

LEGISLATIVE ASSEMBLY OF ALBERTA

Title: **Monday, July 31, 1989 2:30 p.m.**
 Date: 89/07/31

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

[Mr. Speaker in the Chair]

PRAYERS

MR. SPEAKER: Let us pray.

At the beginning of this week we ask You, Father, to renew and strengthen in us the awareness of our duty and privilege as members of this Legislature.

We ask You also in Your divine providence to bless and protect the Assembly and the province we are elected to serve.

Amen.

head: TABLING RETURNS AND REPORTS

MR. KLEIN: Mr. Speaker, it gives me pleasure to table with the Assembly the 1988 annual report of the Alberta Special Waste Management Corporation.

MS McCOY: Mr. Speaker, I'm pleased to table the response to Motion for a Return 196.

head: INTRODUCTION OF SPECIAL GUESTS

MR. ADAIR: Mr. Speaker, it gives me great pleasure to introduce to you and through you to the members of this Assembly a young lady who recently was recognized by the Junior Forest Warden Association of Canada. Miss Susan McKenzie of Manning, Alberta, in the heart of the beautiful Peace River constituency was selected for the 1988 national achievement award as the top junior forest warden in Canada. Susan's involvement with the Junior Forest Warden program began back in 1980. Susan is presently working at the Junior Forest Warden Long Lake summer camp, just south and west of Athabasca. She's attending the University of B.C. and has completed her first year in marine biology. Susan is accompanied by her parents, Len and Arlene McKenzie; her sister, Jaime; her brother, Paul; along with Bill Bresnahan, section head, youth forestry programs; and Keith Languille, the regional JFW consultant based out of Peace River. I would ask them to rise and receive the warm welcome of this Assembly.

head: ORAL QUESTION PERIOD**Responsibility for FIC and AIC Collapse**

MR. MARTIN: Mr. Speaker, to the Provincial Treasurer. On Friday the Premier announced that he was firing the hon. Member for Three Hills, the former Consumer and Corporate Affairs minister, for her role in the Principal affair. But as I said on Friday, although the minister has to accept her share of responsibility, surely a junior minister cannot be expected to shoulder all the blame. Surely it goes right to the top. That's what Marvin Moore, a former minister of this government, said on the

weekend, and it's what a great many Albertans believe. I now want to ask the Treasurer, who was himself centrally involved in the affair from June 1986 onward: given that Inspector Code reported that without the Treasurer's own foot-dragging there would have been less loss to investors and, therefore, less of a potential claim against the taxpayers of Alberta, people want to know, why was he so slow in doing something about this matter?

MR. JOHNSTON: Well, again, Mr. Speaker, this testimony has been given in front of Mr. Code. The explanations are there. My only comment would be that we had to act; we had a game plan to outline the decision process. We came to a conclusion, and that judgment has been proven to be the correct judgment.

MR. MARTIN: Mr. Speaker, what we're trying to do is find out responsibility from this government, and there was foot-dragging. If the Treasurer says he had a game plan, that game plan cost thousands and thousands of dollars to the investors and millions of dollars to the taxpayers. It was clear for over a year that the Treasurer knew that the statements in FIC and AIC were simply untrue, simply untrue. My question again. Why didn't he do something about it?

MR. JOHNSTON: Well, Mr. Speaker, as the hon. member has indicated, as the testimony has shown, as our performance in the Legislature has been confirmed, we did do something about it, the first government that took the tough decision, that acted since this problem was first around, going back some 30 years ago. We are the ones who did an appropriate process, put consultants in place to look at the valuation of the assets and the entities themselves, and we came to a conclusion.

MR. MARTIN: Well, Mr. Speaker, is the Treasurer then saying -- and he's rejecting, then, his role that Mr. Code made clear -- to the people of Alberta that he could not have moved any quicker and that he has no responsibility for this at all? Is that what he's saying?

MR. JOHNSTON: It is in fact true, Mr. Speaker, that we took the right amount of time in our judgment to come to that conclusion. This was not an easy decision which cabinet had to make. Let me point out that Mr. Code took two years with all the best-informed people, including lawyers and CAs, to sort this out as well. So I think the time that we moved, then, is the appropriate time. We took the action. Our judgment about the losses was, in fact, a very startling amount when we said that there would be losses between \$160 million to \$185 million. That fact has now been confirmed, and the people of Alberta know that our judgment was right.

Principal Investors Outside Alberta

MR. MARTIN: To get back, then, to the Provincial Treasurer. I think it's shabby when you fire a junior minister and you won't even accept any responsibility at all, Mr. Speaker.

Now, the government has decided not to distinguish between Albertans and non-Albertans in its partial compensation offer to investors. At the same time, the Premier's statement last Friday says that the Alberta government will pursue with other governments their parts in investor losses. Frankly, I say good luck at this point. Other governments' responses so far are that they're

going to sue the Alberta government for all the losses. My question is to the Treasurer. Given that in offering equal compensation to all the investors, the Alberta government has effectively shouldered all the regulatory blame and let other governments off the hook for their responsibilities, how does the government now expect to convince other governments to participate in compensating investors?

MR. JOHNSTON: Well, Mr. Speaker, I think the court process is the one which will adjudicate any responsibility which may remain with other provinces. What we did is to find that fine position between what we thought was our proper offer of settlement to the contract holders right across Canada, and we did not pay the full amount as you have noted, but we did pay on the June 30, '87, balances. We think that is the responsible position to take, not just for Alberta investors but for all Canadian investors, because the fundamental regulatory responsibility was here in this province.

Now, what might unfold I'm not sure. I can probably guess, though, that there's going to be a substantial amount of legal action. It may in fact pit provinces against provinces trying to sort this thing out. As we have said in the House on many occasions over the past week, we will take whatever action necessary to ensure that we explore all possible courses of actions against all possible third parties, and that's our clear intention, our clear commitment, and that will take place.

MR. MARTIN: Well, Mr. Speaker, my question to the Treasurer is: in view of the fact that this government has already partially compensated the investors and admitted partial blame, how is it that they're going to have a reasonable case to make against other provinces when they've already paid them? It makes no sense from our perspective.

MR. JOHNSTON: Well, again, Mr. Speaker, he's asking me for a legal opinion. I can assure you that we'll provide . . . Our Attorney General's department together with our outside counsel are exploring this right now. You've already heard the Attorney General comment on many occasions about the delicate nature of this. He's not going to be forced into any precipitous action, as the Member for Edmonton-Norwood would recommend, but is going to take a careful, thoughtful process to come to a conclusion, the similar way in which we handled this entire Principal affair, and that's the way we're going to handle the rest of the process.

MR. MARTIN: Mr. Speaker, careful and thoughtful: we already gave the money, and we're being sued. That's what they're talking about.

My question then to the Treasurer. If the regulatory agencies are successful, if we have people suing in other provinces, isn't it theoretically possible that the people in other provinces could end up getting more money than our own investors here in Alberta under this circumstance?

MR. JOHNSTON: Well, Mr. Speaker, of course, let it be clear that if we make an offer of settlement and it's accepted by those contract holders across Canada, the preliminary information we have is that a large number will accept our offer of settlement, in which case they would give up their rights to the province of Alberta. We would have the right to enjoin with those contract holders to take legal action against all third-party participants.

At the same time, we would expect them to give up their legal right to sue us in court. So we will ensure that we could participate with the contract holders should there be a judgment that satisfies their claim against another province. That's what we're going to do, Mr. Speaker; we're going to take part of their position.

Responsibility for Regulating FIC and AIC

MR. DECORE: Mr. Speaker, in the government response to the Code report the Premier indicated that he insisted on getting certain facts with respect to FIC and AIC. The Premier also indicated in the government response that "information was hard to obtain." A former minister of the government has indicated that discussions on FIC and AIC did in fact take place in priorities committee. Finally, yesterday a former minister of this government indicated that that former minister did not know that she as the minister had complete and total charge over the issues of FIC and AIC. My first question, then, is to the Provincial Treasurer. Given that priorities committee had discussed the issue, according to the statement of the former minister, who is it that priorities asked the question of? What people were asked and insisted to give information on FIC and AIC?

MR. JOHNSTON: Well, Mr. Speaker, there's one of the more circuitous questions we've had from the Member for Edmonton-Glengarry in some time or probably is the quintessential circuitous question. Who knows what it is that he's asking. If he wants to clarify it or be more specific, I'll try to handle it. But it seems to me it's testimony that's before the Code inquiry and probably relates to what the Premier said in his speech on Friday with respect to the November 15 memo and the subsequent communications he had with cabinet ministers.

MR. DECORE: Mr. Speaker, I'm relating to the response only; that's all I'm talking about. In that regard, my second question is to the Provincial Treasurer. Given that the provincial auditors knew most of the facts with respect to FIC and AIC for many years, why would the government response statement from priorities say that there was difficulty in getting information on FIC and AIC?

MR. JOHNSTON: Again, Mr. Speaker, I think the testimony here has been clear. The regulators had an opportunity to talk about their view of the losses in the company. I remind the member that when you talk about the losses in the company, as Code pointed out, as the auditors explained, in fact the losses were not quite of the degree that Treasury found them to be after we did our internal analysis. In fact our numbers were substantially larger than any forecast losses in the two companies, and as Mr. Code points out, that was largely as a result of either the director's action or certainly the real estate market in Alberta at the time.

MR. DECORE: Mr. Speaker, my last question is again to the Provincial Treasurer. Accepting the statement that the former Minister of Consumer and Corporate Affairs made that she as the minister did not know that she was in total and complete charge of the issues affecting AIC and FIC, who were the other people who were given any kind of control or any kind of charge over FIC and AIC matters?

MR. JOHNSTON: Mr. Speaker, I think Mr. Code said that the Minister of Consumer and Corporate Affairs was responsible. If there is any other responsibility, I'm not aware of it. You may have to wait for the Premier to return to have that fully answered. But my view is that that was dealt with with Mr. Code, that it was the Consumer and Corporate Affairs ministerial responsibility, and that's how this has been supported by Mr. Code's testimony.

MR. SPEAKER: Calgary-Fish Creek, followed by Edmonton-Jasper Place.

Negotiations with Chief Medical Examiners

MR. PAYNE: Thank you, Mr. Speaker. My question this afternoon is for the Acting Attorney General. I'm wondering, can the acting minister provide the Assembly with a report of progress made in recent days in the government's salary and pension negotiations with the chief medical examiners of the cities of Edmonton and Calgary?

MS McCOY: I'm pleased to inform the Assembly that the negotiations have proceeded and that the parties have come to an agreement in principle.

MR. PAYNE: I appreciate the fact of an agreement in principle, Mr. Speaker, but I'm prompted to ask: given the critically important functions of the chief medical examiners in our province, can the Acting Attorney General tell us what kind of contingency plan does the government have for the provision of forensic pathological services in Calgary and Edmonton should this agreement in principle still crater?

MS McCOY: Well, Mr. Speaker, we're optimistic that the agreement in principle will be translated into contracts in the very near future, and the lawyers for both sides are working on that even as we speak here. But in terms of a contingency plan, I am informed from the department that there are plans in place that would continue the very important work that the medical examiners do, including autopsies and other things of that nature.

MR. PAYNE: Final supplementary, Mr. Speaker. What assurances can the Acting Attorney General give us today that procedures will be put in place to avoid in future years the kind of back-to-the-wall, last-minute negotiations that we've seen between the medical examiners and the government negotiators?

MS McCOY: Well, Mr. Speaker, the point is very well taken. There were a number of circumstances in this particular series of negotiations that could not be helped, as it turned out. But there would be, on our side at least, the intention in future years, when this contract is coming to its end, to have sufficient lead time for both sides of the negotiations to come to a further agreement to their mutual satisfaction without putting at risk Albertans or the system. Thank you.

MR. SPEAKER: Edmonton-Jasper Place, followed by Calgary Buffalo.

Commercial Sale of Wildlife Parts

MR. McINNIS: Thank you, Mr. Speaker. To the Minister of Forestry, Lands and Wildlife. Since the sale of wildlife parts was legalized in our province early in 1987, government policy has been based on a false and misleading distinction between game farming and game ranching. The Premier added to the controversy during the Stettler by-election when he said that "game ranching is not allowed in Alberta" and never will be. The minister's executive assistant added further to the controversy by suggesting -- and I think spokesmen for the industry themselves said -- that the government is considering the matter and a decision is expected shortly. I wonder, in view of the fact that game farming in this province has traditionally meant raising a few exotic species for public viewing, whether the minister will now admit that the new breed of operators resembles game ranching, as the commercial sale of parts, rather than game farming.

MR. FJORDBOTTEN: I have difficulty, Mr. Speaker, following the hon. member's reasoning. We have game farming in Alberta, and game farming allows the animals for breeding stock. Game ranching is the sale of meat. To follow the hon. member's line of reasoning, I don't know where he's going with it.

MR. McINNIS: Game farming is public viewing. Game ranching is selling bits and pieces of animals in the marketplace.

In view of the controversy surrounding this matter, is the minister not concerned that so many of the key players in this new breed of traffickers in animal parts are government employees, friends of the government, and relatives of government members?

