previous one, relating to complex issues of personal property and land titles, are veiled thoroughly by the legal profession, which may, of course, be cause to render them somewhat suspect. But I must say that one of the great pleasures of my professional life was that it did not include the practice of either personal property or real property. I happily decided to choose a less complex area of law, that of income tax, sometimes referred to as civil liberties, particularly by my clients.

But in any event, I am pleased to second the support given by the hon. Member for Edmonton-Strathcona to this and the previous piece of legislation.

Thank you.

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

MR. McEACHERN: Yes, Mr. Speaker. Just a perhaps frivolous point, but I can't resist making it. First I'd like to say that I did enjoy the rather fuller explanation that we got in the

introduction of this Bill than some other Bills that we've had introduced at second reading -- or moved at second reading, shall I say, because some of them were not introduced.

The member mentioned that it's the state-of-the-art new way, the computer way of recording titles, that we will no longer need paper titles. I assume, then, that we're going to do it by computers. I just want to say that I was reading the other day about computer viruses that eat all kinds of things, all kinds of information, and it sort of worries me a little bit that maybe we get a little too smart sometimes. I surely hope that the designers of his system find ways to be safe and 100 percent sure that they can always retrieve the information they need at some point. I hope, in some cases, maybe that's even paper, because I understand these computer viruses don't eat paper but the disks or software, as I understand it.

MR. FOX: Mr. Speaker, I would like to make a few comments on Bill 52 and perhaps draw a comparison to the just passed second reading of Bill 51, wherein my colleague from Edmonton-Strathcona said that a person's health could be seriously impacted or negatively impacted by trying to read it. Well, with Bill 52, Mr. Speaker, a person could suffer similar sorts of damages by trying to lift it. It's thick enough to choke a horse.

But I would like to point out to the hon. Member for Drumheller, who presents the Bill to us for consideration and to the government that he's a part of what the report of the Select Committee of the Legislative Assembly on Regulations in the Province of Alberta recommended in November of 1974:

that wherever possible, a set of proposed regulations should accompany new Bills as they are presented to the Legislature for consideration.

Now, that's a practice that almost without exception has been abandoned by this government and it's one that they, I think, should be chastised for, Mr. Speaker, because it's important to be able to assess the full import of changes that are being proposed to legislation.

So perhaps with that proviso the hon. Member for Drumheller may make an effort to provide us with those regulations sometime during the committee stage of consideration of Bill 52.

MR. DEPUTY SPEAKER: May the hon. Member for Drumheller close debate on Bill 52?

HON. MEMBERS: Agreed.

MR. SCHUMACHER: Thank you, members of the Assembly and Mr. Speaker. I appreciate the comments of the hon. Member for Edmonton-Kingsway, because I must say that when I was studying the Bill in its initial draft, I had the same concerns. It was pointed out to me that in the earliest version of the Land Titles Act there was a provision that all documents had to be stored in a stone building. As things progressed, we got water sprinklers and things like that. The Act was changed so that it merely said that they had to be kept in a safe place. We're deleting that requirement now, but I can assure the hon. member that there are going to be at least two backup records of all the registrations that are complete, and of course there will be printouts of any particular land title that is requested. There just will not be books and files that take up an enormous amount of space where they are written down on paper records.

As far as the hon. Member for Vegreville's concern about regulations, well, this Bill is fairly cumbersome. I don't really

think it changes the day-to-day operations of the Land Titles Office that much as far as regulations are concerned. There is a book of regulations that relates the way things are done and the way the Registrar of Titles likes to receive documents and sets out the various tariffs and fees that are involved. But I really don't believe this legislation is going to change the existing regulations to any great extent.

With that Mr. Speaker, I hope that the Assembly will still be of the opinion that this Bill should receive second reading.

[Motion carried; Bill 52 read a second time]

Bill 53

Provincial Offences Procedure Act

MR. STEWART: Mr. Speaker, Bill 53 carries forward in a substantial way the provisions of a former Act -- or it would be the former Act once this is enacted -- the Summary Convictions Act. For the most part those provisions prevail. However, there are some notable changes that come through the provisions of the Bill.

Basically, there are a couple of purposes to the Bill: first of all, to ensure that persons charged with provincial offences are dealt with appropriately, considering the nature and seriousness of the offence; secondly, that there's a benefit to the person charged through the provision of a convenient streamlined procedure for minor offences.

Mr. Speaker, in the present situation, and using traffic violations as a very common example, if people do not respond to the ticket, a warrant is issued. It has to be sworn before a justice of the peace, and then it has to be served by a police officer on the person charged. If he doesn't respond to that then the penalty, of course, is one of arrest. So automatically there's sort of a criminal connotation to what might be really quite a minor offence. If the person is found guilty, there is a fine. And in the default of payment of that fine there is imprisonment. So again, a sort of criminal connotation arises. The solution was to find some way in which the sanctions for nonpayment would perhaps be more suitable for the nature of the offence and also to get around a situation where so many people were not responding to the traffic tickets they were issued. They were being ignored.

So the changes are basically with respect to minor offences. A minor offence is defined as an offence under \$400 of fine penalty. Imprisonment in the case of all these circumstances is removed. Warrants will no longer be issued in the case of these minor offences, but instead there's a series of more convenient options that are available. First of all, if a person wishes to dispute the charge, there's no need to appear in order to merely enter a plea of not guilty, which you would have to do at the present time. So in effect at the present time there are two appearances that would be required: one to enter a plea of not guilty and another to appear for the actual trial. So in this instance the person charged can mail in their plea, and then a date would be set and that would be communicated back by mail to the person charged.

If the individual does want to dispute the charge but does not want to appear, he can provide information with respect to his grounds for dispute and the matter can be heard on that basis. If he wishes to plead guilty, he can, just as he can now, pay the specified penalty. In addition, now he can go one step further if he feels that there are extenuating circumstances with respect to the charge that should be taken into account notwithstanding his guilty plea. He can make those representations as to the penalty.

If the person fails to respond then to a traffic ticket, under this new system there's no warrant and no arrest. But if he does not appear, it's deemed that he no longer wishes to dispute the charge and may be convicted because he's failed to respond to this very convenient procedure.

The sanctions for nonpayment. As I mentioned earlier, imprisonment is removed under any circumstances, but there are some sanctions that are more in accordance with the nature of the offence. In this case of a traffic violation it could amount to the fact that his motor vehicle licence services could be restricted. Indeed, ultimately his licence could be suspended, but only after repeated incidents of default and only after notice to him.

Mr. Speaker, I move second reading of Bill 53.

MR. WRIGHT: Mr. Speaker, again this is a Bill which certainly serves a purpose and should have our consent at second reading. There are details in it that need to be worked on, of course, and perhaps even they are fair enough. But enough of that now.

