Legislative Assembly of Alberta

Title: **Monday, June 25, 1990 8:00 p.m.**

Date: 90/06/25

[The House resumed at 8 p.m.]

[Mr. Deputy Speaker in the Chair]

Moved by Mr. Horsman:
That Mr. Speaker do now leave the Chair and the members resolve themselves into Committee of the Whole for consideration of certain Bills on the Order Paper.
Moved by Mr. Hyland:
That this question be now put.

MR. DEPUTY SPEAKER: Order please. When we adjourned at 5:30 the hon. members for Vegreville and Calgary-Mountain View seemed to be indicating that this procedural matter could come to a conclusion. Is that the will of the House?

SOME HON. MEMBERS: Question.

[Motion carried]

MR. DEPUTY SPEAKER: On the motion of the Government House Leader that the Assembly resolve itself into Committee of the Whole.

[Motion carried]

head: Government Bills and Orders
Committee of the Whole

[Mr. Schumacher in the Chair]

Bill 32
Irrigation Amendment Act, 1990

MR. CHAIRMAN: There is a government amendment that has been proposed. Are there any other comments or amendments with regard to this Bill?
The hon. Member for Bow Valley.

MR. MUSGROVE: Mr. Chairman, we have some amendments to Bill 32, and they are:

A. Section 3 is amended in the proposed section 44.1 by adding the following after subsection (5):

(5 . 1) Where a board incorporates a company or association under subsection (4), another board may,

(a) on application to and with approval of the Minister, and

(b) with the consent of the board incorporating the company or association,

do one or more of the activities referred to in subsection 4(b) to (e).

Mr. Chairman, this relates to the generation of electricity. Where some irrigation districts do not have a canal that is capable of generating electricity, it will allow them to contract with another irrigation district to generate electricity in their canal.

B. Section 6 is amended

(a) by adding the following immediately after the proposed section 181.1:

181.01 This Part does not apply to matters arising under Part 4 or 6.

In those cases, under the appeal tribunal, it will not allow hearings in two areas. One of them is with the land compensation board where land is affected, and the other one is under the Assessment Appeal Board, which already handles those types of appeals.

(b) in the proposed section 181.4 by adding the following after clause (b):

(b.1) the parties to the appeal are

(i) the appellant, and

(ii) the board, unless the board in writing advises the Appeal Tribunal that it does not wish to be a party to the appeal.

Mr. Chairman, these are just amendments for clarification to Bill 32, and I would move their acceptance.

MR. CHAIRMAN: Are there any comments or questions with regard to Bill 32?
The hon. Member for Westlock-Sturgeon.

MR. TAYLOR: This question is to the hon. member. I don't know whether it attaches to the amendment or whether it's to the main body; I wasn't quite able to follow 181. He may have answered a problem I had. It was the case of the appeal tribunal: the water user can take a case to the appeal tribunal when he does not agree with the review carried out by a board or when a board declines to conduct a review.

It seems to me that it's important that the appeal tribunal should be independent of the board. Is this what this amendment does? I wasn't able to follow you along. Does it make it more independent? Because that's what I'd like to see.

MR. MUSGROVE: No. The changes in subsections 4 and 6 are where there are now appeal processes set up for water users in that they can now appeal to the land conservation board to be compensated for damage to a canal in the way of acid or alkali. That's already set up, so that won't be substituted by the appeal tribunal. The other one is that they can already and have always been able to appeal their assessment as far as acres under water is concerned, and that won't be repeated by the appeal tribunal. So those two are already in place, and it won't change it so they go to the appeal tribunal; they will still go through the appeal process that's already in place.

MR. TAYLOR: Just further to it, Mr. Chairman. Would you take it, then, that when an appeal tribunal refers a matter back to the board, the board has to do what the appeal tribunal says, or is it just information? Can they ignore it, or do they have to accept it?

MR. MUSGROVE: The appeal tribunal is a process that a water user has, whereas a policy or decision made by an irrigation district: the water user has a right of appeal. Now, obviously, he's already taken it to the irrigation district board. It is quite likely that it would be referred to the Irrigation Council of Alberta, and at that point, if he's not satisfied, he goes to the appeal tribunal, and their decision then is binding.