MR. FJORDBOTTEN: Mr. Speaker, I find that totally inaccurate information that the hon. member's providing. Number one, game farming isn't for the viewing of animals. I've said it was for the raising of breeding herds. With respect to wildlife parts, I talked to the senior people in the game farming industry in this province this morning, and they find the whole area of trafficking in wildlife parts and the poaching of animals that's done in this province totally reprehensible, and they offered to help in any way they could to be helpful.

MR. McINNIS: But when you sell antlers for 90 bucks a pound, that's not farming.

In view of the fact that the Ombudsman found inconsistencies in the public input process leading up to the new Wildlife Act -- some call it manipulation of the process -- I wonder if the minister has decided now to convene public hearings into this issue so that Albertans can have their say on the future of this industry.

MR. FJORDBOTTEN: Mr. Speaker, no, I haven't made any decision along that line. The Wildlife Act as passed just recently by this government and some of the regulations attached to it with respect to wildlife parts is one that I'm reviewing now. It needs some review, and I'm having a look at it. With respect to the whole area of game farming, I have no intentions of doing anything in the near term.

MR. SPEAKER: Calgary-Buffalo, followed by Red Deer-North.

Principal Group Noteholders

MR. CHUMIR: Thank you, Mr. Speaker. To the Provincial Treasurer. Mr. Code had a limited mandate in investigating FIC/AIC. He had no mandate to make decisions relating to the Principal noteholders. The government made a great fanfare in appointing the Ombudsman specifically to review the government's role in the Principal fiasco, including the treatment of noteholders. Now, before the Ombudsman has had a chance to report and indeed as a slap in the face to the Ombudsman, we have the government deciding with no support from Mr. Code that the investors are 25 percent responsible and that there will be no help for the noteholders. I'm wondering if the Provincial Treasurer can tell us on what basis the government can justify holding the depositors 25 percent responsible and refusing to help the noteholders before the Ombudsman has even reported. Does that make sense?

MR. JOHNSTON: Mr. Speaker, we don't know what the Ombudsman's going to say, but we do have the Code report. On the basis of the Code report we made our judgment, and that plan of action was outlined on Friday by the Premier. I think quite clearly the PGL noteholders were not referred to, or there was no evidence that the province had any regulatory responsibility for those noteholders, and therefore our position does not include them.

MR. CHUMIR: Why did the government appoint the Ombudsman and spend a small fortune for his investigation if they're going to make a decision before getting his report and embarrassing him?

MR. JOHNSTON: Mr. Speaker, we'll wait and see what the Ombudsman says, but I can advise the member that with this very substantial assistance to the contract companies AIC/FIC, some of the litigation between the two companies -- that is, the contract companies and Principal Group Ltd. -- may in fact be removed. If that's the case, that would free up about 50 cents on the dollar for distribution to the noteholders. That probably would be adequate, given the way in which they operated. They were operating in the securities market and not under the regulatory responsibility of the government.

MR. CHUMIR: The minister's pulling this stuff off the top of his head. There's nothing to base this on.

I'm wondering whether the minister is saying that the government is prepared to change its position depending upon what the Ombudsman says, or are they just going to continue to ignore and insult the Ombudsman, whom they appointed to investigate this matter?

MR. JOHNSTON: Mr. Speaker, the member may say we're taking it off the top of the head. We can show factual and legal positions that support our position. I would rather take it from Mr. Code's statement, from what the legislation provided for PGL noteholders, than take some desperate political attempt by the Member for Calgary-Buffalo to get a short-term political advantage. It just isn't going to work. Albertans know that's nonsense, and they believe what it is we have done to be the

right course of action, and they're supporting our decision.

MR. SPEAKER: Red Deer-North.

Housing Market

MR. DAY: Thank you, Mr. Speaker. My question today is to the Minister of Municipal Affairs. The Canadian Mortgage and Housing statistics indicate the strong performance in the Alberta housing market in '88 is continuing strong through '89. The May housing starts were up 84 percent over last May, prices are up, and resales are up. But can the minister assure the Assembly today that the properties which are presently held by Alberta Home Mortgage will not be dumped on the market in an attempt to capitalize on these strengthening private-sector sales?

MR. R. SPEAKER: Mr. Speaker, I can certainly assure the member that we will not do that and that we will co-operate in every way possible with the private market. During the last fiscal year we marketed some 900 homes with great compatibility with the private real estate marketers and others who wished to market their properties. This year our projected market -- we're looking at marketing some 1,000 to 1,100 homes, very acceptable to the private market. The private market indicates strength. Our sales are strong. The only limitation we have at the present time is that most of our homes, the some 2,000 that are in our portfolio, are rented. As the renters decide not to buy, we put them on the market, and they're sold at a very rapid rate.

MR. DAY: To the minister. Do the minister's present statistics and patterns of prices show a similarity to 1979-80 prices, which preceded a boom, or do they show a stable and strengthening market?

MR. R. SPEAKER: Mr. Speaker, the market is certainly stable and strong. We are finding that our homes that are at the lower end of the market, in the \$75,000 range, are selling very well and are good starter homes and certainly indicate a very strong and growing market.

MR. DAY: Supplementary to the Provincial Treasurer. Can the Treasurer tell us what steps he has recently taken to protect our market here in Alberta by informing the federal Minister of Finance that we want no part of a high interest rate plan and we want no part of a federal goods and services tax, both of which can hurt this resurging industry?

MR. JOHNSTON: Well, Mr. Speaker, the member makes a very valid point on two very fundamental issues. The first is that, of course, we have substantially and continuously made our views known to the federal government that in fact the current interest rate regime in Canada is very negative to the housing market here in Alberta. Just today, for example, if you were to have a look on your screen, you would find that the spread on one-year term deposits would be about 400 and some basis points between Canada and the United States. Clearly the United States has taken a moderate position. It's now letting interest rates reduce; it's now letting investment flow; it's now letting the housing market rebound. If we had that kind of a view here in Canada, Mr. Speaker, you would see a consistent demand for housing. You would see the inflation rate being maintained here in Alberta at about 3.5 to 4 percent, and you

would see the kind of economic growth returning to this province that we know is happening. So we have to have Mr. Crow take his foot off the brake that's allowing this monetary expansion to continue. It's just a mismatch with the American side, and we expect it'll catch up very soon and will support the other kinds of economic strengths that are happening in this province.

MR. SPEAKER: Edmonton-Highlands, followed by Calgary-McKnight.

Paper Recycling

MS BARRETT: Thank you, Mr. Speaker. Last Thursday the member for Edmonton-Jasper Place raised the importance of getting paper recycling plants in Alberta, the reason being that if we don't, we'll not only be exporting raw pulp but also our used paper for processing and then importing it back at great expense to consumers. It just doesn't make sense when we're pouring all this money into producing all these pulp plants and not looking at the other side of the equation. The forestry minister responded in part by saying:

Magazines and other kinds of papers are more difficult, and we're assessing that to make sure there is an economic viability there for recycling.

Mr. Speaker, I'd like to ask the public works minister what efforts this government is making . . .

MR. SPEAKER: We don't have one.

MS BARRETT: Oh, that's true; he's not here. Well, we'll ask the forestry minister then if . . .

MR. SPEAKER: We don't have one of those either.

MS BARRETT: Well, Forestry, Lands and Wildlife. Thank you, Mr. Speaker.

What efforts is the government making to ensure that recycled paper will be promoted within the Alberta government public service itself to help create that demand that the minister said is necessary to warrant these plants?

MR. SPEAKER: Thank you. That's enough recycling. The answers to the question.

MR. FJORDBOTTEN: Mr. Speaker, I made it very clear that recycling is something that we on this side of the House fully concur with. I said we became a throw-away society over the last number of years, and we need to recycle and use products rather than throwing them away. We are assessing now the volume of paper that's available to find out what the volumes are to make sure of what we're working with. Secondly, we're working at present with about three companies, looking at ways to establish recycling opportunities in Alberta.

The third part of your question had to do with what government is doing to recycle. My annual report I hope to file in the next couple of days, and part of that annual report is on recycled paper. I might say also that I'd be interested to know how much the opposition uses in recycled paper, the volume that they use.

MS BARRETT: As a matter of fact, Mr. Speaker, this is recycled paper, which is used by the opposition. This is 100 percent unbleached, recycled paper.

My supplementary question to the minister is this: is he prepared now to work with his counterparts to demand that all government departments stock and use recycled paper so that, in fact, the demand side of the equation will be there to warrant this type of plant in Alberta?

MR. FJORDBOTTEN: Mr. Speaker, it's more than just government paper. Of course we're working together to look at options, and of course I'll work with my colleagues to see that we can use more recycled paper.

MR. SPEAKER: Minister of the Environment, briefly.

MR. KLEIN: Mr. Speaker, if I may, I'd like to supplement the hon. minister's answer. In fact, the Department of the Environment is now preparing a comprehensive recycling program for the province, part of which is a procurement program by the government to use recycled paper. I note that the opposition has indeed introduced recycled paper and some departments of the government have also introduced recycled paper, and I've instructed officials in my department to acquire recycled paper and use recycled paper wherever possible. It is not now being manufactured in the province of Alberta. As the members of the opposition know, you have to get it from outside the province, and what we're working for and part of the comprehensive program is to establish those kinds of facilities such as de-inking plants in conjunction with pulp and paper mills to process recycled paper.

MS BARRETT: Well, Mr. Speaker, given the minister's response, then, has he got a target date by which we'll stop importing recycled paper from the United States and start producing it in the province that actually creates the pulp in the first place?

MR. KLEIN: Mr. Speaker, we don't have a target date for the institution of that program specifically, but we do have a target date for the implementation or at least the introduction of a comprehensive recycling program for Alberta, and within that program there will be, I assume, a target date for the introduction and the manufacture of recycled paper in this province.

MR. SPEAKER: Calgary-McKnight, followed by Banff-Cochrane, then Edmonton-Strathcona.

Responsibility for Regulating Principal Group

MRS. GAGNON: Thank you, Mr. Speaker. A former cabinet minister has stated that the Premier made a big mistake in firing Mrs. Osterman, stating that others were involved. As stated earlier, Mrs. Osterman herself says she wasn't aware that she was in total control of the Principal Group issue as minister. The Premier has evaded and stonewalled in telling Albertans about his part in this Conservative debacle. It is now apparent that the Premier knows more than Code reported; certainly a former, trusted minister of the Premier's thinks so. My questions are to the Deputy Premier. To whom is Mr. Moore referring when he says that there were others involved in the Principal Group fiasco who should also be disciplined?

MR. HORSMAN: Mr. Speaker, the hon. member poses an interesting question of which I have no knowledge to convey back

to her. She might well phone Mr. Moore, who lives in DeBolt.

MR. SPEAKER: Supplementary question. Let's go.

MRS. GAGNON: I would ask the hon. Deputy Premier then to possibly speculate as to whether Mr. Moore is referring to the...

MR. SPEAKER: Thank you. Order. Order, please. That question is out of order. Perhaps we could now have the final one, and in reference to the Member for Three Hills, in future all members will refer to the Member for Three Hills, not by her surname. Final.

MRS. GAGNON: Could the Deputy Premier tell me then: why did the former Minister of Consumer and Corporate Affairs think that she did not have full control of the PGL matter?

MR. HORSMAN: Mr. Speaker, I don't want to be facetious with the hon. member on this question, but really these are questions that have been dealt with both in the Premier's remarks, and the questions have gone on in the Legislative Assembly now for several days. Furthermore, I just might point out that it appears quite evident to me that the hon. member who posed the question is relying on newspaper reports of statements made by a former member of the Assembly. I don't know whether she has made the effort to personally contact him to ascertain the accuracy of those remarks, but nonetheless it is something that she might very well do. He is a citizen now, as is every other person who is not in this Assembly, and surely he's entitled to his opinions, but I would suggest that they be checked out and not just rely on newspaper reports. I think, really, that's one of the things we should all do in this Assembly.

MR. SPEAKER: Banff-Cochrane, followed by Edmonton-Strathcona.

Legal Aid Funding

MR. EVANS: Thank you, Mr. Speaker. My question is for the Minister of Family and Social Services. Alberta's legal aid program is one of the best in Canada. It provides for Albertans who are unable to pay for normal legal services at the lawyer's door, the kind of services in both civil and criminal matters that are required by Albertans in everyday life. Therefore, it's important that all sources of funding are made available. Lawyers in Alberta voluntarily participate in the program to make sure that the program works as well as it can. Therefore, my question to the hon. minister is: are all funds that are available through the Canada Assistance Plan being accessed by the government of Alberta?

MR. OLDRING: Mr. Speaker, the Member for Banff-Cochrane makes a number of observations that I certainly concur in. In relation to the specific question, which was are we accessing dollars currently under the Canada Assistance Plan, I have to advise the member that, no, we aren't, as it applies to this specific program. The bottom line is that, as so often is the case in Alberta, our legal aid program is significantly more generous and considerably less intrusive than what might be expected if we were to concur in the requirements under the Canada Assistance Plan. So we're not prepared to compromise our program

for the limited availability of dollars that might be there.

MR. EVANS: Supplementary, Mr. Speaker, for clarification. Again to the minister. Are there federal funds available to Alberta either on the civil side or the criminal side through this program which could be accessed?