There is one thing, though, that I wish to echo from my hon. friend the Member for Vegreville's brilliant analysis of the last Bill; namely, the obligation to file regulations that are applicable to a Bill where those regulations really have part or any of the guts of the Bill in them. Again I refer to the report of the select committee of the Legislative Assembly done in November of 1974, which was one of the things that Mr. Lougheed, the former Premier, was very strong on when he came to power: that regulations which were important should be filed with the Bill so that people can understand the whole package. In this case it is very important, because there is a provision in the Act which makes it plain that a lot of the real guts of what we're voting about are to be found in the regulations.

So I do respectfully ask the government or the mover of this Bill to make sure that the proposed regulations are before us before we reach the committee stage, Mr. Speaker.

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

MR. CHUMIR: Thank you, Mr. Speaker. This piece of legislation streamlines and modernizes the process of minor offences. I have some questions with respect to some of the procedures that it legitimates; in particular, the concept of a trial ex parte, when the defendant does not show up. However, aside from those, the overall sense of direction is a sensible and a good one, and I'm going to support the legislation.

I would note that the Act does specifically authorize the service of a summons on a holiday, which I think is a particularly valuable provision in light of the New Democratic Party penchant for adding more and more holidays to our work schedule. We'll soon be having more holidays than work days for everyone except NDPs, and I'm hoping we're going to have some consideration for the MLAs here.

One feature of this legislation that I might note is that it will undoubtedly create a lot of work for many lawyers who are good at finding technical flaws in new legislation, and it therefore has a compensatory employment feature.

So with all those taken into account, I'm pleased to support the legislation and thank the hon. member for a very fine explanation and, indeed, the preceding introducer of the immediately preceding Bill. Those are appreciated.

MR. DEPUTY SPEAKER: Are you ready for the question?

HON. MEMBERS: Question.

[Motion carried; Bill 53 read a second time]

Bill 54

Small Power Research and Development Act

MR. ADAIR: Thank you, Mr. Speaker. I am pleased to move second reading of Bill 54, the Small Power Research and Development Act, and maybe lay out some of the points within the Bill that make it a fairly exciting one from my point of view.

This Bill is a result of the initiative that followed recommendations by the government for a small power inquiry, jointly heard by the Energy Resources Conservation Board and the Public Utilities Board in March. The government had earlier directed the boards to conduct that inquiry and to make recommendations on such key matters as the prices that utilities should pay to small power producers for electricity. In our direction to the board for the inquiry the government clearly stated that it was our policy to facilitate small power as long as electricity rates for consumers in Alberta were not, as a result, unduly increased. This was and remains the policy underlying the Small Power Research and Development Act.

If I can just maybe relate, the board held an eight-day hearing last fall in Calgary and there was a tremendous amount of interest in the public inquiry. There were some 20 submissions from proponents of small power, from consumer groups, from Utilities, and from industry. At that particular time we assisted the Small Power Producers Association to the tune of \$100,000, and it was matched by the federal government, to assist them in making a full representation to the hearing.

What the report did on the pricing side, for example, is give small power producers assurance that they will be able to sell power to utilities under long-term contracts at fixed levelized prices. These prices are based on the costs that utilities can avoid by contracting with small power producers, including the cost of future new generating plants. With this basis of pricing small power, Alberta consumers would not be unduly impacted.

This inquiry also suggested that there be a method of monitoring small power. The monitoring period would cover answers to such questions as: how much electricity different types of generators can contribute to the system under Alberta conditions; whether this power can be available at peak points, when that is the greatest need; where these projects may well be located; the extent to which small power could help delay or actually replace major new plants. Over the long term, consumers would benefit if our growing power needs can be met by small power producers.

Bill 54 then, Mr. Speaker, the Small Power Research and Development Act, has the aim of encouraging small power projects in the upcoming years so that a successful monitoring program can be undertaken. It builds on the recommendation of the small power inquiry. To accomplish this, the Bill contains the following.

Firstly, it sets an incentive price for small power at 5.2 cents a kilowatt-hour. This is the price utilities will pay under long-term contracts with independent producers. This price, I would note, brings forward a future price, as set by the joint hearing, of 1995 and brings it up to the present time. It makes this price available today as an incentive for projects to develop now rather than later. This is necessary if we're going to have a successful monitoring program. That price, Mr. Speaker, includes inflation factored at approximately 4.5 percent annually, and this

price is based on the estimated cost over the life of a new proxy plant built in 1995 as identified by the ERCB. PUB. The price reflects the higher capital costs of a new plant, the costs of developing a new site and, as I said a moment ago, inflation factored in at about 4.5 percent annually over the next 20 years or the life of the contract.

Secondly, the Bill sets a limit on the program; that is, when 125 megawatts of small power projects are interconnected, the research and development program will have achieved its objective and will terminate. The board will then have enough information to set pricing for the longer term. This 125-megawatt limit also ensures that the research and development program is not open-ended, thereby minimizing any cost to Alberta consumers. As I said earlier, our policy is to facilitate small power but at a reasonable cost to Albertans.

Thirdly, the Bill defines small power as a project of up to 2.5 megawatts, or 2,500 kilowatts, as recommended by the small power inquiry. It also allows for a limited number of larger pilot projects, nine to be exact, that could come under it by way of exemption, and these would be in the areas of renewable resources: wind, hydro, and biomass. The program will therefore give an incentive to small independent producers to tap the vast potential of underdeveloped renewable resources we have here in the province. These are important energy resources for the future, which in many cases can be exploited with minimal environmental impact.

Finally, the Bill provides for the connection of monitoring equipment and collection of data on small power projects. This will be very important and is a very important part of the project in itself.

In conclusion, Mr. Speaker, Bill 54 will give small power producers in the province of Alberta an assured price for their power and assured allocation of market of up to 125 megawatts. Small producers will still have to finance their own projects and will still have to obtain the necessary approvals to proceed. This Bill in no way overrides environmental safety or municipal approvals or standards. Through this research and development program I expect that Alberta will see a range of small power projects developed, and by 1995 the 125-megawatt allocation may well be fully taken up by small renewable energy projects.

Mr. Speaker, I move second reading of Bill 54, the Small Power Research and Development Act.

MR. DEPUTY SPEAKER: The hon. Member for Calgary-Forest Lawn.

MR. PASHAK: Thank you very much, Mr. Speaker. I rise to speak in support of this Bill on behalf of my colleague from Athabasca-Lac La Biche.

Although we're in general agreement with the Bill, there are some areas of concern. The first one I might mention is the level of access. I think the small power producers themselves recommended a figure in excess of the 125-megawatt provision that's contained in the Bill. I think the definition of "small" does not follow the recommendation of the small power producers either. I think they wanted a nameplate capacity of some 10 megawatts. This Bill proposes a 2.5-megawatt cap, and I think that would have the unfortunate effect of shutting down a proposed small power plant operation in my colleague's riding. I think they'd need at least a 10-megawatt capacity for that to go on stream and meet their objectives.

Another concern would be with the rate of return to the small power producers; I believe it's 5.2 cents per kilowatt-hour.

There's a general concern there -- well, first of all, that that's fixed, that it's not geared to inflation and rising costs. I believe that's fixed over the period of time, and perhaps some consideration could be given to that.