MR. TAYLOR: I'm sorry, Mr. Chairman; there's where I'm having trouble. After the appeal tribunal has handed down a decision, which may be in favour of a water user or the board – it may be a compromise – is that a final decision? I had the impression that the appeal tribunal just recommends it back to the board. The board could still say, "To hell with it," and force it. They have to accept the appeal tribunal's decision? That's what I wanted . . . I see. Good.

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

MR. McINNIS: Thank you, Mr. Chairman. I have some problems with the amendment, but in part they're related to the structure of part 6.1, the appeals process. As I understand it, we're setting up an appeal mechanism for water users who are unhappy with their allocation, who want to have that changed. The amendment states that "the parties to the appeal are (i) the appellant, and (ii) the board," and that's it. Well, it seems to me that quite a few other parties may have an interest in the outcome of such a process; for example, other water users on the river or, for that matter, those who have the interests of the river itself. How is the river represented in this proceeding if the parties to the appeal are simply the appellant and the board? It's almost as if what takes place takes place between those parties, the board and the appellant, whereas it seems to me that there would be other water users and there would be those who might, for example, want to speak to the issue of, let's say, fish habitat, for example.

Suppose we're dealing with the critical water situation in a river like, for example, the Highwood River, just to take one out of thin air somewhere. If we're dealing with an appeal situation on a water allocation decision, there may be the in-stream needs to be considered as well, and I wonder if perhaps there wouldn't be some way to allow other parties to be represented in the appeal process other than simply the appellant and the board.

MR. MUSGROVE: The amendment is only a clarification. Some of the district boards were concerned that in the Bill they were not necessarily a part of the hearing, so the amendment in 181.4 is only a clarification that the board may be a part of the hearing. In section 181.4:

> For the purposes of an appeal before the Appeal Tribunal the following applies:
>
> (a) a notice of appeal shall set forth
>
> (i) the particulars of the matter being appealed,
>
> (ii) the name and address of the party applying to have the appeal, and
>
> (iii) the name of the board that made the by-law, resolution, direction or decision that is the subject of the appeal.

Now, it doesn't mean that someone that is concerned about the use of the river or something cannot launch an appeal. It's not necessarily restricted to a person that is affected by a bylaw resolution of the board.

MR. McINNIS: I appreciate the answer. That does help to some extent. It clarifies it. Lots of different people can qualify as appellants, but can other parties be represented in an appeal? I appreciate the purpose of this was to satisfy the boards that they would be a party to the appeal. That wasn't clear. But it's still not clear to me that other interested parties with a demonstrated interest might also be parties to the appeal, and if you're going to go so far as to clarify that, it seems to me you should clarify that a person who is not an appellant and not a board could also be a party to the appeal. Yes?

MR. CHAIRMAN: The hon. Member for Westlock-Sturgeon.

MR. TAYLOR: I'm sorry, but was the hon. member getting ready to answer this hon. member's question first?

MR. CHAIRMAN: Well, hon. member, he may be able to make a listing.

MR. TAYLOR: Okay. I see. More than one.

Mr. Chairman, I'm having a little trouble with section 193 also. Apparently, the government would like to amend that so they can make decisions that the Act "does not need to be approved pursuant to the Water Resources Act or [even] filed under the Water Resources Act before it comes into force." It seems to me that this gives startlingly sweeping powers to the council, which has to approve bylaws. If you go back all the way to section 53(5.1), the bylaws that could be made by the board – you take that in conjunction with 193, and I think you give a tremendous amount of power to the council, so much so, in fact, that they might even be able to export water, bottled or not.

How would the minister answer the argument – or let's change it around a bit, Mr. Chairman. Why would you feel that the council had to have so much authority that they could ignore the Water Resources Act, that they don't have to be subject to it?

MR. CHAIRMAN: The hon. Member for Vegreville was wanting to . . .

MR. FOX: I'd be interested in hearing the member's response.

MR. CHAIRMAN: Okay. The hon. Member for Bow Valley.

MR. MUSGROVE: In answer to the first question, where it was asked who could be a part of the appeal, as I read the Act, the appellant has a right to a hearing. There's no limit on the amount of appeals that can be made on an issue, but the appellant and the board are part of that appeal.

As far as the question is concerned about the strength of the Irrigation Council in setting out charges for water, that has generally been the rule over time, where they are the people that set out the charges over water. There have been a couple of cases where this has been changed – it's an old part of the Act; it's just clearing it up – that they do have the right that they've been performing. There's one particular case that's being legally challenged right now, and of course section 2 of that is saying that we don't want to affect that court case.