MR. OLDRING: Yes, Mr. Speaker. There are limited dollars that would be available to this program that could be accessed but, again, not without compromising what I consider to be a very generous program, a program that's meeting the needs of Albertans. We think that the needs of Albertans come first. Again, we're just not prepared to compromise our program for the limited number of dollars that are available.

MR. TAYLOR: What's a million and a half between friends?

MR. SPEAKER: Final, Banff-Cochrane, not Westlock-Sturgeon.

MR. EVANS: Thank you, Mr. Speaker. My final supplemental. Will the hon. minister undertake to negotiate with the federal government to try to make these funds available on what would be considered by this government and this minister's department a more equitable availability?

MR. OLDRING: Mr. Speaker, we're always interested in making sure that we can maximize the number of dollars that might be available to us under the Canada Assistance Plan, but again I'd want to emphasize that in this particular instance we would have to take away the services to 75 percent to 90 percent of the existing clientele that's able to access this program in Alberta. We think that those Albertans need these services. Again, for the limited number of dollars that would be available -- and we're talking about \$175,000 to \$300,000, and I recognize on one hand that that's a lot of money, but I also recognize that this program is important to Albertans -- I'm not prepared to take it away from the 75 percent to 90 percent of the clientele that we're currently serving.

Foreign-trained Physicians

MR. WRIGHT: Mr. Speaker, my question is to the Minister of Health and concerns the foreign-trained doctors who are unable to get places here in their profession. There are some two score of them in this province alone who have passed their Canadian examinations, so they are academically certified as being up to Canadian standards, and many of them have waited years patiently in the queue for positions. They recognize that domestically trained doctors have priority, but even so people from outside jump that queue, and they can't do anything about it. The bottleneck, as the minister knows, is in the internship process. My question (to the minister then is: at what point is her department going to step in to ensure to these Canadian citizens the rights that other Canadian citizens, similarly trained, who've dedicated their lives, hopefully, to the medical profession, will be enabled to assert their rights here?

MRS. BETKOWSKI: Mr. Speaker, the Member for Edmonton-Strathcona is certainly right that there is a difficulty here, because these are physicians who are foreign-trained and yet cannot pass the bottleneck of the internship program. I met with

that group of physicians on Friday last week and went through with them some of their concerns about the fairness of the process that they must go through in order to have fair access to the positions that are offered for internship within the province. I believe my interest in the issue is to ensure that the process is fair. I certainly pledge to them and I will pledge to this House that if reviews by the Human Rights Commission and the committee that's been recently established on foreign credential assessment deems that the process is not fair, then I will certainly give the promise to this House that I will take action to ensure that it becomes fair, along the lines that are suggested.

My other interest in this area is certainly the issue of the overall health in providing the best health care that we can to the people of Alberta at the highest possible standards. I believe the balancing of those two priorities can be met, and I'm hopeful that we can ensure equal access by those physicians to the positions that are available, can come about.

MR. SPEAKER: Supplementary.

MR. WRIGHT: Yes, Mr. Speaker. The committee the minister refers to is one set up by the minister in charge of women's issues, and to her I address the question. Since this committee was set up, I understand, in December of last year to examine the general problem of Alberta acceptance of foreign credentials and these foreign-trained doctors have not yet heard from her department about this and month by month are suffering, when will her committee deal with them?

MS McCOY: Mr. Speaker, we all share the concern for the foreign doctors. In particular, as the member knows, the foreign doctors are now having discussions with the Human Rights Commission, and I think we'll probably hear sooner from the commission on their specific plight than we will from the inter-departmental task force. The task force or the credentialing committee that we've set up among a number of portfolios internally is looking at the broader issue. Of course, the member knows all too well that it's quite a complicated issue. There are many professions involved, not just medical professions. There is also the legal, teaching; there's just an incredible array of professional credentials that our new Albertans are bringing with them. We are trying to look at the whole question in a more global, if I may use that word, approach. So I think it's going to take some time for that committee to come back with any suggestions, and in any event, they will be, I think, less specific.

Now, as far as the doctors are concerned, as I say, the Human Rights Commission is speaking with them now, and also, as the Minister of Health has said, she's keeping an eye on it. I am pleased to hear that the minister is as forward-looking and wishing to be fair as she is. I think that assurance will please all of the members of this Assembly.

MR. WRIGHT: Mr. Speaker, the business before the Human Rights Commission may or may not be correct, but it is entirely a side issue, whether there's racial discrimination. So back to the Minister of Health. Can she at least assure the House that the process that mystifies these doctors, why they cannot get internship positions, is at least disclosed to them in an open manner by the hospitals, in place of the present system, which is obscure? They don't know why, they don't know who's doing it, and what the process is at all. By exercising the power of the purse strings . . .

MR. SPEAKER: Thank you. The question. Order please. Enough paragraphs. Thank you.

MRS. BETKOWSKI: Mr. Speaker, I think that's exactly the point upon which the physicians and I ended our meeting on Friday, and that is whether they have a fair access to the knowledge of what internship positions are available in this province. That issue is one that I think is clearly an issue of fairness.

But I think the Minister of Labour is certainly right to raise the issue of a broader range of questions here. The issue is also about the supply of physicians in this province, and there's no denying that point. In fact, Alberta has a lot of physicians, and our growth rate in the number of physicians being licensed under the health care plan in this province is growing at two-thirds greater than the rate of our population. Given the way our health care system is set up on a volume-driven system, I have to be concerned about that as Minister of Health. Nonetheless, I give the member and this House the assurance that I will do everything in my power to ensure that the process is fair and that there is as equal and open access as we can possibly provide.

MR. SPEAKER: Edmonton-Whitemud, followed by Edmonton-Beverly.

Principal Investors' Right to Sue

MR. WICKMAN: Thank you, Mr. Speaker. On Friday, July 28, 1989, this government indicated in its response to the Code inquiry that contract holders would have to waive their right to civil action if they accepted the government offer of a partial bailout. To deny one the right of civil action under these circumstances is a squeeze play, like holding a gun to one's head. As well, investors residing in other provinces may well have the right to sue their regulators and recover up to 100 percent, leaving Alberta investors at a disadvantage. My question to the Provincial Treasurer. Is the Provincial Treasurer prepared to reconsider his government's stand on denying people their basic right of civil action?

MR. JOHNSTON: Mr. Speaker, that right, of course, exists to all Albertans, to all Canadians. We're not denying anybody any civil right of action.

MR. WICKMAN: Mr. Speaker, let me rephrase that. Is the Provincial Treasurer prepared to release that gun that's being held on the investors' heads so that they don't have to sign that waiver paper if they accept that partial bailout?

MR. JOHNSTON: Well, it's unfortunate, Mr. Speaker. The Member for Edmonton-Whitemud knows that there is no gun being held to anybody's head, and all Albertans agree that we've made a reasonable and fair offer to the contract holders, not just in Alberta but across Canada. It's unfortunate that that kind of inflamed rhetoric is necessary to get a point across. But the point is very simple, as we put it on Friday: if you want to get consideration from the government, you simply have to give up your rights to sue the government of Alberta. Everybody understands that. It's not taking anybody's rights away; it's paying for what right they're going to transfer to us. That is, you can't sue the government if we are going to be the ones to pay you. On the other hand, if they do not want to accept any consideration from the government of Alberta, they have the

right to take whatever legal action they want.

MR. WICKMAN: Mr. Speaker, my final question to the Provincial Treasurer. If out-of-province investors are successful in suing their governments or their regulators and receiving additional dollars up to 100 percent of their total investment, is this government then prepared to match that so that Alberta investors are not at that disadvantage?

MR. JOHNSTON: Mr. Speaker, I think the words of the Premier on Friday were that the Alberta government offer, as described exhaustively by the Premier in a very comprehensive speech to this Assembly -- as I've indicated already, the first responses we had from contract holders and from Albertans and from people across Canada were that it was a fair and equitable offer. But remember the three key words the Premier said, that this is not only a fair offer, but it's a final offer.

MR. SPEAKER: Edmonton-Beverly, followed by Westlock-Sturgeon.

Group Homes for Multiple-handicapped Children

MR. EWASIUK: Thank you, Mr. Speaker. My questions this afternoon are to the Minister of Family and Social Services. Five families, each with a multiple-handicapped, dependent child have been identified by Edmonton Regional Social Services as having a near crisis for a need of group home placement of these children. There are no vacancies in any group home in Edmonton. In fact, there have not been any vacancies for the past three years in this city. As I understand it, there are no plans for funding for new group homes in any event. To the minister. Is the minister aware of the written or unwritten policies concerning residential services for the multiple-handicapped?

MR. SPEAKER: Time for question period has expired. Might we have unanimous consent to complete this series of questions and also for the Minister of Tourism to respond to West Yellowhead from a previous question period?

HON. MEMBERS: Agreed.

MR. SPEAKER: Opposed? Carried. Thank you.

MR. OLDRING: Mr. Speaker, as the services provided to handicapped children fall under the associate minister's portfolio, I'm sure he'll want to respond to that question.

MR. SPEAKER: Associate minister.

MR. WEISS: Well, thank you, Mr. Speaker. I wish I could respond positively to the Member for Edmonton-Beverly. I'm not familiar with the exact circumstances, but I would certainly undertake to provide them for the hon. member at a later date.

MR. EWASIUK: Well, Mr. Speaker, in one of these families the parents have back injuries as a result of handling their 16-year-old son, in another one the parent has cancer, and in another the mother is suffering from exhaustion after looking after the children. What family situation has to exist before a multiple-handicapped child can qualify for placement in a group

home in Alberta?

MR. WEISS: Mr. Speaker, any of the circumstances outlined by the Member for Edmonton-Beverly certainly should not be part of the conditions. I would undertake to ensure that that is not what is holding up any decisions or any action and would undertake to provide that information.

MR. EWASIUK: Mr. Speaker, my final question is to the Acting Premier. Instead of abandoning support for the families with multiple-handicapped dependent children, will you direct the minister to end the apparent moratorium on developing residential services for the multiple-handicapped?

MR. HORSMAN: The minister has already answered that question. I think it is his responsibility to assure the Assembly we will take matters under consideration. When members have particular issues they wish to bring to the attention of the minister, I recommend they do so in a direct way.

Function at Canadian Embassy in the U.S.

MR. SPARROW: Mr. Speaker, I'd like to reply to several questions that the Member for West Yellowhead posed last Friday.

The government of Alberta is having a cost-effective, Alberta profiled, prestigious promotion in Washington, D.C., on August 9. The answer is yes. This promotion is in conjunction with our partners in the industry, which are the following: both the Edmonton and Calgary convention centres, the Calgary Tourist and Convention Bureau, the Edmonton Convention and Tourism Authority, the Alberta Food Processors Association, the Alberta Culinary Arts Foundation -- of which the seven Olympic chefs will be there -- the Canadian government, and of course the Department of Federal and Intergovernmental Affairs.

In reference to the question with reference to our foreign offices, this is a fine example of their effectiveness, Mr. Speaker, and the contribution to Alberta that Mr. Stuart Freeman, our representative in the greater Washington, D.C., area who, by the way, has booked a grand total of some \$8.2 million dollars in meetings and conventions for the province of Alberta since his contract started. Mr. Freeman has also received a very prestigious award in that association, the Rising Star Award.

Mr. Speaker, the funding for the event has come through the budget of Mr. Freeman, which is funded through the Canada/Alberta tourism agreement. Some \$20,000 has been set aside by him in that budget to capitalize on the window of opportunity, the opportunity to be the first provincial government body to officially host an event in the Canadian Embassy in Washington and to host over 300 top association executives, who have the potential to book some \$600 million in meetings and conventions in Alberta if they all happen. Our department, along with Federal and Intergovernmental Affairs, will also be spending approximately \$30,000. Due to the nature of this function, the Deputy Premier will be the only official host for the province of Alberta.

MR. DOYLE: Mr. Speaker, I'd like to thank the minister for his reply, but it's not clear to me how many members of this Legislature will be attending that function and whether or not they'll be flying by free government jet or by economy class.

MR. SPARROW: I answered that, Mr. Speaker. There'll be one official representative from this government, that being the Deputy Premier. I haven't asked the hon. member how he plans to travel, but that is something that he can decide on, as all hon. members can.

ORDERS OF THE DAY

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

HON. MEMBERS: Agreed.

MR. SPEAKER: Opposed? Carried. Thank you.
Solicitor General.

head: INTRODUCTION OF SPECIAL GUESTS (reversion)

MR. FOWLER: Thank you very much, Mr. Speaker. It's my pleasure to introduce to you and through you to members of this Assembly two special guests with us today. Mr. Jim Jeffrey is from my constituency, St. Albert. Also, from a community near Glasgow, Scotland, a gentleman who has not been in Canada since the Second World War, when he trained here as part of Her Majesty's Royal Navy, Mr. Matthew Mackinnon. I ask them to rise and accept the acknowledgment of the House.

CLERK: Government Bills and Orders.

MR. HORSMAN: Committee of the Whole.

MR. SPEAKER: Does the Assembly concur in the motion by the hon. Government House Leader to move into Committee of the Whole?

HON. MEMBERS: Agreed.

MR. SPEAKER: Opposed? Carried.

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

[Mr. Schumacher in the Chair]

MR. CHAIRMAN: Order, please. Would the committee please come to order. I should also make the observation that during committees we shouldn't have little conferences going on while you're on your feet at the back of the room.