As well, there's a concern that's been expressed that at that rate of return it might cut out wind power operations in southern Alberta.

A further concern with this particular measure, Mr. Speaker, is that the larger utility companies have the potential for setting up small power operations. There's nothing that we can see in this Bill that would prevent that from happening. And if we're trying to encourage small power producers to come on stream, I think there should be some restriction on major utilities' taking advantage of this particular Act. For three years now at least our leader and our party have come out in support of the small power producers, Mr. Orrin Hart and his group. We appreciate the fact that finally the government is beginning to pay attention to this, but we wish that they'd been able to jump on the small power bandwagon earlier and more strongly.

I have another concern, too, and it's perhaps a concern that's more relevant to southern Alberta. I certainly don't want to see southern Alberta and northern Alberta get into a battle like the civil war that took place in the United States in the 1860s. But there's a certain potential for that given those major power developments in this province that are going to be coming on stream over the next few years. I think that if we'd been more astute, if we'd really paid attention to the concerns that the small power producers were bringing forward at an earlier point in time and met our power needs through utilizing their capacity to generate electricity, we wouldn't be saddled with the kind of consequences that southern Albertans are going to be looking forward to.

The city of Calgary has just prepared a report. It was released yesterday, and I think it's being generally released tonight. I think that for some reason all of the Progressive Conservative Party government members in the Calgary area managed to get a copy of that report but unfortunately it wasn't distributed to opposition members. But what it suggests is that over the next 12 years southern Albertans will be faced with an additional \$2.2 billion in electricity costs that will go to the EEMA, and the city of Calgary alone will be looking at an additional \$578 million in electrical charges over the next 12-year period.

[Mr. Speaker in the Chair]

I think we can blame the current mayor of Edmonton for that. I think it was Decore who decided to push for the Genesee plant that has created an unnecessary overcapacity of power generation in this province, and I think the people in southern Alberta are going to be paying an enormous price for this. I've just indicated the amounts. Now, as I say, if we'd been more interested in small power production and we'd brought on that power in incremental stages, we may not have needed that overburdening expense that is going to have to be borne not just by Calgarians but all people in southern Alberta.

MR. SPEAKER: Anyone else? Thank you.
Calgary-Mountain View.

MR. HAWKESWORTH: Thank you, Mr. Speaker. I'd like to first of all commend the minister for bringing forward this Bill and for -- I hope it's going to do the job -- helping to advance

small power production, alternative sources of electrical energy in years to come.

I'd just like to ensure that I heard the minister correctly and understood the concepts that he's putting forward this evening. He did make reference to the 5.2 cents per kilowatt-hour for the term of the contract. I thought I heard him say something to the effect that there would be a 4.5 percent annual increase. No, I didn't. Perhaps I could have the minister clarify that in his closing remarks. He made some comment about inflation, and I gather I didn't get that correctly.

As well, as I understand the concept it's broken up into two kinds of categories for small power production pilot projects, those that are larger than 2.5 megawatts, and there's a cap on the number of projects at nine. So I presume that if there were, say, 10-megawatt projects, a maximum of nine would mean that there would be, say, a maximum of 90 megawatts from those pilot projects, and the remaining 35 megawatts would then be divided up amongst those small power producers that had nameplate capacity of less than 2.5 megawatts. So I gather from the way this has been structured that the minister is hoping to get a variety of projects under way. Given that he's decided to go the research and development route, that I hope, will work the way he envisions it and it will give us a variety of experience to draw on and to make comparison.

I don't see in the Act -- again, if the minister could clarify it for me, I'd appreciate it -- whether we're going to make sure that some of these projects are wind, some are hydro, and some biomass. I don't see that it's laid out that specifically. I presume he's expecting various groups from around the province to step forward with projects under these different categories, in which case we would, I hope, then get the kinds of comparisons between those three. I would hate, for example, to see TransAlta establish, say, three or four or five small hydro projects and Alberta Power take up another five or six hydro projects as well on a small scale. Then we wouldn't have anything to compare these larger pilot projects to. They'd all be hydro. I hope that in the implementation of this Bill we're going to ensure that that different variety of projects does get approved so we really do have a cross section.

I'd like, for example, -- it was one of the motions I made in the Heritage Savings Trust Fund committee -- to implement a pilot project or research in the area of wind generation. It was something the government had allocated \$1 million to, I believe in the 1986 capital projects estimates: \$1 million for research into wind and solar generation. Anyway, southern Alberta has a lot of wind, and it seems to me that it would be a great opportunity to make use of that resource for electrical generation. If we can do it under this Act, I'd be pleased. I was sorry that when the Legislature voted that million dollar estimate two years ago, it wasn't proceeded with. Now I hope this will be a different approach but will have the same effect, and that's to get a recognized industry established in the province, a small-scale industry in many communities around the province, provide a source of income and electric generation for a lot of people in the outlying communities of the province.

So all the way around, Mr. Speaker, a few questions about it, but generally I think it's fair to say that I'm reasonably pleased with the direction the minister is taking on this. I'm sorry it took awhile to get around to it, but I guess, as I say, it's much better now than not at all. I would say to the minister good show, and let's make sure that it gets under way and we get these projects off the ground.

Thank you.

MR. SPEAKER: Calgary-Buffalo, followed by Pincher Creek-Crowsnest.

MR. CHUMIR: Thank you, Mr. Speaker. I'm very, very supportive of small power development in Alberta. I would like to congratulate the minister on the general direction which this legislation takes. I believe it reflects a vote of confidence in small enterprise and regional development and certainly in the direction of helping rural areas, which are desperately in need of some form of diversification in this day and age. We have a track record in California, where I understand that approximately one-third of electrical power is provided by small power installations.

The issue, of course, aside from the sensible general direction, is whether or not the specific terms and conditions are adequate to make the experiment work. That's the \$64,000 question. So it will be interesting to see where we go in light of concern with respect to the pricing, whether it will be adequate in terms of the impact of inflation or, indeed, in absolute terms at this state. There is some concern with respect to whether or not the size of installation is appropriate in all cases. I understand that there are some concerns with respect to interconnect. It may be that if there are difficulties incurred in that regard, then the whole experiment may fail. It may need some constant monitoring and help to ensure that obstacles don't arise in that direction. If, happily, sometime down the line this does work, then the only thing the small power producers have to worry about is that in the unlikely eventuality that the New Democratic Party ever forms a government, they'll probably want to nationalize it because they like things neat and clean and controlled and not competitive.

Thank you, Mr. Speaker.

MR. BRADLEY: well, Mr. Speaker, I wish to participate in debate today, given that I do have Motion 250 on the Order Paper urging "the government to proceed with a wind and solar alternative energy program." I'd like to commend the minister for introducing this Bill. I think he's moved very quickly. Given the fact that the report of the joint inquiry by the ERCB and the Public Utilities Board only came down earlier this year, he's moved very quickly to build on that report and provide this opportunity for small power producers in the province.