MR. TAYLOR: I'm trying not to belabour the point, but it says quite clearly that domestic water charges made by the council do not need to be approved by the Water Resources Act. Well, I would think that the whole point of the Water Resources Act is the conservation of water and whether it can be exported or used for other domestic uses. It says "irrigation rate," agreed; "tariff of charges," agreed; "rate, fee," agreed. But why should "domestic water charge" not be subject to approval of the Water Resources Act? "Domestic" to me means drinking, flushing, and washing, not irrigating. Isn't that right? If that's so, why isn't it subject to the Water Resources Act?

MR. CHAIRMAN: The hon. Associate Minister of Agriculture.

MRS. McCLELLAN: Mr. Chairman, I'd be happy to try and add some clarification. This is only for water used within an irrigation district under the jurisdiction of an irrigation district. The Irrigation Council traditionally does set the water rates for the use of irrigation water, and the reason it says "domestic" is because there are some cases, as you know, where domestic water is drawn. So it's simply within, and that is the only section. All of the other sections in the Act are pursuant to the Water Resources Act. So it's water that is within the control of the district only that is dealt with on that.

I should just clarify for the Member for Edmonton-Jasper Place on the appeal section. There's a fairly lengthy appeal section in the Act presently. There was a feeling that there was a lack of opportunity for the water user to appeal a decision made by the board, and that would simply be within the constraints of the irrigation district board on the handling of that water. So that appeal section deals strictly with appeals for the water user, so they have an opportunity to appeal. The rest of the appeals are handled under other sections in the main Act.

MR. McINNIS: I thank the minister for the clarification. It does seem, though, that it's possible that other water users within that irrigation district might have information or an interest which is relevant to an appeal; for example, there may be a reason that the board has for refusing to make a certain allocation because the water's required for some other purpose. If it's strictly within, shouldn't it be possible to make other water users parties to the appeal as well, or can they be heard in some other way? Maybe I'm not understanding.

MRS. McCLELLAN: I think the only reason there was a clarification is because other persons and other parties are named, but the board was not. So it's simply a clarification that the board also has the opportunity. There was a feeling that the board had that right, but to make it perfectly clear, we introduced the amendment.

[Motion on amendments carried]

MR. CHAIRMAN: As to title and preamble are you agreed?

SOME HON. MEMBERS: Agreed.

MR. CHAIRMAN: Opposed?

Oh, I'm sorry. The hon. Member for Vegreville. [interjections]

MR. FOX: Now, don't rush the chairman. There is debate on the Bill as amended, if I'm not mistaken.

Mr. Chairman, I just would like to ask the sponsoring member some questions as it relates to the process of the appeal tribunal. I gather that this is something new that's being established, and there's been some controversy generated by the establishment of said tribunal, some concern expressed by members of the irrigation districts wondering how this is going to juxtapose with their traditional areas of jurisdiction.

MR. TAYLOR: Watch your language.

MR. FOX: Jurisdiction?

MR. TAYLOR: No, juxtaposition.

MR. FOX: Juxtaposition. I read that in the *Kama Sutra,* Member for Westlock-Sturgeon.

Anyway, in terms of the process of the appeal tribunal, before I can feel comfortable voting for the Bill, Mr. Chairman, I think I would need to know a little bit more about how the member envisions this process working. We see from the Bill that the appeal tribunal is going to be established with a chairman and not more than four other persons appointed by the minister, two of whom are members of the council. On what basis is the minister going to appoint – I'm not sure if it's the minister or the associate minister that will appoint those persons, but I'd like to know on what basis they're going to be appointed. Is it going to be based on a person's experience and expertise in irrigation matters, and will that experience lend itself to service on the appeal tribunal, or will it be, as so many other things are with respect to government appointment, based on long-service awards?

As well, the sponsoring member or the minister responsible might tell us a little bit about the process of an appeal. I noticed that under section 181.4(c) "an appeal shall be heard and a decision made within 60 days from the day that the Appeal Tribunal received the notice of appeal." You know, I appreciate the fact that that sets some firm guidelines in terms of the process of the tribunal. Is it anticipated, based on the kinds of things that might come before that tribunal, that that's a reasonable amount of time? I think, you know, just in terms of the process of the tribunal, it's good that there is a tribunal. I just want to be satisfied for myself that we're doing the right things in terms of prescribing guidelines and composition of that panel, and I'd appreciate comments from sponsoring member.