Bill 223 An Act to Amend the Emblems of Alberta Act

MR. CHAIRMAN: The item of business at the moment is Bill 223, and I would ask whether there are any comments, questions, or amendments to be offered with respect to any section of the Bill. The hon. Member for Lacombe.

MR. MOORE: Thanks, Mr. Chairman. I have a few comments to make at this time, first of all to draw to the attention of the committee here that support is continuing to come in every day

from across the province for this choice as the official mammal of Alberta. I must say all are in favour. We've heard none to the contrary since second reading.

There were a couple of points brought up during second reading I'd like to just touch on. One of them was a concern that the designation of this particular mammal might have some bearing on the private sector in the use of the name in logos and things like that. However, in checking with the Legislature counsel on that, this will have no bearing whatsoever on it. In fact, it will probably enhance the use in the private sector. If it's Rocky Mountain Transportation that's using that as an emblem, it will enhance that for their benefit, the same with the town of Grande Cache and their emblem. This would have no bearing whatsoever on it, negative or positive, other than the fact that it should enhance it inasmuch as it's recognized as Alberta's animal.

The other thing was the question of the trophy hunting of these animals. This will have no bearing on that either. It's just that it's designated as the provincial animal. Whatever is the present practice will carry on, and there will be no detrimental effect on that. In fact, the other also applies; when it is a provincial animal, it just puts a little more prestige on it as a trophy animal.

So, Mr. Chairman, with those few words I'd like to hear what my colleagues have to add to the committee.

MR. CHAIRMAN: The hon. Member for Edmonton-Jasper Place.

MR. McINNIS: Thank you, Mr. Chairman. I want to indicate the continuing support of the Official Opposition for this Bill. The economic importance of the bighorn sheep to the province is perhaps indicated by the fact that the bighorn's picture appears on the cover of the 1989 Guide to Big Game Hunting. There's very little doubt that the bighorn sheep is a prized trophy animal, in addition to being a species that's admired by people from all over the world.

I want to just put the question a little more directly, though, about the effect of this legislation on people who use provincial symbols as part of their not just commercial operations, but I think, as the member acknowledged, the town of Grande Cache uses the bighorn sheep. Section 8 of the Emblems of Alberta Act says

The Minister may make regulations governing the reproduction, use and display, or any of them, of an official emblem.

My question was whether the government had any intention as far as making regulations in that area affecting the use of the bighorn sheep as far as reproducing, using, and displaying the emblem, because I understand that there are a number in addition to the town of Grande Cache. The Banff Springs golf course, I was told by the minister when I raised it with him privately, used that. My question is really what the intention of the government is, rather than seeking a legal opinion, because it does seem that the government has the power to make regulations under that section. If there's an assurance that there's no intent to use this particular provision to restrict existing uses, I think some case could be made for people who want to adopt this as an emblem after the Assembly has adopted it as the official emblem of Alberta, but I think previous uses should be allowed to continue. I'm hoping that the member might stand up and say whether he has been able to obtain that clarification

from the minister or not.

MR. CHAIRMAN: The hon. Member for Lacombe.

MR. MOORE: Thanks, Mr. Chairman. Well, I can assure the hon. Member for Edmonton-Jasper Place that it isn't our intention to restrict it in any way, shape, or form. I think we can use, as an example, our Alberta rose to exemplify that. We in no way as a government, or past governments or future governments, intend to say it cannot be used. We have Alberta rose communications, Alberta rose this, wild rose that, who capitalize on that being the provincial flower, and it will be the same with the animal. There'll be no difference. So I can assure the hon. member that there is no intention now or in the future, as far as I'm concerned, to ever limit the use of that in the private sector. It's a selling point for Alberta, and it's really a good selling point.

MR. MITCHELL: Mr. Chairman, I would simply like to establish my caucus's support of this Act, Bill 223.

SOME HON. MEMBERS: Question.

MR. CHAIRMAN: No further comments?

[Title and preamble agreed to]

[The sections of Bill 223 agreed to]

MR. MOORE: I move that Bill 223 be reported.

[Motion carried]

Bill 9 Parks Towns Act

MR. EVANS: Mr. Chairman, my comments will be short and to the point. At the time that we dealt with this matter in second reading, I pointed out to the hon. members that this is a very historic piece of legislation. It involves all three levels of government: the federal government, the Alberta government through Municipal Affairs, and the local jurisdiction, which currently is being administered through the Banff school board. The legislation is historic because it does give an opportunity in Canada for townsite incorporation -- in the province of Alberta, of course -- within a national park.

There are significant differences between towns in Alberta in general and Banff townsite in particular, and I'd like to point some of those out, Mr. Chairman. The biggest differences, of course, are with respect to land ownership, which will be retained by the national parks through the Department of the Environment. Land use is another issue that will have significant involvement by the national parks and protection of the environment in the national interest. The most common characteristic between the parks' towns and other towns in the province of Alberta will be that the municipal authority will have the right to make and enforce bylaws.

This is a model for the future. It's a very positive Bill, and I would encourage all members in the House to support it.

Thank you, Mr. Chairman.

MR. CHAIRMAN: The hon. Member for Edmonton-

Whitemud, followed by Edmonton-Beverly.

MR. WICKMAN: Thank you, Mr. Chairman. In reviewing the Bill, it appears that it has been well thought out. It addresses the concerns of planning, future development, and so on. Because of that reason, because it is going to be a benefit to that particular municipality -- let's use that term -- we will be supporting the Bill.

MR. CHAIRMAN: The hon. Member for Edmonton-Beverly.

MR. EWASIUK: Thank you, Mr. Chairman. I, too, want to rise in support of Bill 9. When I spoke to it during second reading, I indicated that we would be supporting it. I do want to again reiterate and commend the citizens of the townsites of Banff for taking the initiative that they have in ensuring that this progresses along and, in fact, the decision made by the citizens is being upheld. As already stated, it's going to be the first such town recognized in a national park in Canada. I think it is unique and historic, and as I say, the citizens should be commended for it.

The other point I raised during second reading was the agreement. While it's been negotiated and presumably it's going to be ratified and everything will be fine, I wondered whether the Member for Banff-Cochrane has any additional information since the second reading whether there's been any progress made relative to the negotiations regarding this Bill. Perhaps he may want to let us know, if there's any additional information.

In addition, I simply say that the citizens of Banff have voted, they have spoken, and I think it behooves this Legislature to support their decision and support this Bill.

MR. CHAIRMAN: The hon. Member for Banff-Cochrane.

MR. EVANS: Thank you, Mr. Chairman. In answer to the question from the hon. Member for Edmonton-Beverly, I can advise the Assembly that yes, the agreement is coming along very well. There have been a number of points that have been brought up by our Department of Municipal Affairs. Those points have been reviewed in Ottawa, and the next draft of the legislation, which should be available to the people of the Banff school board within the next few days, will be a joint draft approved both by the federal government and by our Department of Municipal Affairs.

MR. DOYLE: Mr. Chairman, I stand in pleasure to support this Bill, being that I represent the other municipality that's involved with the federal parks, that being the much more beautiful municipality of Jasper. I'm sure that as this comes into law in the town of Banff, the citizens of Jasper, myself, and the Jasper school board will be paying strict attention to it, and we could very well be the next people with a Bill to bring forward to this Legislature on a new townsites for Jasper.

MR. EVANS: Mr. Chairman, just one brief comment with respect to the comments made by the Member for West Yellowhead. I would say that our constituencies are equally beautiful, and they are part of the mosaic of Alberta. I'm pleased that we have the support of the hon. member.

MR. CHAIRMAN: Are there any further comments?

[Title and preamble agreed to]

[The sections of Bill 9 agreed to]

MR. CHAIRMAN: The hon. Member for Banff-Cochrane.

MR. EVANS: Thank you, Mr. Chairman. I move that the Bill be reported.

[Motion carried]

Bill 6 Securities Amendment Act, 1989

MR. CHAIRMAN: Are there any comments, questions, or amendments to be offered with respect to any section of this Bill? The hon. Minister of Consumer and Corporate Affairs.

MR. ANDERSON: Thank you, Mr. Chairman. This Bill has been debated fairly extensively in second reading. It is an important and extensive Bill which, as members know, deals to a great degree with the question of insider trading and, additionally, with respect to the issue of takeover and issuer bids. The lengthy and complex amendments, I guess as all securities amendments, deal primarily with those two areas and do attempt, and I believe achieve the attempt, to place our securities legislation in at least as high a category, in terms of the penalties that would be meted out to those who would misuse the system and with respect to tightening those rules and regulations under which companies may be taken over, as exist anywhere. In fact, it is true that in these amendments before the House in committee stage today, we will find that the penalties suggested are of a nature that are the highest in the country with respect to the five-year limit in terms of the amount of time that a person can be sent to jail in addition to the fine that's identified in the legislation.

Mr. Chairman, there are amendments which have been circulated. Those amendments deal primarily with the one question of that penalty. We had, by putting it in place, believed we were, and I still believe we are, extending that penalty to a greater extent than other places have in order to show all Albertans who may participate in our marketplace that indeed it must be fair and honest. But I have been advised by lawyers from the Attorney General's department that because we hit that five-year limit and because the five years is the point at which one requires a jury trial, there is a possibility that somebody accused under this particular section could use that as an argument in a court case. So to try and ensure that that in fact doesn't take place, we're proposing the amendment that the penalty be five years less a day, thereby not substantially changing the conviction that a judge may impose on a person who contravenes this Act but, at the same time, giving it safer and easier grounds for argument in a court should such a case be necessary.

Mr. Chairman, there are other changes identified on the amendment circulated to members. All of those changes are changes to just renumber sections of the Bill, some of them related to the amendment mentioned, others dealing with the reorganizing of the Act itself. None of them have policy implications or are substantial in nature.

I don't know if there would be much served by my repeating the comments made in second reading regarding the takeover bid section and issuer bid section. We are requiring in the

specifics of this legislation that only five people could be involved in a takeover bid before they have to give notice and apply to the rules. This is consistent with other legislation in Ontario and Quebec and now proposed in British Columbia. We are moving from what was 14 people as a limit to five. We are also requiring that they pay no more than 15 percent in addition to the current value of the share on a takeover bid. There are provisions, additionally, to ensure that there is an early-warning system so that all investors would know when there's a creeping takeover bid or a more extensive takeover bid. There are sections that are in here, which I identified in second reading, which will deal with the need for the Securities Commission to have more remedies available to them to deal with companies and organizations that might be moving in a negative way. In the past they've been largely able to either exempt or to withdraw an exemption. Now they will have other things open to them, such as being able to stop certain advertising or issue different directives identified in the legislation itself.

Mr. Chairman, once again, because most remarks have been made with regards to this Bill, I would await any further advice or suggestions from colleagues. I believe it is progressive legislation. It's legislation, again, to ensure that our stock exchange, our securities governance in this province, is equal to all in this country and to ensure a fair and honest operating marketplace. I might say that I believe this legislation constantly needs review because of the dynamic nature of the marketplace. I think this Legislature will look frequently, if not yearly, at changes that will be required simply because the financial marketplace is changing so rapidly and the different dimensions of the securities area are evolving and multiplying at such a rate that we have to constantly be on top of legislation. I'm sure that the Assembly will see me back next year or, at the latest, in the year following with other suggestions. But at this stage these extensive amendments are recommended to the House, and I would express my thanks to all parties and all members for the support that they gave to it in second reading, and I would hope we'd receive the same in committee.

MR. CHAIRMAN: Hon. Member for Edmonton-Strathcona, as to the amendments offered by the hon. minister.

MR. WRIGHT: We're just on the amendments at the present time, are we, Mr. Chairman?

MR. CHAIRMAN: I'd like to get the amendments out of the way first, and then we could go on . . .

MR. WRIGHT: Well, no objection on the amendments at all, Mr. Chairman.

MR. CHAIRMAN: Any other comments on amendments?

[Motion on amendment carried]

MR. CHAIRMAN: The hon. Member for Edmonton-Strathcona.

MR. WRIGHT: Yes, Mr. Chairman. On second reading I expressed the support of our lot on this Bill. I must say that my personal support is not very well informed because it's a specialized area, as any lawyers here know, and others, and I'm not well-versed in it by any means. But I did, on second reading,

mention a point which I thought went somewhat to principle which was missing. I'm disappointed there is no amendment. I realize we could propose one, but we don't have one ready. [The lights in the Chamber dimmed] I guess our illuminating remarks, instead, will have to do, Mr. Chairman.

AN HON. MEMBER: You just don't know your own strength.

MR. WRIGHT: Yes. Before we would propose an amendment of the sort I suggested, we would have to know how it really fitted in, and I'd like the minister to mention that. If I could remind the minister, it was along these lines: that the trend in modern legislation in this area is to move away, as much as one safely can, from mere regulation to openness and disclosure so that the citizen can make his or her informed choice. But on those lines one of the most obvious things that one would wish to see in purchasing a security -- and I'm not only talking about a share offering on a prospectus, where at least the summary balance sheet must be disclosed; I'm talking about ongoing purchases of securities. It would be extremely useful if it was enjoined by law that the securities issuer have an up-to-date -- that is to say, the last financial year -- financial statement there that was accurate which any prospective purchaser could, by right, demand to see.