I should also note while I'm on my feet that the Minister of Energy has appointed a solar and wind renewable energy advisory committee in the Pincher Creek area to build on that initiative and come forward with recommendations to continue with regards to a research program, and it's a very important area. This will be very good news in the constituency of Pincher Creek-Crowsnest Mr. Speaker. The first and largest commercial wind generator in Canada was built in Pincher Creek by Mr. Ernie Sinnott, and he has pioneered a lot of the energy banking which has gone on in the wind power business in the province. So I welcome the Bill and urge all hon. members to support it.

MR. SPEAKER: Edmonton-Kingsway.

MR. McEACHERN: Thank you, Mr. Speaker. Just a couple of very brief comments. First, to the Member for Calgary-Buffalo. One thing we certainly wouldn't nationalize would be him, anyway. That's right. We don't need your help.

Anyway, what I really rose to speak on were a couple of points about the Bill. It is time. I might say that while we appreciate the Bill, as both of my colleagues from this side have

said, nonetheless it's been rather slow coming. It seems to me that this thing has been in the works for a number of years. On behalf of those people who are feeling frustrated that it's taken so long, I'd like to just say: it really is about time. I'd like to also say that while it mentions wind, hydro, and biomass electrical energy production, it does not mention solar. I thought the Member for Pincher Creek-Crowsnest might have been hollering a little more about that, because it seems to me, Mr. Speaker, that solar energy is surely the cleanest source of energy for our planet for a long time to come. I know we have a lot of oil energy and a lot of coal energy and that sort of thing, but really in the long run, we need to find cleaner forms of energy, and solar energy should fit the Bill.

I'd just mention briefly a description of an experimental idea that a scientist put before me a year or so ago. He felt that with a system of mirrors mounted on a tower that were geared to turn with the turning of the earth, he could concentrate solar rays of energy to heat -- he was going to bum garbage with it, as a clean way of disposing of a lot of our garbage instead of having dump sites. But he could heat objects up to 2,900 degrees centigrade, if I remember my numbers right. So there is a lot of potential for use of solar energy, and this Bill doesn't allow for that. I really think it's a shame. So while we welcome the general direction of the Bill, it seems to me that the government still hasn't dealt fully with the issue of alternative sources of power.

MR. SPEAKER: Mr. Minister, summation.

MR. ADAIR: Mr. Speaker, there's obviously a need for me to clear up a number of points. I think the first one is the fact that the inquiry was completed and reported on March of 1988. April, May, and June -- so two and a half months since then and we have the Bill in the Legislature.

It should also be noted that with the present surplus of power in the province of Alberta, that had to be taken into consideration. We had to work with the utility companies, as well as all of the other users, to ensure that what we were doing at the request of the small power producers was, in fact, not going to upset the applecart, if I can use that particular term.

Number one, I think the hon. member for Calgary . . .

SOME HON. MEMBERS: Forest Lawn.

MR. ADAIR: . . . Forest Lawn -- yes, of course; I knew it was green -- discussed the point about the pilot projects. I can assure the hon. member that the nine pilot projects were the exception that's included in the Bill, and they are up to 10 megawatts each. We put nine in as a total rather than three of each, because that gave us the flexibility if, for some reason, there may end up being four in the wind area and two in the biomass and three in the other -- we had the flexibility to work within that.

The price was a levelized price; the 5.2 cents was a levelized price. That included, in that price, an inflation factor. It's already included in that price as defined by the ERCB and the PUB as a price that would be basically listed as the price that would be paid for power at 1995, and we've brought that forward to today to allow that heavier load, or front-ending if you want to call it that, in essence, to assist the small power producers to, in fact, get investors and get on with the job.

The inflation as defined under the ERCB and PUB was basically about 4.5 percent annually, and that was included in that price of 5.2 cents. Now, I recognize that the request from the small power producers was for a price higher than that -- I be-

lieve it was 6.59 cents, Mr. Speaker -- but it included income tax. We took that out because income tax is rebated, so it's not included in there. That's why the price, we felt, was the level that would best suit the small power producers to get the investors interested and get the projects under way.

The other thing that is really important, and I'll just read it; utilities and their subsidiaries are not eligible. So when you're dealing with this, we're talking about those who would be proponents of small power, whoever they are: in essence, small business.

So I think that covers off those concerns that were raised generally by the small power producers of Alberta, generally by the ERCB/PUB report, and by the utility companies, as well as the consumers, the industrial consumers, and the farm consumers. So we think we have as close to a -- I won't say "perfect" Bill, but at least a good start for the research and development of small power over the next number of years in the province of Alberta.

As a result of that, Mr. Speaker, I move second reading of Bill 54.

[Motion carried; Bill 54 read a second time]

Bill 57

Alberta Agricultural Research Institute Amendment Act, 1988

MR. ELZINGA: Mr. Speaker, in moving second reading of this Bill, let me just indicate it's a very simple Bill which will allow us to make greater use of the expertise of this Legislative Assembly. As a result of that, I would move second reading of Bill 57.

MR. SPEAKER: Member for Vegreville.

MR. FOX: Thank you, Mr. Speaker. My colleagues and I have spent hours poring over the substance of this Bill in an effort to determine exactly what it is the minister's up to in proposing this amendment. I understand that he's proposing that he be given the authority, under the Act, to appoint however many Members of the Legislative Assembly as he deems appropriate to the Agricultural Research Institute. Now, under normal circumstances, I would be suspicious about that, Mr. Speaker, but I do suspect that there are probably some good reasons for that, that the Agricultural Research Institute is going to incorporate some other functions of the department and that there are some members of the Assembly that have had some involvement with Farming for the Future program, as an example, and whose expertise would not only be needed but appreciated on the Agricultural Research Institute Act.

So I'm going to recommend to my colleagues that they vote in favour of this Bill, in spite of my suspicious nature. I did spend quite a bit of time in debate on this original Bill last year, trying to make amendments to the membership of the board. Currently, Mr. Speaker, there is a minimum of 15 members of the board, six of whom are representatives of various government departments, institutions of learning, or agencies, and at least nine of whom are farmers or representatives of industries related to agriculture. It would, I think, be inappropriate for me at this point to try and introduce an amendment to this Act that would seek to have that figure of nine who are farmers or representatives of industry related to agriculture changed so that they were indeed members of the agricultural community rather than

members of agribusiness. But that's a debate that we've had in the past, and I'm confident that the board as it's presently structured is working well.

MR. ELZINGA: Mr. Speaker, I thank the hon. Member for Vegreville for his comments, and I would move second reading of Bill 57.

[Motion carried; Bill 57 read a second time]

Bill 58

Water Resources Commission Amendment Act, 1988

MR. ELZINGA: Mr. Speaker, this Bill is very similar to the Bill that we've just completed second reading on in that it also will allow us to make greater usage of the talents within this Legislative Assembly, plus we have the opportunity to change slightly the name of the designated assistant deputy minister within our department that is serving on the Water Resources Commission, in that his title has been changed since this legislation was initiated.

As a result of its simplicity, I would move second reading of the Bill, Mr. Speaker.

MR. SPEAKER: Thank you.
Vegreville.