MR. CHAIRMAN: The hon. Member for Bow Valley.

MR. MUSGROVE: Thank you, Mr. Chairman. The appeal tribunal, as the member said, will be made up of five people: one shall be the chairman, two shall be from the Irrigation Council of Alberta, and two other members. Now, the appointments from the Irrigation Council will be people that have had some irrigation experience because the people who sit on the Irrigation Council have had a certain amount of experience and knowledge of how an irrigation district operates. The chairman could be anyone, but could possibly be a retired judge who has had some experience in a quasi-judicial authority. The other two members: it would have to be someone who has had some experience and knowledge of irrigation districts and how they operate. The possibility is that they can have an appeal with three members, and one of those has to be the chairman and the other one has to be one of the members from the Irrigation Council.

They have a quasi-judicial authority *so* that they can ask for things to be presented as evidence and they will be able to swear in people if necessary. The conclusion of the tribunal will be final and binding on both. It was felt that there needed to be two people from the Irrigation Council because they now act as an appeal body to irrigation districts but don't have the authority or the legal immunity to enforce the way they see things being settled.

I'm not sure that that answered all the questions, but that's the way I see the appeal tribunal working. Maybe the minister would like to add to it.

SOME HON. MEMBERS: Question.

[The sections of Bill 32 as amended agreed to]

[Title and preamble agreed to]

MR. MUSGROVE: Mr. Chairman, I would move that Bill 32 as amended be reported.

[Motion carried]

Bill 34
Metis Settlements Land Protection Act

MR. CHAIRMAN: The hon. Member for Athabasca-Lac La Biche.

MR. CARDINAL: Thank you, Mr. Chairman. I would like to take a moment to briefly revisit the basic principles that underlie the Metis Settlements Land Protection Act. Bill 34 provides the framework under which the Metis settlements will secure a land base in Alberta. This security is found in the principle of territorial integrity, a principle whereby the Metis settlements gain ownership of all the lands within the boundaries of the settlements while the province retains jurisdiction over the land. Of equal importance are the principles that protect existing third party interests, prohibit the use of land as security, provide for the obtaining of interest less than the fee simple, and provide for alienation of the land only with the consent of the Crown, the general council, and a majority of the settlement members from the settlement concerned.

Now, Mr. Chairman, I would be pleased to entertain any questions regarding this Act. Thank you.

MR. CHAIRMAN: The Member for Calgary-Mountain View has an amendment to propose.

MR. HAWKESWORTH: Thank you, Mr. Chairman. Yes, if I could have it distributed and make some opening comments, then I'll come to the amendment, Mr. Chairman.

I agree with the comments made by the mover in making reference to this particular Bill to protect the Metis settlements land. I think it's interesting to note, Mr. Chairman, that basically once this land has been granted to the Metis settlements – or perhaps "granted" is not the right term – once this Bill has gone through confirming the ownership of the land with the Metis settlements, there are four conditions that would have to be met if any of that land were to be given up. It would require the approval of the Crown, the general council of all the Metis settlements, the majority of all the settlement members for that settlement in which that parcel is to be given up, and then on top of that, a majority of all the settlement members of all the Metis settlements within the province.

So I think that some excellent work has been provided here in terms of ensuring that once land has been confirmed in the ownership of the Metis settlements, only a great effort and unanimity would provide for the loss of any of that land, whether it be a parcel or a settlement or a portion of a settlement. I think that is probably as good a guarantee for the future as any that once this ownership has been affirmed by the Metis settlements, it's going to remain in their ownership.

Now, one also could assume from that that the land would be basically frozen, and that's not quite what's involved here. One has to also consider the provisions of Bill 35, Mr. Chairman, in which an alternative land registration system is going to be established and administered by the province so that that will allow for people to register interests in the land and licences of occupation and so on.

What comes to my attention, Mr. Chairman, in reading through this particular Bill in front of us, is section 6, which has to do with the acquisition of less than fee simple interest in land on Metis settlements. It provides for conditions in which a dispute might arise, and then lays out sort of what is to happen in the event a disagreement arises. And there are a number of conditions itemized there under section 6(2). What it does, Mr. Chairman, is then indicate that if it cannot be

> resolved in a manner determined by agreement between the Crown or the person requiring the interest and the General Council and any other person having an interest in the land affected by the proposed acquisition,

then the Act requires the matter to be

> determined by the Court of Queen's Bench.