It's a simple thing, but I'm thinking of the Principal Group fiasco and how, if it had been an obligation that upon demand these statements could be received, it might have persuaded a lot more people than were persuaded at the time that there was something amiss here, either because they wouldn't have been able to get one, or a timely one, or because of the notes to the financial statement that the auditors gave, and so on. I mean, I don't want to base the case solely on that one horrendous example, horrendous though it was, but it illustrates the point, and I'm a little disappointed that that provision hasn't been added. I don't want to labour the point because beside the rest of the Bill it's a relatively small point, but an important one from the consumer point of view. And that's the viewpoint that most of us take, certainly, here: what's in this for the consumer rather than the people who make their living trading these things, although there have to be restrictions there too.

The other point, Mr. Chairman, is this. I guess we all understand that the government's explanation for not amending the Investment Contracts Act to take account of some of the difficulties which were pointed up in the Code report with respect to single payback investment contracts, which were not covered by the Investment Contracts Act, was that the Investment Contracts Act will be repealed itself and the whole area subsumed under the Securities Act. If that is the case, then, to what extent has this Bill been read to see that it will suffice for investment contracts? I know primarily it's directed to something else. So we wouldn't want to be in a position that either upon the repeal of the Investment Contracts Act there is not a sufficient substitute or that that Act, which is admittedly now inadequate, will have to stay in place for what it does have. Or the third possibility, I suppose, would be that there'd have to be considerable amendments to this Act one year down the road, or whenever it is that the change has to be made. Those are the only two comments I have at this stage.

MR. ANDERSON: Mr. Chairman, if I might just deal with the questions raised by the hon. member. First, I would express some sympathy with regards to his comment on the complexity

of the Act. As a new minister responsible, it has been a challenge to understand and, indeed, to try and make sure that the Act is meeting the needs of today.

I would just say with regard to the need for financial statements, I don't necessarily feel that that's a small point. I think it's an important one, but it is one that's contained in our financial consumer Act, which deals with transactions and consequently would deal with the issue from that perspective. There are requirements in the Securities Act -- not in these amendments, but in the Securities Act -- that of course deal with prospectuses and so on, and the member has alluded to that. But a financial statement to be given to a purchaser of securities or a purchaser of a financial product, period, is a point that is written currently into the draft legislation of the financial consumer Act, that they would be able to ask for such an item. How one applies it to the purchase of all securities is a difficult question, because of course if we're trading on the stock market and the phone calls go in to one's broker to buy and sell and so on, the actual transfer of that financial data is something that would be difficult to require. But I do think, in terms of the purchase of long-term securities, it's one of a number of things we have to do to ensure that the disclosure is plain and true and easily understood by the individual. But that is for the discussion that will take place, I hope, in this Assembly next year on the financial consumer Act, once we've had enough time to finalize that.

With respect to the Investment Contracts Act, it is the intention of the government, as announced, to repeal that. We believe, by review of the legislation, that we have currently in the Securities Act the jurisdiction required so that the Securities Commission can set regulations in place to ensure proper disclosure and the regulations that are needed to operate investment contracts. There is only one investment contract company in Canada that we're aware of at this point, but that vehicle is obviously necessary. We clearly have to ensure that the parameters are there that allow individuals to know what they're buying, what will be included, and how such an instrument or company would be assessed.

MR. CHAIRMAN: The hon. Member for Edmonton-Kingsway, followed by Calgary-Buffalo.

MR. McEACHERN: Thank you, Mr. Chairman. I want to say a few things about the regulation of financial institutions generally but also some specific things about this particular Bill. Both former speakers talked about the difficulty of this area in terms of its highly technical and legalistic -- and that's for sure, that it's a very difficult area, and this Bill itself is very complicated. However, there are some things in it that are very good, and they are related to some problems that I see in the overall picture of regulation of financial institutions in this country. So I'd like to alert the minister to some of those problems.

Of course, he's aware of the breaking down of the four pillars of the financial world as we used to know them and the mixing and matching that we now get. That's going on at the same time that we're getting a globalization of not only our stock markets but our whole commercial industry. Since commercial organizations can now own their own trust companies, they also, in effect, then almost own their own banks, because trust companies are getting more and more to be able to act like banks. So there is a major problem facing the regulation of financial industries for the Consumer and Corporate Affairs department and the Treasury Department in the case of this

government.

In referring more specifically to the regulation of securities markets, one would have to say that the Alberta securities industry and the Vancouver securities industry do not have the best reputations in the world compared to some of the bigger exchanges where supposedly the regulations are a little tighter or at least, we are led to believe, more able to cope. So I think the minister needs to address some of the things like the junior stocks and the blind pools, those kinds of things that have helped to build the reputation of Alberta and Vancouver as being rather -- it's hard to find the right word, but stock exchanges that carry a lot of dangers for ordinary individuals to get involved in. Let's put it that way around.

Something I'd like to ask him specifically: does he think the provisions of this Act would bring under control the kind of situation that developed with the noteholders in the Principal case, for example? If not, why not, and what should we be doing about that? The idea of a sophisticated investor being able to put their money in without any kind of knowledge of what they were putting it into or why -- I just talked to a person this morning who put some money in. She didn't have any idea that it wasn't regulated by the Alberta government and would like to know what happened to that aspect of the Principal activities which allowed that to happen and her not to have an idea that somehow there was no regulation to cover the investments of the noteholders.

The minister rightly points out that he's tightened up the area of disclosure of information on the part of anyone putting forward a prospectus or trying to sell shares on the market, and I'm glad to see that. That's an important direction to go, and of course that's the one shortcoming, perhaps, that my colleague from Edmonton-Strathcona mentioned. But I want to say that it's really important that for anybody selling anything, particularly in this day and age when the same person may be selling a number of different products, the disclosure as to their pecuniary interest in those products must be disclosed. Because a customer being faced with a salesman who's offering him a variety of products -- if one of them returns a bigger share to that salesman, if he gets a better commission from selling that particular thing, then that better be known to the person who's about to buy, because obviously, as happened with the Principal case, a lot of the salesmen shifted things into FIC and AIC because they got a bigger commission than they did on trust investments, in the trust company investments. So I say that that's a really important area. I'm glad to see that they've tightened it up.

I'm a little concerned that the government might be content with the idea of just tightening up those kinds of a priori disclosures and saying that's good enough. It is a very complicated area, and just making the information available still leaves an awful lot to the salesman and to the person doing the investing as to what transpires and how much information the person doing the investigating really gets. I mean, it may be very well to say that all that information is available, but for it actually to get to the customer is not always easy, particularly if they get a salesman that's a strong personality and a very good salesman. They can sometimes talk people into things and leave information aside that while technically available, is still not there at the time for those people. Also, it's very difficult sometimes for people to choose, or understand all the technicalities.

So you end up with a situation where just because there's some higher risks in some products, it doesn't necessarily mean the customer will get to recognize that. It may not get to his

level, or he may not be able to see that. It's a bit like an analogy I've used in this House once before, and I don't mind saying it again, actually. If I were a customer about to buy some soap, I would like to know that the regulatory authorities had made sure that all the soaps that were on the market were not too polluting. So there is some responsibility other than just disclosure on the part of regulators. I guess while I'm on that point I would go on to say that you can have the best regulations in the world, but if you don't have the will to enforce those regulations, then you're still not going to avoid things like Abacus, Dial, Tower. You know, I could list off Fidelity, Principal, North West Trust, credit unions, and an incredible number of other institutions in this province that have gotten into trouble.

So those are some of my comments. I'd like to just add a couple more. Section 161 where you have increased the size of the penalties: I'm really glad to see that. I did think that in this province before -- you know, the old idea that crime does not pay. Under the old Securities Act I think crime did pay in this province; you could make a lot more money than you were ever fined for if you only paid the fines as outlined in the previous Act. The present Act goes a long way to making that a more reasonable deterrent.

But I want to say as a final point that it's really important, recognizing the direction we're heading with the financial institutions in this country and in the world, that the Alberta government attacking the problem at just the provincial level is probably not enough. The minister and the Treasurer should be co-operating and working with the other regulators right across this country, and the federal people as well, in an area that is very topsy-turvy in the last few years. If we are going to see some stability and some settling down of the regulations that are fair and universal across this country and perhaps also co-ordinated with other countries, it's going to take a tremendous amount of co-ordination.

I was very dissatisfied with the previous Minister of Consumer and Corporate Affairs who, when I raised this issue in the House either last year or the year before, said, "Oh, well, we're much more concerned about protecting provincial jurisdiction." In the financial institutions and the kinds of things that are happening there in this day and age, being protective of one's "jurisdiction" vis-a-vis Ottawa having some say over those same items is not nearly so important as seeing to it that customers are protected. And in order to do that in this deregulated financial world we have, if you're going to make up a new set of regulations, they're going to have to be co-ordinated with the other provinces and the federal government, and hopefully the federal government working even with other security commissions right across the rest of the western world.

MR. CHAIRMAN: Would you like to respond, Mr. Minister?

MR. ANDERSON: Sure, Mr. Chairman. With respect to the noteholders and the exempt provisions, I would have to say that our changes here don't touch that issue. Right now we have an exempt market where \$97,000 or more the individual is expected to be able to judge the investment and to make a decision whether or not he or she will invest. British Columbia recently has reduced that to \$25,000, and I wouldn't be inclined to go in that direction. I do think, though, in the context of the financial consumer Act and considerations over the next year, that what we may want to look at is ensuring that individuals who participate in the exempt market know precisely what they are getting

into and that there isn't, in fact, a government regulation that governs that area.

With regards to the issue of pecuniary interest on behalf of salesmen of products, that's an issue addressed in the financial consumer Act draft, and I would be interested in the members' opinions, as with all other Albertans', as we finalize that Act, again in preparation to bring it into the Legislature next year.

On the last issue of co-ordination between jurisdictions, certainly I would support the member's view that there has to be co-ordination activity between jurisdictions, particularly within our own country, but even without. Things are moving too fast to have us all alone in the marketplace. That's not possible, and I would say to him that these amendments have all been co-ordinated with other jurisdictions in the country, discussed with them, and harmonized to the degree that's possible. So while we do believe in protecting our jurisdiction and ensuring that this marketplace is tailor-made to the Alberta needs, we also are committed to co-ordinating with other provinces and as much as possible harmonizing the legislation so that Canadians investing in one part of our country or another find similar rules applying.

MR. CHAIRMAN: The hon. Member for Calgary-Buffalo.

MR. CHUMIR: Thank you, Mr. Chairman. I'm going to be very brief on this matter. The amendments contained in this Bill are based on the recently enacted provisions of the Ontario Act. They're a distinct improvement in our legislation. They seem sound. Of course, only experience will tell whether or not there are difficulties in actual operation. Only experience will tell us that. But on the basis of what I've seen, I'm prepared to be supportive and have no substantive changes.

There are, however, many areas in our securities and financial legislation yet to be dealt with. This Bill is extremely narrow indeed in terms of its scope, and we know how important it is that we turn our attention to the broader issues in respect of protecting the financial consumer. I'd like to just very briefly comment on a few issues that have already been commented upon by other speakers but I think are sufficiently important that I'd like to very briefly get on the record on them.

The first is to re-emphasize my concern with respect to the need for enhanced co-operation and liaison between provinces. We have an example now before us being dealt with in this province with respect to the difficulties that can ensue, the potential problems in terms of respect for institutions from other provinces which wish to transcend their own boundaries in carrying on business, and I am very concerned with respect to some of the statements that have emanated from members of the government in past years which seem to reflect a form of chauvinism; that we're all right and we're going to go our own way regardless of what the rest of the country does. Now, I know we have unique concerns and interests in many ways that have to be taken into account, but I argue for a very co-operative approach on the financial industry front.

I am also very concerned about the exempt market in Alberta, particularly the noteholders. We've seen how large investors can indeed be very gullible, and there's no magic with respect to size. Again it presents a very difficult area. We have seen in the particular case that was dealt with in respect of the Principal affair that the Securities Commission at one point in time did in fact withdraw the licence to deal with these notes. It seemed to be accepting some responsibility. But I think the concern of all those who have reviewed the matter is that that

acceptance was at the very latest date possible.

Notwithstanding that -- and this is a concern I bring to the attention of the minister for consideration -- we noted that regulators of other branches of the operation were looking to the pot of money from time to time that was being brought in from noteholders to help out the regulated companies under the Investment Contracts Act. Regardless of what the ultimate legal outcome is with respect to that, it has to be very troubling and present problems to anybody who looks at what is right and what is proper, to have seen that taking place. Certainly a very complicated issue, but I would certainly wish to see some form of -- at the very least some policy directive within the department as to how to handle that. It's just not right, when one looks at one group and says they're regulated and you have to protect these people, and there's another branch of people who are supposedly sophisticated investors and we can kind of massage them as a member of a group of companies in order to benefit or at least impact upon the group of companies that we are regulating and are responsible for, and leave those noteholders to fend for themselves.