MR. FOX: well again, Mr. Speaker, we spent many hours going over this Act and implications of the changes proposed therein. Again, they seem quite straightforward. The commission currently consists of a couple of Members of the Legislative Assembly, four members at large appointed by the minister, and five ADMs from various departments. I'm encouraged to see that the minister is looking for a greater input from members of the Assembly. I know that my colleague the Member for Edmonton-Glengarry is looking forward to having the opportunity to contribute a greater amount of his expertise and insight and vision for the future in terms of his involvement with the Water Resources Commission.

MR. ELZINGA: Mr. Speaker, notwithstanding the comments which I'm sure are just as it relates to the study of this legislation, we thank the hon. member for his comments, and I would move second reading of Bill 58.

[Motion carried; Bill 58 read a second time]

Bill 22

Labour Relations Code

[Adjourned debate on subamendment to motion for second reading, June 13: Mr. Young]

MRS. CRIPPS: On behalf of the hon. House leader, before we call this Bill, I would like to move motion . . . Where's the Order Paper? I want the Orders of the Day.

AN HON. MEMBER: Move second reading.

MRS. CRIPPS: No. I can't move second reading. Just a minute.

. . . motion 18 standing in Mr. Young's name on the Order Paper.

MR. SPEAKER: Motion 18?

MRS. CRIPPS: Oh. Sorry, Mr. Speaker.

MR. SPEAKER: There's understandable confusion, hon. member -- order please -- in that it does appear on Votes and Proceedings, but it is without a numerical equivalent. So if you happen to have a copy of Votes and Proceedings, especially for Tuesday, then it would occur there.

MRS. CRIPPS: Thank you, Mr. Speaker.

On behalf of the hon. Government House Leader, Mr. Young, I move that debate on Bill 22 be no further adjourned.

MR. SPEAKER: Having heard the motion, those in favour, please say aye.

SOME HON. MEMBERS: Aye.

MR. SPEAKER: Opposed, please say no.

SOME HON. MEMBERS: No.

MR. SPEAKER: The motion carries.

[Several members rose calling for a division. The division bell was rung]

[Eight minutes having elapsed, the House divided]

For the motion:

Adair	Elzinga	Pengelly
Ady	Fischer	Reid
Bogle	Fjordbotten	Rostad
Bradley	Getty	Schumacher
Brassard	Hyland	Shrake
Clegg	Jonson	Sparrow
Cripps	McClellan	Stewart
Day	Mirosh	Trynchy
Dinning	Musgrove	Weiss
Downey	Nelson	Young
Drobot	Oldring	Zarusky
Elliott	Payne	

Against the motion:

Barrett	Hewes	Pashak
Chumir	Laing	Roberts
Fox	McEachern	Sigurdson
Gibeault	Mitchell	Strong
Hawkesworth	Mjolsness	Wright

Totals:	Ayes - 35	Noes - 15
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[Motion carried]

CLERK: Adjourned debate on subamendment, hon. Mr. Young.

MR. SPEAKER: Mr. Young declines.
Edmonton-Belmont.

MR. SIGURDSON: Thank you, Mr. Speaker. I just want to briefly address the subamendment that's before us, and that is

that we in the Official Opposition do find that Bill 22, as presented by the hon. Minister of Labour, does indeed contravene the conventions of the International Labour Organisation, which Canada is a signatory to. We find that it contravenes international Acts and the Canadian Charter of Rights and Freedoms as well.

Because of that, we find that this piece of legislation is so odious that we cannot support it at this stage, and with that I think that we'll call the question on the subamendment.

MR. SPEAKER: Call for the question?

HON. MEMBERS: Question.

MR. SPEAKER: The question has been called with regard to the subamendment. Those in favour of the subamendment please say aye.

SOME HON. MEMBERS: Aye.

MR. SPEAKER: Opposed, please say no.

SOME HON. MEMBERS: No.

MR. SPEAKER: The motion fails in the opinion of the Chair. Division.

[Several members rose calling for a division. The division bell was rung]

[Eight minutes having elapsed, the House divided]

For the motion:

Barrett	Hewes	Pashak
Chumir	Laing	Roberts
Fox	McEachern	Sigurdson
Gibeault	Mittchell	Strong
Hawkesworth	Mjolsness	Wright

Against the motion:

Adair	Elzinga	Pengelly
Ady	Fischer	Reid
Bogle	Fjordbotten	Rostad
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Clegg	Jonson	Sparrow
Cripps	McClellan	Stewart
Day	Mirosh	Trynchy
Dinning	Musgrove	Weiss
Downey	Nelson	Young
Drobot	Oldring	Zarusky
Elliott	Payne	

Totals:	Ayes - 15	Noes - 35
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[Motion on subamendment lost]

MS BARRETT: Mr. Speaker, as it's only possible for two more instances of division under consideration of second reading of Bill 22, I move that in either of those instances we proceed as follows: that upon the call for division the bell rings for 60 seconds and immediately the bell stops ringing we take the standing vote.

MR. SPEAKER: The Chair assumes that in both of those instances, not either.

MS BARRETT: Correct.

MR. SPEAKER: Thank you.

[Motion carried]

MR. SPEAKER: Thank you.

The last speaker with regard to the amendment was St. Albert. The Chair now recognizes Vegreville.

MR. FOX: Thank you, Mr. Speaker. I'm pleased to rise to address briefly the amendment to second reading of Bill 22 as proposed by my leader, the hon. Member for Edmonton-Norwood.

The gist of the amendment as proposed is basically that the Assembly decline to give second reading to this odious Bill, the Labour Relations Code, because the House believes that the Bill, indeed any Bill, should be consonant in all its particulars with the provisions of the Canadian Charter of Rights and Freedoms.

It's been interesting for me, Mr. Speaker, to hear the hon. Premier and members of his government and, indeed, others suggest that our efforts to amend this particular Bill and the other Bill, Bill 21, have been frivolous and without purpose and negative. I would like to point out that to propose that legislation that we bring forward and debate and pass in this Legislature be consonant in all its particulars with the provisions of the Canadian Charter of Rights and Freedoms is to me a basic and very positive kind of suggestion, because to do otherwise would be irresponsible, setting, I might add, a very bad example for the people of this province. Because if we as legislators and lawmakers can't do what's required of us, then they're going to lose faith in this Assembly, to be sure.

The other attempts that we've made to make sure that the Bill is in accordance with things that we've signed with the International Labour Organisation: that's not a negative thing; that's a positive initiative on the part of the Official Opposition caucus. I'm not going to go into the particulars at length, because my colleagues have done a very eloquent and thorough job of explaining where Bill 22 is deficient in terms of our commitment as a province to live up to the provisions of the Canadian Charter of Rights and Freedoms. That case has been made, and I submit made very well. It's apparently not been able to convince hon. members opposite of their responsibility to make sure that the laws we pass in this province are not only correct but that they're fair. I urge reconsideration on the part of government members in considering how they vote on the amendment sitting on the Order Paper under the name of the Member for Edmonton-Norwood.