Now, I thought for the sake of, I guess, clarification, Mr. Chairman, that one should make some reference to the Expropriation Act for Alberta, which lays out the process and so on and the principles by which fair compensation is determined. Some might argue that that would likely be the route taken by the Court of Queen's Bench in any event, and that may well be the case, but I think it would just clarify the intent of section 6 if that were to be added. So you can see that amendment B, which is presently being circulated to all members of the Assembly, suggests amending that subsection (2) by adding the words "in accordance with provisions of the Expropriation Act" after the words "Court of Queen's Bench."

The other thing, Mr. Chairman – and I guess in a way my opening comments were a bit intentional by using the term "granting." That is the word that's presently found in the wording under section 3.

> The letters patent granting patented land to the General Council may not be filed or registered under the Land Titles Act.

I'm making the motion as an amendment, Mr. Chairman, that the words "letters patent vesting" be substituted. I think it's important, I guess, as a concept that it's not a matter necessarily of the province simply granting something, but it's ensuring that lands are vested with a group of people. I think that's a subtle concept, a subtle difference in ensuring that it's not seen as granting something for giving up something.

I'm thinking here to the future, Mr. Chairman. First of all, the intent of the original Metis settlements was to provide a land base for Metis people. The way the province went about doing that is unique, although other provinces such as Manitoba are presently in the process of litigation over the form that land was provided to Metis people in that province. So Alberta is not unique in some sense, but certainly the concept, the way that land was provided, has been different than any other province in Canada.

I'm hoping that at some time in the future this Bill is not seen as somehow erasing or eradicating or eliminating some right that the Metis people have by granting something. It sounds as if it's all sort of a benevolent act that the Legislature is engaging in at this time. I don't think any of us in this Assembly on any side of the House believe that it's out of benevolence that this is being done. It's a way of ensuring that this land, which has been in the ownership and the use of the Metis people in Alberta for generations, is confirmed as being their land and that it's more an art of justice than benevolence in doing so. I think that by changing the words from "granting" to "vesting," it acknowledges that there is a right which presently flows to the people on those settlements, that comes from history, that comes from their occupation of that land, that comes from aboriginal rights, I guess would be the only term that I could think of as being the appropriate one.

I think it's also important that in ensuring that at some point in the future, if aboriginal rights for Metis people in Alberta and in Canada come to be defined as including subsurface rights, there's nothing in the legislation we're taking through the House that would preclude them from gaining those subsurface rights at some time in the future. I think that by using the term "vesting," Mr. Chairman, that concept is intended to strengthen that possibility.

Again I come back to the word "granting." Mr. Chairman, it emphasizes the importance of the agreement that has been negotiated between the government and the Metis settlements federation, and that's good. It's a deal that's been agreed to, the work over many years, and it is understood that the province of

Alberta gives up something but also gets something back from the Metis people. I think that concept of giving and getting is perhaps not quite the concept that I would like to see here. The concept I'd like to see is that the government, in recognizing the lawful and legitimate aspirations of people living on the Metis settlements, have reached an accord with those people and as a result of that accord and that agreement have confirmed or vested with those occupants the ownership and the use of that land into the decades, the generations, and the centuries ahead.

Whereas if you use the term "granting," it sounds like people have given up a right, have dissolved a right, or have given up a claim to a right in exchange for this land. That may not be the intention of the government in any event, and if that's not the intention, I think it's important that they say so at this time during the committee hearing of this Bill. I think it would strengthen the legislation to use the term "vesting" as opposed to the term "granting" of letters patent.

I think those are the key remarks I wish to make, Mr. Chairman. As I say, the important point is to strengthen the concept of what the Legislature is doing at the current time and, secondly, is more an administrative question; that is, to add a proviso that would allow the Court of Queen's Bench to review the Expropriation Act and be guided by the provisions of the Expropriation Act if they're ever called upon to arbitrate a dispute brought to them under section 6(2).

MR. CHAIRMAN: Are there any further comments on the amendments proposed by the hon. Member for Calgary-Mountain View?

The hon. Member for Athabasca-Lac La Biche.