Thirdly, I'd like to ask the minister if he would be able to give us some comment, although it's not within the direct ambit of his responsibility, as to when we'll have a update on the trust companies legislation. Perhaps I might note a concern of mine with respect to financial institutions in the province generally. When we look at whether or not we are going to have a financial industry here, we have to address the issue of: how do we establish sound institutions in a province and in an economy that is inherently subject to cyclical instability from energy and from agriculture? It seems to me that at least the direction one has to look at is to see whether or not these institutions can in some way be encouraged or even required to have a spread in the risk of their investments, either geographically or in terms of the type of investment, and perhaps in both ways, in order to give them that kind of staying power and spread that is necessary when one segment such as real estate or energy may crater in one or two provinces.

So those are some, you know, very general comments that I have on this issue. To the extent that the minister is able to comment on the areas I've raised which haven't been discussed before or enlarge on some where there are other nuances, I'd be very appreciative of his views.

Thank you.

MR. ANDERSON: Well, Mr. Chairman, as the member suggested, I have dealt with a couple of the areas which he mentioned, that of interprovincial co-ordination and, in fact, inter-governmental, and support that. The exempt market I've addressed, and would only say to him and to other members that we will be looking further at the exempt market with respect to whether the limits should be raised on the amount of money or whether there is more disclosure required in that regard. My feeling of the moment is that the latter is the case, that we should require further disclosure. Whether the limits should be changed or not, I'd be interested in the opinion of members at another time as we begin to discuss this issue.

I can't get into the area of trust and loans legislation -- that is the Provincial Treasurer's jurisdiction -- other than to say he has announced that there will be legislation forthcoming, and I believe he's progressed quite far in that respect.

Mr. Chairman, I think those deal generally with the remarks. The member and I have discussed in estimates and at other

times the concept of spreading investments, which is a wise one for anybody investing with portfolios. Whether governments can actually play a role in that or not through the Securities Commission and securities field is another question.

MR. CHAIRMAN: Are there any further comments? The hon. Member for Edmonton-Kingsway.

MR. McEACHERN: Yes, thank you, Mr. Chairman. On looking through my notes, I noticed I'd missed one point I'd intended to raise. And while this isn't maybe the strongest topic under which to raise it, it is certainly related. I'm thinking about the problems of auditors and financial statements, which goes along with the disclosure of information that we talked about earlier. I think that somewhere along the line governments have sort of assumed that auditors, chartered accountants, whatever, are a species that are a law unto themselves and don't need to be looked at very closely or regulated; you can assume they can do whatever they do and do it right and accurately and that everything is fine. Yet history would teach us otherwise.

If we were to look back at the collapse of the Canadian Commercial Bank, for example, some of the auditors were actually sued for their role in covering up the difficulties of the Canadian Commercial Bank before it collapsed. And I think if one were to look around, one could see other areas where there have certainly been problems between auditors and companies. I think of 1985, when the auditors refused to put out a positive enough statement to suit the Cormies on the state of Principal, so they didn't put out that financial statement but wrote up another glossy of their own and said: this is the real state of the financial industries. Now, in that case, of course, the auditors, in a sense, did their job by refusing to be associated with a document that wasn't accurate. But it does raise the question -- and we did pass some legislation in this Assembly this last year, I think, or perhaps the year before, in which we updated the regulations governing CMAs, CGAs, and chartered accountants. I agreed with the legislation at the time. It seems good, and I don't at this stage say that it should be changed or is not good. But I just flag a potential problem, given the number of financial institutions that have been in trouble and the difficulty people have had getting accurate information about the state of the financial institutions they were investing in.

Each of those Bills -- I believe they were 50, 51, and 52 -- had what you call grandfather clauses, so that people who have been practising accounting at whatever level could sort of be grandfathered into the legislation to get their CGA or CMA as the case might be. Now, we know that the CGAs are also asking to have the same right as CAs to be auditors. The problem I'm flagging may turn out to be a problem or may not be, but some people who are not very well qualified may, in fact, be put in a position to make some pretty heavy decisions, if they're put under the kind of pressure that obviously the auditors for Principal were, for example, and may not have the technical background to know accurately. . . . You know, I'm not suggesting that their moral fibre in terms of standing up for what they believe in or what was right would be any different than somebody who was highly qualified; I'm merely suggesting that they might not have the technical background to do the kind of work they may be put into in the direction we seem to be heading.

I think the Blueprint for Fairness document was rather weak in that area. They just sort of suggested that somehow they hoped the chartered accountants would get their act together and

decide what were generally accepted accounting principles, and never really sort of dealt with the government's responsibility as regulators to see to it that the kind of information that's being put out by financial institutions is accurate. There surely has got to be some kind of reciprocal or joint responsibility between the company, the chartered accountants, and the government, who is supposed to be regulating.

So that's an area where I see a certain amount of difficulty and a certain amount of work has to be done in the next few years, and I just wanted to flag that for the minister.

MR. CHAIRMAN: The hon. Member for Calgary-Buffalo, followed by Edmonton-Strathcona.

MR. CHUMIR: Thank you, Mr. Chairman. I would like to add my voice on that particular issue, which I consider to be one of the most important single issues in the whole area of financial industry regulation.

The auditor or the auditing team is key to surveilling what is going on within a company and providing an early-warning system for government and foreign investors. Auditors are right at the centre of everything that is happening, and it's my view that if I were assessing the mechanisms for protecting investors, the auditor and the auditing approach would be the one that I would focus on as the number one issue of concern. Now, anybody who reads the Code report will be aware that Mr. Code didn't have jurisdiction to review the role of the auditors, but he did outline in his report a chronology of events relating to the accounting principles being followed by the company. Nobody who reads that report can fail but to be quite seriously disturbed about the accounting policies in that company from time to time, particularly after 1983.

With that in mind, we also mustn't overlook the fact that the accounting profession itself, as a result of the critiques of Mr. Justice Estey in 1985-86, has set in motion a review of the auditing practices of the profession, and they have their own Macdonald report. It seems that every report is a Macdonald report these days, but they have a lawyer in Toronto, Mr. William Macdonald, who reported with respect to the auditing profession. It is a report that has been well received. Not all of its recommendations are agreed to, but by and large its general thrust has been agreed to by the Canadian Institute of Chartered Accountants. I know there is a provincial committee of the Canadian Institute of Chartered Accountants here in Alberta which is very interested in the issue. And what really stands out is how little we have heard from the government or how little attention seems to be being placed on this issue, at least overtly.

So I would like to urge the minister and his colleagues, particularly those who are responsible for any element of the financial industry, to give the greatest attention to the role of auditors and the ways in which we can inform and improve that role, because I think that we are now behind the accounting profession. I think that the accountants, the auditors, are ready for some change, but we seem to be reluctant to deal with that issue; at least the government has been virtually silent. As has been noted, the Blueprint document is skimpy at best, and the financial protection, the draft legislation, to my recollection does not deal with it all. This just seems to be the forgotten topic, and as I say, I think it's the most important topic. If I'm at all correct or even close, it should be very high on the list and not off in the shadows.

Thank you, Mr. Chairman.

MR. CHAIRMAN: Are there any further comments? The hon. Member for Edmonton-Strathcona. I would just comment that the last two speakers have sort of drifted off the main point of the Bill onto auditing standards, and I would hope that . . . [interjection]

MR. WRIGHT: I take it you're not suggesting for a moment that I will be.

MR. CHAIRMAN: No. The hon. Member for Edmonton-Strathcona.

MR. WRIGHT: Arising from the minister's reply to my remarks, can the minister let us have some idea, I wonder, when we may expect the financial consumer Act to be put on notice, inasmuch as it is in some respects a companion piece to this. I take it -- did the minister hear my question? Yes -- that in some respects the proposed financial consumer Act is a companion piece to this, and I notice that this Bill is not to be enacted until proclaimed. Does that mean there is actually a delay on this? Because I take it that the financial consumer Act is not likely to be introduced before next year. I'm just a little obscure on that point, Mr. Chairman.

MR. CHAIRMAN: Any further comments? The hon. Minister of Consumer and Corporate Affairs.

MR. ANDERSON: Mr. Chairman, we have had a fairly wide-ranging discussion thus far on aspects that aren't necessarily attached to the amendment Act but are indeed important and relate generally to the financial community.

With regards to the issues of accounting and auditing, I would share the concerns expressed and those expressed in the recent Code report regarding the role of auditors and of accountants. When we get into the field of professions, albeit lawyers, accountants, or others, we do have that great difficulty with trying to govern and ensure that they are setting the standards required to ensure that the public good is dealt with first and foremost when carrying out their professional responsibilities. It's an area that isn't in or related to this amendment Bill in any direct way but that I agree should be looked at, and I would be most pleased to have advice, as I'm sure the Provincial Treasurer would, from the hon. members on how one might proceed in that area.

With regard to the question of the proclamation of the Bill and its relationship with the financial consumer Act, it's related inasmuch as this Bill is designed to ensure a fair and honest marketplace, as is the financial consumer Act; the financial consumer Act being more transaction legislation that will govern the rules under which you and I buy, or in the other case sell, in the financial market. In that regard they're related. This Bill is not waiting proclamation for passage of that Bill. It is, though, trying to ensure that all sections of it come into play at the time appropriate, both vis-à-vis the other provinces' legislation and with respect to how this has to be initiated itself. I would expect that provisions of this Bill would be very quickly attached, and it may take us some time, at least until the next sitting of the Legislature, to complete the very complex input required and the evolution of the financial consumer Act, which goes much further than other governments have or that we have in the past in terms of that transaction that takes place.

Mr. Chairman, I think that deals with the questions raised.

MR. CHAIRMAN: Thank you. Any further comments?

[The sections of Bill 6 agreed to]

[Title and preamble agreed to]

MR. ANDERSON: Mr. Chairman, I move that the Bill be reported.

[Motion carried]

Bill 11 Senatorial Selection Act

MR. CHAIRMAN: There are some amendments that have been circulated. Are there any further amendments to be offered?

MR. HORSMAN: Mr. Chairman, just a word about the amendments which have been circulated. There was a typographical error on page 3, and new ones will be circulated shortly. But I can explain those, whether or not the new items have been introduced into the Assembly. Those will be coming forward. But I understand there are other amendments as well.

MR. CHAIRMAN: Are these government amendments?

MR. HORSMAN: Government amendments, yes.

MR. CHAIRMAN: We haven't seen them at the Table here. Everybody has them but the Table. Thank you.

Would the hon. minister like to introduce the amendments?

MR. HORSMAN: Mr. Chairman, the amendments which are before the House now are listed A, B, C, D, and E.

If I could make reference to them individually, amendment A . . .

MR. TAYLOR: Point of order, Mr. Chairman. I'm sorry, but this is an Act with a tremendous number of amendments. Wouldn't it be easier to go through them in order of their number, and whoever's made the amendment stand up? Like, I have section 5 right at the beginning. As to the hon. Member for Edmonton-Whitemud, he has . . . And it goes on. I don't believe section 5 is covered there.

MR. CHAIRMAN: Well, it's my understanding, hon. Member for Westlock-Sturgeon, that government amendments are usually dealt with first and then we go to amendments by private members.

The hon. minister.

MR. HORSMAN: Amendments described in section A are to section 40, and those are quite simply to include Metis settlements as part of the electoral process to be dealt with. That was an omission prior to the amendments and I think is quite clear.

B is very simple: that ballot boxes shall be retained for three months rather than the shorter period which is now described.

If I could jump ahead to section E in the amendments, that would require the ballot boxes to be retained for three months as well in that particular instance.

A more substantive amendment -- C is just a heading to be added -- is D, a more substantive portion. The purpose of this

amendment, Mr. Chairman, is to eliminate what appeared to be in the Act before the Assembly something which would discriminate against independent candidates relative to their ability to raise funds in the campaign period, to make it clear that independent candidates would now, as a result of the amendments, be entitled to raise funds and have the contributors to the fundraising equally to candidates nominated by registered political parties. That would remove from the legislation what has been pointed out to be features which would discriminate or make it less able for independent candidates to seek the office.

With respect to the item on page 3, I apologize to members of the Assembly because the correct wording has not yet appeared. I'll just describe for members of the Assembly what is intended. That is, in the event that there is more than one position available -- for example, if there were two senatorial vacancies and the political parties therefore had endorsed two candidates for those two vacancies, then they would not be restricted to raising funds just for one candidate. Of course, that would be unfair if there were perhaps three, four. In the case of Alberta, we'd be wonderfully lucky indeed to have six vacancies. I'm not holding my breath, but it would be a wonderful thing indeed to be able to do that, and we would not want to restrict the political parties to the limits set out of only being entitled to the amount for one. The correct wording will be before members of the Assembly in just a few moments. So those are the purposes of the amendments we propose for the Assembly, and of course other members have others.

I apologize, as I say, because the current wording is not right. I should just perhaps read it into the record as it will appear, however. It will read:

Where there is more than one candidate endorsed as the official candidates of a registered party by virtue of the number of persons to be elected, the maximum amount that may be contributed in respect of registered candidates of that political party may not exceed \$30 000 multiplied by the number of persons to be elected for which there is a candidate but in no case may more than \$30 000 be contributed to any one candidate.

That wording will be the correct wording for members of the Assembly. I trust that when the precise wording does arrive, hon. members will understand it clearly.