SOME HON. MEMBERS: Question, question.

MR. SPEAKER: There's a call for the question with respect to the amendment to second reading of Bill 22, Labour Relations Code, the amendment as proposed by the Leader of the Opposition. Those in favour of the amendment please say aye.

SOME HON. MEMBERS: Aye.

MR. SPEAKER: Opposed, please say no.

SOME HON. MEMBERS: No.

MR. SPEAKER: In the opinion of the Chair the amendment fails.

[Several members rose calling for a division. The division bell was rung]

MR. SPEAKER: They're all in their places with sunshiny faces.

For the motion:

Barrett	Hewes	Pashak
Chumir	Laing	Roberts
Fox	McEachern	Sigurdson
Gibeault	Mitchell	Strong
Hawkesworth	Mjolsness	Wright

Against the motion:

Adair	Elzinga	Pengelly
Ady	Fischer	Reid
Bogle	Fjordbotten	Rostad
Bradley	Getty	Schumacher
Brassard	Hyland	Shrake
Clegg	Jonson	Sparrow
Cripps	McClellan	Stewart
Day	Mirosh	Trynchy
Dinning	Musgrove	Weiss
Downey	Nelson	Young
Drobot	Oldring	Zarusky
Elliott	Payne	

Totals:	Ayes - 15	Noes - 35
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[Motion on amendment lost]

MR. SPEAKER: The amendment fails.

Member for St. Albert, with respect to the main motion.

MR. STRONG: Thank you, Mr. Speaker. Normally when I rise in the Legislative Assembly to speak on a Bill, I indicate it's with pleasure that I rise. Unfortunately, this evening it is certainly not with pleasure that I rise in the Legislative Assembly to address what I consider an offensive piece of legislation, something that Albertans will view down the road with anger, frustration, in the dismal attempt that this government's made to bring labour legislation in the province of Alberta into the 21st century. But I think certainly in addressing the legislation that we have before us for second reading, I can very firmly say that I am opposed and the Official Opposition is opposed to the legislation that this government, this Conservative government, tabled in this Legislature for second reading.

Mr. Speaker, when we examine the principles of this legislation, what we have to examine are the basic, fundamental underpinnings of the legislation that we have before us. Those principles were spoken to by the Minister of Labour, by this government, by the Lieutenant Governor. What Albertans were promised was fairness, equity, a level playing field, a full review of labour legislation, labour legislation that Albertans would be proud of, legislation to take us, indeed, into the 21st century. When we speak to those fundamentals, this government and this Labour minister totally fail to measure up to the promises that they gave to Albertans for fairness.

Mr. Speaker, I want to make a few comments to the Minister of Labour to address some of the remarks that he made in moving second reading to Bill 22. I'll start -- because I think this is where it starts to fall apart. The Minister of Labour indicated, when he was speaking to the Bill on Tuesday, June 7, 1988:

The preamble to Bill 22 sets out the philosophy that must be kept in mind when reading every section of the statute as a philosophical statement of the government in relation to the Labour Relations Code.

As an example, the first "whereas" in the legislation citing competitive worldwide economy. This is labour legislation. It is not an economics lesson. Labour legislation should clearly mandate what the rights of employees and employers are, very clearly, very definitely. Labour relations, Mr. Speaker. A labour relations legislation should deal with that labour legislation, labour relations, not world economies.

That's where the Bill and the legislation that we have before us starts to fall apart. The economic side of labour relations takes place, Mr. Speaker, in the negotiation process. That's where the parties to a collective agreement discuss economies, not in the legislation itself. It's discussed at a negotiating table between the parties to address their mutual interests and their mutual concerns. It has absolutely nothing to do with a government.

Mr. Speaker, we go on. This is what the minister stated in his same remarks on Bill 22:

That "the employee-employer relationship," if it is going to be what it should be -- and it is in many cases but not in all -- it should be "based on a common interest in the success of" an entity that both the employer and the employee are associated with.

Mr. Speaker, that is absolute nonsense. That is addressed in the third "whereas" in the legislation we have before us. Again, that has nothing to do with labour relations. It has everything to do with the economy. Those interests are again discussed in the negotiating process between the parties to a collective agreement. They should not be addressed in labour legislation. Certainly not in a preamble of labour legislation that sets the tone and the basic fundamentals of what's contained and what the whereases and the preamble speak to as being part of labour relations legislation.

The minister went on to say:

There should be "legislation supportive of [the] free collective bargaining" concept and that this is "an appropriate mechanism through which terms and conditions of employment may be established."

Now, Mr. Speaker, certainly I agree with that statement. The problem is that when you look at the legislation, unfortunately there is a total absence of exactly what the Minister of Labour is speaking to when he makes his comments. Again the legislation fails.

Further, the minister stated that

direct government involvement in the relationship between employees and employers should be kept to a minimum.

Well, when we examine the principles of this legislation, unfortunately -- and I say unfortunately -- this minister and this government interfered in many, many areas of labour legislation in the province of Alberta. So certainly the statement the Minister of Labour made in this Assembly has not been complied with because of the interference by this government and this Labour Relations Code, Bill 22, in the total concept of the free collective bargaining process in the province of Alberta.

The minister goes on to state that

in view of the remarks that were made by many Albertans in 1985-86 that strikes and lockouts in Alberta should be banned,

we looked at the concepts in Australia and New Zealand. I attended the public hearings that were held in the province of Alberta to review labour legislation. There were not very many submissions or very many individuals that spoke to banning strikes and lockouts in the province of Alberta in labour legislation, certainly the labour legislation that we have before us.

Mr. Speaker, that is absolute nonsense as well, because surely all of us in this Assembly know that the strike and lockout process is a strike and lockout process that has been maintained in labour legislation in this country for years and years and years. It's part of the tradition and history of labour relations. Certainly if you eliminate strikes and lockouts, something must be there to take its place. Certainly, Mr. Speaker, this legislation fails in meeting that principle and that requirement of fairness in the labour relations that we have before us in Bill 22, the new Labour Relations Code.

Mr. Speaker, the minister went on to say:

The committee then visited many locations in the province of Alberta for open and public meetings and also received written briefs.

In recognition of those public hearings, in recognition of the \$500,000 that was spent by this minister and his colleagues on the Labour relations review committee, what did we get? If we look at the final report of the Labour Legislation Review Committee that was issued in February of 1987, signed by all the members of that committee including the minister, what do we find? We must address the principles that were laid out to the residents of the province of Alberta, all working Albertans, and those issues were addressed in this final report. Again, I'll cite from that report.

Albertans support the principle that ongoing or direct government involvement in the employee-employer relationship must be minimized.

Now, that is part of the recommendations, part of the basic fundamental underpinnings of what was supposed to be contained in our new labour legislation. This government, this minister, totally failed in all regards of addressing the issue of keeping the government's nose out of places where it doesn't belong, because that's in essence what it says. That was the general policy supported by the participants, all participants in the public hearings, in the submissions that were sent in to the Minister of Labour, in the total review process.