MR. TAYLOR: I was wondering if it would be in order to split them. I find nothing wrong with A, B, and C -- they're just housekeeping -- but I think D is very substantive. I wonder if I could have the permission of the government mover to do A, B, and C, and then we'll discuss D. We'll get it out of the way faster.

MR. HORSMAN: Mr. Chairman, I have no problem with that at all. I think it's the normal thing to do, quite frankly.

MR. CHAIRMAN: Then we'll deal with A, B, and C.

[Motion on amendments A, B, and C carried]

MR. HORSMAN: Mr. Chairman, amendment E, which reads "section 58 is struck out," is also one which is very minor and perhaps might be dealt with, too, before we get into any substantive debate on D.

[Motion on amendment E carried]

MR. CHAIRMAN: Now, is it the pleasure of the Liberal opposition that we start with Mr. Wickman's amendments, because that's section 5 or . . . [interjections] Oh, I'm sorry. We'll move to D of the government amendments then.

MR. TAYLOR: Speaking on D in the government amendments, it just dresses up and still leaves in principle the original Bill, which I found many Albertans would question as a little bit abhorrent because definitely it's a clause that puts the preference to an official party nominated candidate at the discrimination of the independents. To me, Mr. Chairman, one of the things we're trying to approach with the Triple E Senate is caucuses by geography or by area rather than caucuses by party. What we have here is that if you are a party nominee, you can take donations up to \$30,000. However, if you are an independent -- and let's face it, that's what we'd like to have down there, some independents, whether you are a college president or a merchant chief or a native chief or an independent of any sort that doesn't want to feel they're sent down there as a mouthpiece of the party -- you're told you can collect \$1,500. Well, to allow an official party nominee to collect 20 times as much from an individual -- not total; 20 times from an individual -- seems to me sort of saying, "Well, we're up for bid here, Esso or TransAlta or whatever it is. You want to buy yourself a Senator, here's the way to do it."

I think if there's one thing we want to get across to the people of Alberta and to the people of Canada in this our very first election it is that we are not trying to manipulate the process, that whether you are an independent or whether you are selected by the party, because you think the party thinks you will obey their line in Ottawa and be their message speaker -- it should be taken out of it. I think we take away from our credibility by saying a nominee for a party can collect up to \$30,000 from as many individuals -- well, they won't get them from individuals -- from as many corporations, whereas if they're an independent, \$1,500 and that's it.

So I would like to defeat the amendment. Consequently I have moved an amendment, which comes up later on, which does the same thing as D. It's rather interesting. Whether great minds think alike for their government leader or fools seldom differ -- I don't know what it is -- we both titled our amendments the same, as with D, for \$30,000 each; mine is D: to make sure every registered candidate of a registered party or independent *is* treated the same with \$1,500. I just feel it is something that will bring a great deal of shame, and this momentous happening or change or big step forward -- if you want to call it a giant step forward -- in many ways can be besmirched and bedeviled by the fact that we're saying that if the party picks the candidate, it's \$30,000, but if a group of people picks an independent they like, it's \$1,500 each.

MR. HORSMAN: Mr. Chairman, the hon. Member for Westlock-Sturgeon is wrong. He should read the amendment. It is clear that it is intended to put independent candidates in precisely the same position as a candidate nominated by an official party. Furthermore, it goes on to provide in the amendment that "any amount contributed to the party in that calendar year under clause (a)" must be deducted from the total \$30,000 contribution limit, so it will not be possible to cover it both ways or to contribute two ways and thus give an advantage to a party endorsed candidate over an independent. The only difference between the position in this amendment and that provided for in

the Liberal amendment, which will come next, is the limit. It is precisely to deal with the concern which had been expressed outside the Assembly and in the Assembly that it may in fact have ruled out the ability of independent candidates to raise funds. We want to erase that and make it clear that independent candidates will be on precisely the same footing with regard to their ability to raise funds as any party endorsed candidate. I think on reflection the hon. Member for Westlock-Sturgeon will see that that in fact is the case.

I should just point out too that you have now had distributed the correct wording on page 3, which provides for the opportunity for contributions with respect to more than one vacancy with respect to parties endorsing candidates for those particular opportunities should they arise.

MR. TAYLOR: Back to the hon. Government House Leader. I'm sorry I did leap to that conclusion, because in my exuberance to attack the part of the original Bill, I hadn't noticed that the amendment said you were averaging up. What I want to do and I think our party wants to do is average down. We're still saying \$30,000 donations are acceptable, but who in the dickens is going to get \$30,000 donations if they're independents? They're likely to be the official party. What we'd like to do is put it at \$1,500 regardless. In other words, I do compliment the government for noticing inequity between the independent versus the official party candidate, but putting it in at a \$30,000 limit I don't think is effective. I think a \$1,500 limit is plenty for any individual or corporation to give to anyone running. I don't think I've ever seen a donation that big in all the years I've been in politics. So \$1,500 is enough. I think \$30,000 telegraphs a bad image to the public and in effect maybe even gives an invitation to the very wealthy or the servants of the very wealthy to jump into this because they know that with such a high limit they can take advantage of it.

[Motion on amendment D carried]

MR. CHAIRMAN: Now, moving on to the Liberal amendments, is it the pleasure to start with the hon. Member for Edmonton-Whitemud's amendment to section 5?

MR. WICKMAN: Thank you, Mr. Chairman. I noted your reference to it being a pleasure to deal with a Liberal member.

Mr. Chairman, the amendments are before the House, and even though they refer to different sections -- sections 5, 8, 19, 20, 29, 38, 51, and 58 -- of course they all are pertinent to the main subject and the main theme of the amendment. The main theme of the amendment is to place within the Act, place within the Bill very clearly, that elections for the Senate will not be held when municipal or local school board elections are held. Now, the concern is that when the provincial government allows for the option of holding it during the same period of time or on the exact same day the municipalities and the school boards hold their elections, it distracts from the issues that face municipalities, face districts, and face school boards. It encroaches on their turf. It encroaches on their territory and becomes very confusing to the electorate.

This very government, by changes to the School Act, made it mandatory or forced upon school boards the ward system within Edmonton and within Calgary, because by their very own words they stated that the present civic elections without the ward system as it pertained to the school boards in those two cities was

simply too confusing. This was to make it easier for the electorate. Now the very same government has come along and said: "In our opinion, we cleared up some avenue of confusion in the past, but we're going to add another avenue of confusion. When you go to vote, we're going to have you not only vote for mayor, not only vote for aldermen, not only vote for school trustees, separate school board, public school board, but at the same time vote for the person you would like to see nominated for that senatorial position or vacancy."

Mr. Chairman, it is only very recently that I understand there were meetings that took place with the Alberta Urban Municipalities Association. They stated reluctantly that they would not resist the government holding it on October 16 in this particular first go-around, but in the future they wanted guarantees, they wanted assurances, that it would not recur. Well, first of all, they did it with some real reservations. They simply didn't see the opportunity to say no, because they didn't want to hinder the relationship they may have with the provincial government. So I think they felt forced into the situation, they felt forced to comply with that request to at least allow it to occur this one time. But by the wording of the Bill, of course it doesn't prevent it from only happening that one time -- I don't even agree to having it happen on October 16 of this year -- but that option would remain there in future situations as well.

So, Mr. Chairman, I would ask members of the House to think about this very carefully: the impact it's going to have on the municipalities, the districts they represent, and the feedback that I'm sure they got from their local representatives, from their school trustees. Consider those comments very seriously, consider the comments of the Alberta Urban Municipalities Association, and support this amendment so we don't in fact create a very confusing, difficult situation for municipalities and school boards.

MR. HORSMAN: Mr. Chairman, I have reviewed the amendments proposed by the Member for Edmonton-Whitemud, and I recognize that what is inherent in those amendments is to eliminate the possibility of holding a senatorial selection this fall during the course of the municipal elections. Quite frankly, I think that would be passing up an opportunity for Albertans, the first possible opportunity to engage in this procedure. I would point out as well the significance of this in terms of timing. As we move forward -- and I'm not saying at this stage that the decision has been made, but we want the option there -- in the course of negotiations with the federal government and the other provinces on the subject of Senate reform, given the fact that Meech Lake, according to most constitutional experts at least, will not come to fruition unless ratified by the Legislative Assemblies of Manitoba and New Brunswick by June of next year, it is extremely important to maintain the momentum for senatorial reform, and this Bill, as I indicated in second reading and will repeat again now, is a very important spur towards that Senatorial reform in the broadest possible sense.

Therefore, if we do not take advantage of this first opportunity, should we decide to go that route, should we be denied the opportunity by accepting the Liberal amendments? It would force us into a position of holding a stand-alone general election for the position prior to June of next year. That could only be done with the full costs associated with holding a general election in the province. That, of course, is something we want to avoid as a possibility. It's there obviously, but certainly from many respects not desirable. I'm a little bit surprised, in view of

the Liberal Party's alleged concern for fiscal responsibility in maintaining a minimum amount of expenditure on such things as elections, that they would want to force us into that option. It surprises me, Mr. Chairman, that they would want to take that position.

The second point I want to make is that I'm convinced that intelligent, rational Albertans are going to be able to discern the difference between voting for a senatorial candidate and members of school boards, hospital boards, as in the case of Medicine Hat. Not in every municipality, but in Medicine Hat hospital boards are elected. Aldermen, mayors, plebiscites on such things as fluoridation -- there will be one in Medicine Hat, I know. It's been there every time. It's always been defeated for whatever reason. But the people of Medicine Hat have been able to go out and discern the difference between that and voting for mayor. I quite frankly don't think that is in keeping with the understanding of Albertans' abilities to discern issues.

On the other hand, certainly I've had discussions with the president of the Alberta Urban Municipalities Association. I spoke to a conference of elected municipal officials, mostly people from the smaller communities, from counties, municipal districts, and so on in Red Deer a short while ago, with several hundred in attendance. The feeling there was: go ahead; we can handle it. It's going to be exciting, challenging, an opportunity for Albertans. Certainly the AUMA has some concerns that it not become part of the normal process, and I quite agree with them that we would not want it to be the norm.

I certainly have my personal preferences. That would be to hold it in conjunction with provincial general elections. That was the thrust of the report of the select committee, which reported to the Assembly, which was unanimously endorsed twice, as I've said, both before and after the 1986 general election. That's when we want to hold this election, but obviously that is not possible to do under the current circumstances without waiting four years, perhaps almost five years from now. Another opportunity would therefore not present itself. But it should be there for the future. That's why it's contained in the legislation as another alternative.

But, Mr. Chairman, I believe that the stand-alone election, while it has some desirable features -- and if there were six vacancies, my goodness, that would be a wonderful opportunity. You know, that's still an option. Therefore, that's one of the reasons we don't want to close that off. We could have something which would not only startle Canadians as we are startling them now, but we would set them on their ear wherever they were if we had those six vacancies. Then a stand-alone election might be justified in terms of cost. But quite frankly, we want to maintain the option within the legislation. We do not want to have it cut off as an option for this fall. Therefore, I would urge hon. members to defeat this series of amendments proposed, I'm sure with all good intent, by the Member for Edmonton-Whitemud in terms of concern for municipal politicians. He, having been one, and his colleagues sitting there on the front bench, all experienced Edmonton municipal politicians, really know that the voters of Edmonton and Alberta are quite capable of discerning the difference and, quite frankly, are able to make that choice when they go to the polls in record numbers. If that is the option that is chosen, I'm sure we will have a record turnout across Alberta. It will be exciting and challenging, and I'm sure municipal politicians associated with the election on the same day will enjoy the benefit of having more people voting for them than in the past.

MR. DECORE: Mr. Chairman, I rise in support of this amendment. I don't think the hon. minister should confuse the issue of financial or fiscal responsibility and this particular issue. Financial or fiscal irresponsibility, as you've demonstrated through your government, is clear, and that's in the operation of the departments, the programs, the various aspects of government in the last few years.

Mr. Chairman, we're talking here about an issue that involves a level of government that almost always has less than 50 percent of its voters turning out to vote. Some might argue that this would give an added impetus for people to come out, but I think what it does is take away from the local issues. I don't think there's the same kind of ability to transfer over issues as you could during a provincial election in watching, listening to people who wish to become a Senator speaking to provincial issues, or the same at the time of a federal election. But when you're talking about issues regarding school boards -- and I note that in Edmonton alone almost half the tax requirements now are being requisitioned by school boards. School boards are having difficulty getting people out to meetings to debate, to discuss, to consider important matters affecting very many millions of dollars. I suggest, Mr. Chairman, to the hon. minister that you can't have that easy flow from a school board or from a municipal election that you have from a provincial to a senatorial or a federal to a senatorial. So yes, it is going to cost some money to have this stand-alone election, but democracy is expensive, and I think that to make the point, we have to take this step. As my hon. colleague from Edmonton-Whitemud has quite correctly noted, this still allows the government to call the senatorial elections during the provincial or federal elections.

[Mr. Jonson in the Chair]

Mr. Chairman, it is true, in noting the comments made by the hon. minister, that some of us have had a lot of experience at local government. I wouldn't want to detract, to take away, to in any way diminish the importance of local government for Albertans. Yes, they do have the ability to discern between issues X and Y, but all you're doing is putting much too great a focus on one end of the election and not enough on a very important other end. So I ask the members of this Assembly to support the amendment.