What happened, Mr. Speaker? That's what I'd like to ask the Minister of Labour. What exactly happened? Where did the process go wrong? Because certainly the process that was indicated in this final report is not the process that we have sitting in front of us to vote on in the form of Bill 22, the Labour Relations Code.

Mr. Speaker, there were specific major concerns that were addressed by Albertans in their submissions, both employers and employees, unions, individuals -- unorganized individuals -- that attended at those public hearings and told the tale very eloquently and in a very articulate way of what was happening in the province of Alberta to people who had spent their whole lives here, who had worked in this province their whole lives, that were being abused by employers all across this province. Did the minister listen?

Again we can go on, and what I'll deal with is a replacement worker question. That was addressed as a specific major concern by Albertans at those public hearings and in submissions that were given to this Minister of Labour. Mr. Speaker, I will quote to you one of the comments, word for word, that was in the final report of the Labour Legislation Review Committee. This is what it says with respect to replacement workers.

Employers generally held that no restrictions should apply, while employees and trade unions felt prohibition or restrictions of various kinds should apply.

Now, that's a quote from the final report regarding the question of replacement workers. Who did this minister listen to? Did this minister and this government listen to working Albertans when they appeared before those public hearings, when they made those submissions, spent hours and hours and hours -- and some of them handwritten on foolscap paper, expressing their serious concern, their deep-felt beliefs. That normally never happens at public hearings. It was a very emotional time for those people, who never had any public speaking training or anything else, to appear in front of those public hearings and say what they had to say about Alberta's labour legislation and where it should be improved. The whole question of replacement workers and the resolve and the problems that they create in labour relations in this province were not addressed, not even touched. In addition to that Mr. Speaker, when we saw this minister introduce Bill 60. Bill 60 had some provisions in there to deal with replacement workers and the replacement worker question. What happened in Bill 22? Totally eliminated, Mr. Speaker. So I'd like to ask this minister again: who was he listening to when he put his new Labour Relations Code together to present to us in this Assembly? Who got the ear of this minister and this government? Because it certainly wasn't working Albertans.

Let's go on, and again we look at -- again, the underpinnings of this legislation are contained in the final report of the Labour Legislation Review Committee. This is what that committee recommended. What happened?

Employers argue that no agreement can continue indefinitely and that under some circumstances a lockout is the only means of agreement termination.

What this speaks to, Mr. Speaker, is the 25-hour lockout that was perpetrated initially through creative application of our existing labour Act that allowed a 25-hour lockout. This issue was addressed during the public hearings as a major specific concern of Albertans. Many of them. Many unions representing tens of thousands, hundreds of thousands of Alberta workers to say this is wrong because this 25-hour lockout to terminate a collective agreement where an employer could shirk his rights, avoid his responsibilities under a collective agreement -- that spread into other areas of labour relations in the province of Alberta.

What did the minister do to address this serious concern, this emotional concern of working Albertans feeling abused by the system? Did this minister and this government address that question, Mr. Speaker? They didn't. The 25-hour lockout in the minister's legislation is still alive and well. Has anything changed for working Albertans? Nothing. How can this minister stand? He should be ashamed of himself to stand in this Legislative Assembly and try to attempt to create the illusion of fairness and equity in his new labour legislation. He's wrong.

Mr. Speaker, we look at the certification process contained in this minister's new labour legislation, his new Labour Relations Code. I will quote again, from the final report of the Labour Legislation Review Committee, and this is in regard to the certification process:

Employers and employees consistently asked the Committee to ensure the process is simplified, and that legal and procedural barriers to a timely expression of employee preference be limited.

Mr. Speaker, this was to form one of the very underpinnings of the legislation that we see before us in the Legislative Assembly. The very foundation of fair, equal labour legislation is

contained in that principle. Did we see this Minister of Labour and this government bring back to Albertans a fair and simple and expedient certification process? No. What working Albertans see, what those individual Albertans see in this minister's new Labour Relations Code is an abhorrent certification process that is going to cost the taxpayers in this province hundreds of thousands of dollars to start with -- a total waste, absolute waste of taxpayers' dollars -- allow, not in the case of an instant certification where an employer has committed unfair labour practices during an organizing drive.

There's no penalty anymore because there's no process for the granting of an immediate certification where an employer infringes, impinges, interferes with an application for certification on an organizing drive. The only thing that kept labour relations to some balance, some level playing field, was that particular segment that's contained in our current Labour Relations Act, and that is: instant certification for the employees of an employer that commits unfair labour practices during an organizing drive.

Is this minister representing the best interests of working Albertans? Working Albertans who decide they have had enough abuse from a particular employer, who decide to join a union, which is their right -- their right, Mr. Speaker. They make that determination, and only they make that determination. What has this minister done? What penalty is there in this legislation, Bill 22, to take care of an employer who interferes, coerces, intimidates, threatens, harasses, fires? What is there in the legislation that takes care of that, Mr. Speaker? Absolutely nothing. Who was this minister listening to when he put his labour relations Bill together? Because it certainly wasn't working Albertans, Mr. Speaker; not in the least.

Mr. Speaker, we go on further. Again, this final report of the Labour Legislation Review Committee set the basic principles, the tone for our labour legislation. And unfortunately, almost none of the recommendations contained in this report do we see before us in the Assembly that reflect that. And that's not only true of Bill 22; it applies into Bill 21.

Now, Mr. Speaker, let's go on, and let's go on to the spin-off sections. That was a major specific concern addressed at the public hearings to this Minister of Labour and his committee. Yet what do we find in the legislation that we have before us? This concern was only partially addressed, because through creative application of the law again, Mr. Speaker, employers can still create ways to abandon and get around collective agreements, and not only get around the collective agreements but also deny working Albertans their right and their rights under a collective agreement.

And I do not need to indicate to this Labour minister and to this government because I've spoken with numerous members of this government in regards to labour legislation, specifically in regards to the process and system of registration in the construction industry in the province of Alberta. This government is still going to continue to allow registration to act as a protective shield for employers in the province of Alberta where they don't have to sit down and bargain. And, Mr. Speaker, I know what I'm talking about. The construction industry: four years with no collective agreement because of the fashion in which registration was crafted in the legislation that is currently in existence. And that will not change, not hardly at all, in this minister's new and improved labour code. It's still not going to change.

We talk about fairness, Mr. Speaker. There just isn't any fairness, you know. And I'll go back to some of the comments

that this minister made when he addressed all of these good things. Okay? One of the things the Minister of Labour spoke about was his communication process. In a communication process where this minister understands the concept of communications and the setting up of advisory councils and councils, where in his legislation is there any -- and I say "any" -- input allowed from those employees? This minister determines who sits on those councils. He appoints them. Where's the input for working Albertans? Where's the input for any employee in these councils? It's totally absent in his legislation. So it's fine for him to brag it up about his new communication process, but that just is not reflected as a principle in his new Labour Relations Code.

Mr. Speaker, certification process "clarified and simplified": that is nonsense. If we look at revocation, and I'll quote the minister again. [interjection] I won't.