MR. DEPUTY CHAIRMAN: The hon. Member for Edmonton-Highlands.

MS BARRETT: Thank you, Mr. Chairman. I, too, speak in support of this amendment, not that I think it's going to fix the whole charade here. If we were going to be able to get an election that was genuinely an election and not a selection and not "Maybe somebody will get appointed and you still have to provide a list" -- all those problems notwithstanding, the fact of the matter is that if you have this election for a nomination for appointment to the Senate on the same day that you have civic elections, you will inevitably drive up the cost to the candidates running in the civic elections. That's my gravest concern.

The minister is probably right; there'll probably be a higher turnout than ever before for a civic election, unless it was one that was attached to a particular plebiscite, for instance. That's not the point. The point is that individual candidates running for city council, for school board, for hospital boards where they're elected, and for mayor or reeve will see the costs of their cam-

paigns forced up as a result of the competition brought in by a more high-powered, high-level campaign that itself will grant tax benefits to contributors, while the municipal elections cannot. That is the fundamental injustice here. That is why the stand-alone campaign or one attached to a political campaign that recognizes tax benefits for contributions to that campaign is the fair way to go, not attaching it to a civic election campaign which will only force the cost of running those civic campaigns -- that is, the individual campaigns -- up. For that reason alone, Mr. Chairman, I encourage the minister to support this amendment.

MR. DEPUTY CHAIRMAN: The Member for Rocky Mountain House.

MR. LUND: Thank you, Mr. Chairman. I rise in opposition to this amendment. I, too, was a municipal politician for quite some time. I don't agree at all with the red herring that was just thrown at us. I don't believe for one minute that it's going to increase the cost for the municipal politician. I have spoken to many of the rural people, rural politicians: school board, hospital board, and council. They have indicated to me that certainly they don't see a problem with it. The turnout is probably going to be greater. It's going to create more interest. They're going to have an even greater audience to get their points across. We've heard from the AUMA. While they don't want to see it on a continuous basis, they certainly can live with it for this first time.

Mr. Chairman, I think we really lose a great opportunity if we don't go ahead with this. We've got to keep this momentum moving. Just imagine the impact that our first elected Senator is going to have when he stands up in that old Chamber and rattles the bones that are in there. I think it's a great opportunity, and we must defeat this amendment and get on with this.

MR. DEPUTY CHAIRMAN: The Member for Edmonton-Gold Bar.

MRS. HEWES: Thank you, Mr. Chairman. I speak, of course, in favour of this amendment, this very necessary amendment. Admittedly the government's own comments about this Bill tell us that in fact this is historic. We are attempting to change the face of our nation, change how governments will be elected and how regions of this country will change the level of influence they'll have in developing legislation for our nation. As a result of that, the eyes of Canada are going to be upon us in this first election. We are going to be watched from every corner of this nation, watched very carefully to see what the outcome is. We are, in fact, making an intervention that is of an historic nature.

Mr. Chairman, I feel very strongly that if we are going to do this, we must do it in the right sense, we must give it the dignity and the elevation, the dimension of significance to the country that it deserves. We mustn't allow it to be in any way diminished or weakened by piggybacking on another election. I think that would be a mistake and would somehow not give the significance and importance to the election for a nominee for the Senate that we want it to have.

Mr. Chairman, of course the issues are very different. Certainly electors are sophisticated; certainly they can differentiate. But in a municipal election, where the issues are of immense importance to individuals, why should we crowd those issues with those of a very different character, those of significance

across the nation and across the province? I think it would be a great mistake. When we have had two or three decades of experience with electing Senators, then things will be different, but this is the first time. I submit that we must get it right, because Canadians are watching.

Next year, I suggest, there will likely be two vacancies. Next year we will be able, with care, to conduct an election separate from all other elections, for two Senators. This could be the event of the decade and could give the leadership to all other provinces. But we can't do it if we simply attempt to piggyback through a municipal election, weakening both systems in so doing.

Mr. Chairman, I would hope that all members will see the sense of this and will vote for the amendment.

MR. FOX: Mr. Chairman, I'm pleased to speak on this debate, especially given the fact that my good friend from Edmonton-Gold Bar seems to think that this election to choose a Senate nominee would be one of the most important events of the decade. I fail to see the relevance, quite frankly, of us spending a lot of time and money and putting a lot of effort into choosing someone who would appear on a list that may or may not be ignored by Brian Mulroney, to be perhaps eventually appointed to an all but irrelevant institution.

I am pleased to speak on the motion anyway and especially to take note of the interest Albertans are taking -- the galleries are filled all around us -- taking note of this important historic debate.

I do have a couple of points I'd like to make. The Deputy Premier and his government, I understand, have agreed to pay in part the costs associated with this election, and I suspect it was that commitment that brought the AUMA and the AAMDC on board. There was considerable objection expressed by these groups representing the various municipal governments around the province to the idea of piggybacking the senatorial selection with their municipal elections. Those objections seem to be diffused somewhat, and I suspect it was the government's commitment to, as I understand, fund by half the costs of most elections, and in jurisdictions where there was no election taking place, they'll fund in full the costs of those elections.

Now, that's fine, I suppose, and that's a bit of a concession or a bit of a sop to the municipal governments to bring them on board and make them feel warm and fuzzy about the senatorial selection process. But I would like to take note, Mr. Chairman, that this amount of money -- and I'm not sure what will be spent, \$3 million or \$4 million or whatever -- that will be given to the municipalities to help with the costs of this October's election is very close in dollar terms to the amount of money they took away from municipalities by reducing the CRC grants from \$10 per capita to \$8 per capita. I object to that, because I think there was a commitment made by the government and the former Minister of Recreation and Parks, by letter, to all the municipalities telling them to base their CRC program commitments to the groups in their areas on \$10 per capita. That commitment was broken by the new minister.

MR. DEPUTY CHAIRMAN: Perhaps you could come back to the amendment.

MR. FOX: Well, I'm pointing out that this is where they're getting the money from, Mr. Chairman, and I think it's an underhanded sort of process to on the one hand deny funding to many

worthwhile volunteer groups in the province so they can fund an all but irrelevant process to choose Marvin Moore to be the Senator from Alberta, that may or may not make it on to Brian Mulroney's list. I think there's a little bit of hanky-panky going on there, and I don't like it.

MR. DEPUTY CHAIRMAN: Member for Calgary-Mountain View.

MR. HAWKESWORTH: Thank you, Mr. Chairman.

It still mystifies me where this Bill has gone into some depth to determine a process of carrying out this selection process in conjunction with municipal elections in the province, yet as I read the Bill, no avenue is provided whereby in an equivalent way this selection process could take place during a federal election. After all, I mean this Senate reform -- we're talking at least about a federal institution, that being the Senate. We're not talking about a municipal institution; it's a federal institution. There would be all the more compelling reasons and arguments to at least provide an avenue for the conduct of a Senate election during a federal election, but for some reason that is not known to me, the drafters of this Bill make no reference to creating an avenue whereby the selection can take place during a federal election.

At the same time, they want us to adopt or consider it essential that there be an avenue inside this Bill to allow this selection to take place during the municipal elections. Well, if we can do without a Senate selection process in a federal election, why can't we do perfectly well without a Senate selection process during municipal elections? If we can do without it for a federal election, when we're talking about federal issues and where the Senate is a federal institution, if we can do without it in those circumstances, Mr. Chairman, all the more reason why we could do without it during a municipal election, when the issues facing municipal electors are far and away removed from the federal scene or from the scene of the federal Senate. If we could do it without one, why can't we do it without the other?

Well, I think we can do without it, and it would make good sense not to confuse municipal elections with Senate selections. And if we could do it without the one, then obviously we don't need it, and we can do fine without confusing it with the municipal election.

MR. DEPUTY CHAIRMAN: Member for Edmonton-Jasper Place.

MR. McINNIS: Thank you, Mr. Chairman. I noted that the Deputy Premier suggested in his comments against this Bill that he was thinking about moving to a stand-alone election procedure at some other point in time. There isn't any election process on the table here. Nobody gets elected under this particular Bill. At the very most what we have is an advisory plebiscite upon which a list will be constructed and sent to the Prime Minister. I don't think there's anywhere outside of Uganda where they in fact elect people for life. I know Idi Amin Dada claimed he was either president or field marshal or both for life. But this is an election process.

An election is where the citizens have the right to choose somebody to occupy an office for a fixed period of time. What we have here is some type of plebiscite or an advisory ballot in which people express an opinion about who they would like this government to nominate to another level of government, to be

chosen to sit for life at a body which has outlived its usefulness or what usefulness it had. So I still don't understand why the Liberals are supporting this legislation after speaking against it -- some of them eloquently -- in second reading, but I think the record should show that we're not electing anybody through this process.

MR. DEPUTY CHAIRMAN: I would put the question.

MR. WICKMAN: Don't I get the opportunity to wrap up? I had indicated to the previous Chairman that I wished to speak again.

MR. DEPUTY CHAIRMAN: Just for clarification, in committee there is no formal right to conclude, but any member can speak as often as they wish to, so please proceed.

MR. WICKMAN: Thank you, Mr. Chairman. Then I guess in informal conclusion I just wish to touch on a couple of points.

The minister's remarks were very disturbing to me in that I was under the impression earlier on in the process that virtual guarantees had been given to municipalities that if they went along with this little financial arrangement and if they went along and did not resist too deeply the October 10, 1989, election coinciding, that scenario would never reoccur again. But now from the comments I heard the minister make -- I have to admit my hearing is not the best in this large room; I may have heard it wrong -- it's his intent to leave that option in there, not only for 1989 but leave it in for next year, the year after, whenever the occasion may arise; the municipalities in fact cannot sit back and say that after 1989 they may never have to fear this possibility happening again.

Mr. Chairman, the hon. member that made reference to getting support from some of his constituents, from school boards -- I can't refer to the hospital boards because even though in some of the rural areas the elections do overlap and it is some of the same people . . . Nevertheless, the elected representatives at the local level that I have spoken to -- even the mayor of the city of Edmonton made it very, very clear that he was not in support of the two elections being held on the same date. So I'm not sure where that information is coming from that there isn't that objection, that there is some support, that the municipalities would welcome it.

I've heard time and time and time at the various conventions of the Alberta Urban Municipalities Association the theme of partnership, of the province working with the municipalities, the province working with the school boards. Well, I would say that under this particular Bill they're not working as a partnership; they're working against those very same bodies. I would really ask that the minister and his colleagues reconsider what they brought forward and look at this amendment.

I'm happy to see that the New Democrats are going to support this amendment. I'm happy that they're showing their respect towards the municipalities, towards the school boards, but it is apparent to me that they've locked into a position with their federal counterparts and they're going to oppose the Bill for that particular reason and deprive Albertans of the opportunity of participating in this process.

However, Mr. Chairman, I must say by my own point of view that if amendments that will make this a fair Bill are not approved, I'm going to have to reassess my position on this Bill when it comes to the final vote, although my position, if I do

oppose it on the final vote, would not be because of any locked in scenario we may have with our federal counterparts; it would be because this government is not prepared to accept the amendments that make this a fair piece of legislation, that make it a fair Bill. I can say without any hesitation that if these amendments that are proposed are passed by this House, I will support this Bill without any question.

MR. DEPUTY CHAIRMAN: Are you ready for amendments A to F as proposed by the hon. Member for Edmonton-Whitemud?

HON. MEMBERS: Question.

MR. DEPUTY CHAIRMAN: All those in favour, please say aye.

SOME HON. MEMBERS: Aye.

MR. DEPUTY CHAIRMAN: Those opposed, please say no.

SOME HON. MEMBERS: No.

MR. DEPUTY CHAIRMAN: The amendment is defeated.

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

[Eight minutes having elapsed, the House divided]

For the motion:

Barrett	Gibeault	Mjolsness
Bruseker	Hawkesworth	Pashak
Decore	Hewes	Roberts
Doyle	Laing, M.	Taylor
Ewasiuk	McEachern	Wickman
Fox	McInnis	Wright
Gagnon	Mitchell	

Against the motion:

Adair	Dinning	Nelson
Ady	Drobot	Orman
Anderson	Elliott	Paszkowski
Betkowski	Evans	Payne

Black	Fischer	Severtson
Bogle	Fjordbotten	Stewart
Bradley	Horsman	Tannas
Brassard	Hyland	Thurber
Calahasen	Johnston	Trynchy
Cardinal	Lund	Weiss
Cherry	McCoy	Zaruský
Day	Moore	

Totals:	Ayes -- 20	Noes -- 35
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[Motion on amendment lost]

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

[Motion carried]

[Mr. Speaker in the Chair]

MR. JONSON: Mr. Speaker, the Committee of the Whole has had under consideration and reports the following: Bill 9, Bill 223. The committee reports Bill 6 with some amendments and reports progress on Bill 11.

MR. SPEAKER: Having heard the report, does the Assembly concur?

HON. MEMBERS: Agreed.

MR. SPEAKER: Opposed? Carried.

MR. STEWART: Mr. Speaker, I move that when the members assemble this evening, they do so in Committee of Supply.

MR. SPEAKER: Those in favour of the motion, please say aye.

HON. MEMBERS: Aye.

MR. SPEAKER: Motion carries.

[The House recessed at 5:30 p.m.]