One of the things that the minister said was this: that only employees have the right to make an application for certification. Now, that also applies when we get into the revocation process under this minister's new Bill. But what do we find in this Bill that we have in front of us: that under the revocation procedures in this Bill an employer, a trade union, a former employer, employers' organization, or the Labour Relations Board can revoke a certificate of certification. Is this the fairness and equity that were promised to Albertans in throne speeches by this government in the final report of the Labour Legislation Review Committee, by this minister standing up publicly and saying that he was going to review, create the level playing field for employees, create fairness and equity, bring us into the 21st century in labour legislation in the province of Alberta?

[Mr. Speaker in the Chair]

Mr. Speaker, this minister, this government should be ashamed of themselves. What they have before this Legislative Assembly is absolute nonsense. It is not labour relations, not the labour relations that we demand as Albertans in the province of Alberta. It's not only the Official Opposition that's demanding it; it's working Albertans.

MR. SPEAKER: Calgary-McCall.

MR. NELSON: Thank you, Mr. Speaker. I'd like to participate for a few moments in this debate on Bill 22. I have had the opportunity recently of working with a number of people with regards to Bills 21 and 22, and I must add that these people I've been working with are union organizations. I'm sure that the members opposite might find that surprising, but it just so happens that many of these organizations and the people that are working in these labour relations areas are not only friends of mine, but they're friends of the government.

It's interesting when the Member for St. Albert discusses intimidation, harassment, and all this other stuff. Well, that works on two sides of the fence. Having been a member of a union myself on two or three different occasions due to work I've done in the past, I can attest to how that works. Let's be honest. There are two sides to every coin. With certain types of business agents that represent certain unions, I'm sure that many of them don't want agreements. They just like to be intimidating, harassing, and various other sundry remarks, I guess, they could make with regards to how the labour relations go.

Mr. Speaker, there certainly are areas of the Act that cause

some concern, but I would like to comment, first of all, that I did have a message from some leaders of the unions last night whilst I was in Calgary, that they are in fact giving qualified support to this legislation. Now, I ask: who is the member representing? Quite frankly, I'm not sure whether he's representing one of their finest friends and supporters Mr. Dave, Mr. Werlin, that person who carries a Commie card. I have to assume that that's who they're trying to support. But they're certainly not supporting necessarily all of working Albertans.

Mr. Speaker, I looked up in the dictionary what a working Albertan is, which all members could probably do. But how do you define a worker? I'm a worker. The person who manages a business is a worker. I'm sure that a person who's working in construction, he's also a worker or she's also a worker. So let's be quite definitive of what we're talking about here. Working Albertans constitute a broad spectrum of the people of the Alberta. There are a lot of Albertans who are working out there; in fact, more Albertans working today than there have been for ever in this province, and I consider that they're all working people.

As I've indicated, Mr. Speaker, there are certain items in this Bill that might be examined further. Under part 2, division 1, section 10 there's some concern with regards to a settlement of a matter in dispute, that one member of a board may be given that case as a panel. There's concern, and I, too, have concern. I'm sure there should be a balance in there of labour and management and a third person. I have no problem in discussing that, and I think that's an area that we could look at for change.

Under the same division, section 11(3)(d) and (e), possibly some definitions should be given with regards to those types of items in here, and they should be qualified.

Mr. Speaker, there are a number of other concerns here that have been raised, such as the area of certification. But again the concern basically is that when a union signs up something like 70 percent or 75 percent of the employees of an organization, they feel there should be some consideration given that they don't need a secret ballot. But, you know, we're over here talking about democracy. My own opinion is that the best democracy is by secret ballot, especially when there are threats of intimidation. The member opposite has caused those suggestions that there are intimidations through management organizations and what have you. Well, Mr. Speaker, I guess that had to be proven before we could define that. I'm sure that on the other side of the coin there's the suggestion that there could be the same type of intimidation, harassment, and many of those other adjectives that have been so defined here this evening.

In any event, Mr. Speaker, the Member for St. Albert talked about no agreements in the construction industry for four years, and what have you. Well, that's a two-way street. I think we should examine why in total there hasn't been an agreement or there is no agreement presently. Quite frankly, it's not the fault of one side; I think it's the fault of both sides. I don't want to cast any aspersions on any one particular side. I don't want to define that. Because when you're in negotiations, it takes two people or two sides in the negotiations to develop an agreement. Quite frankly, I think there is a method and a way to develop those agreements in the most satisfactory way and an honourable way.

Mr. Speaker, there's another area that has been discussed on a number of occasions, and that is spin-offs. It's interesting to note that the union people I spoke to last night have indicated that they can live with the present legislation regarding spin-offs. They can live with it. Now, I don't know where the Mem-

ber for St. Albert is really coining from, because I don't know who he's representing, quite frankly.

MR. GIBEAULT: Point of order, Mr. Speaker.

MR. SPEAKER: What would be the point of order, Edmonton-Mill Woods?

MR. GIBEAULT: The member has referred to the union people that he has spoken to, so I'd ask for a clarification: if he could confirm that the union people that he spoke to were the united brotherhood of toadies and yes-men.

MR. NELSON: Mr. Speaker, whenever there's a negotiation and the development of an industrial Act, you've got to have a balance. That balance is in this Act in general terms, and I would suggest we pass second reading, as per the minister's wishes.

Thank you.

MR. SPEAKER: The time of 12:01 has occurred; therefore the standing order is in effect.

Those in favour of second reading of Bill 22, Labour Relations Code, please say aye.

SOME HON. MEMBERS: Aye.

MR. SPEAKER: Opposed, please say no.

SOME HON. MEMBERS: No.

MR. SPEAKER: Motion carries.

[Several members rose calling for a division. The division bell was rung]

For the motion:

Adair	Elzinga	Payne
Ady	Fischer	Pengelly
Bogle	Fjordbotten	Reid
Bradley	Getty	Schumacher
Brassard	Hyland	Shrake
Clegg	Jonson	Sparrow
Cripps	McClellan	Stewart
Day	Mirosh	Trynchy
Dinning	Moore, R.	Weiss
Downey	Musgrove	Young
Drobot	Nelson	Zaruský
Elliott	Oldring	

Against the motion:

Barrett	Hewes	Roberts
Ewasiuk	Laing	Sigurdson
Fox	McEachern	Strong
Gibeault	Mjolsness	Wright
Hawkesworth	Pashak	Younie

Totals:	Ayes - 35	Noes - 15
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[Motion carried; Bill 22 read a second time]

MR. YOUNG: Mr. Speaker, I move that the House do now adjourn until this morning at 10 a.m.

AN HON. MEMBER: What's up, doc?

MR. YOUNG: Well, Mr. Speaker, the House tomorrow will deal with committee study of Bills . . .

MR. SPEAKER: Hopefully today.

MR. YOUNG: Yes. Today, when it next it meets, we'll deal with committee study of Bills. But regrettably I am unable to advise which Bills at this point in time.

[At 12:05 a.m. on Friday the House adjourned to 10 a.m.]