MR. CARDINAL: Mr. Chairman, I would have to speak against the amendments for a couple of reasons. I'm sure the Member for Calgary-Mountain View has very good intentions in his amendments. But for once the Metis people of Alberta had an opportunity to take part in developing a process that would see them own land and have a process towards self-sufficiency. It's not a deal that was made in a matter of a short period of time. It's a process that's been ongoing for years with detailed study and reviews by all Alberta Metis but specifically the Metis on the eight settlements. For once they sat down and agreed fully with the province to lay out these transitional agreements, all the four Bills in fact.

Again, regardless of how good the intentions are, I think I wouldn't agree to make changes. That's been some of the problem in the past I think. When you're dealing with native issues and Metis issues, it's most of the time been the good intentions of the nonnative deciding how things should happen for the native people. Now, the Metis people on the settlements that designed these Bills jointly with the province used lawyers. They held public hearings on their own settlements. They consulted with other Metis leaders and agreed on a process. Again, if we make even minor changes, I think we would be insulting the Metis people on the settlements.

Therefore, Mr. Chairman, I would suggest that we consider this again and vote against the amendment at this time. Thank you.

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

MR. McEACHERN: Yes, thank you, Mr. Chairman. I listened to the arguments of my colleague for Calgary-Mountain View and the Member for Athabasca-Lac La Biche very carefully, and I don't quite understand the reasoning of the Member for Athabasca-Lac La Biche. To a certain extent I do: the idea that, you know, this has been worked out over a long period of time and changes could cause some problem. Certainly if I were him, I wouldn't want to make too many changes if the Metis on the whole have accepted this. But the suggested amendment is a very innocuous one yet has a very subtle and important connotation that I think the Metis people would be only too happy to accept.

Now, if the Member for Athabasca-Lac La Biche is really concerned that they might not be, that there might be something there that they don't like, he could certainly adjourn debate on this Bill and bring it back another time and give some of the people a call to see what their reaction would be, because not only are the intentions of the Member for Calgary-Mountain View good and honest ones, but I think he's hit on a very important point here. The word "granting" does have some connotations of: we are going to grant you this; we are going to give you something. In fact the settlement, I gather, and these Bills were worked out between two people that had some interest and some claims – that is, the government and the Metis peoples – who sat down and worked out that this is what they would agree to for the time being and that there may be future negotiations for changes, as there always are in our society.

The word "granting" does have some connotations that put the arrangement into a bit of a bad light from the point of view of the Metis people, I suggest. If you used the word "vesting," then it is a neutral word in the sense that the government is not claiming to in any way be giving something to somebody for free and that, therefore, there is some obligation back. Whereas the word "granting," while we use it in many other connotations, like we grant money to schools and to universities and to municipalities and so on, there isn't exactly the same situation there, is there? Well, there is in a sense. We expect the receiving municipality or school or postsecondary educational institution to fulfill certain obligations as a result of being granted that money. I'm not sure that the Metis people need to feel any particular obligation to the government for being granted these lands and the terms of these Bills.

So if I were the Member for Athabasca-Lac La Biche, I would move adjournment on this Bill – I will leave that to him; I'm not going to suggest it myself – and check out with some of the Metis people as to whether or not that would really improve the terms on which the Metis people and the government made these settlements.

MR. CARDINAL: Again, I think that if we called a motion to adjourn debate on this Bill, we'd be working against the Metis people that worked so hard for so many years to design this process. If I as an individual started calling back and saying, "Look, there is something wrong with the Bill; review it again," I don't think they'd be very, very happy. I believe the whole process the province used in dealing with the Metis settlements in this particular case is basically as a facilitator. For once the Metis people are allowed to design a process that will assist them in working their way towards self-determination and self-sufficiency. If we did make major changes or even suggested minor changes, I don't think that would sit too well, and I wouldn't support that.

The position the Crown takes, of course, is that it owns the land and therefore is able to grant the land to the Metis people, and I don't think that's questionable. At this time if there's a question on that, then I'm not clear on something.

With that, again I would hope that this House supports the Bills as they were designed by the Metis people themselves.

Thank you.

MR. McEACHERN: Mr. Chairman, I would have thought that perhaps some of the Metis people might have had some question about the granting of the land and who really owned it, but I will accept the wisdom of the Member for Athabasca-Lac La Biche on this issue. I had really suggested adjournment. I meant only for a day or two. I certainly didn't mean till next fall. This legislation has been delayed long enough.

MR. CHAIRMAN: Are there any further questions or comments?

[Motion on amendments lost]

(The sections of Bill 34 agreed to]

[Title and preamble agreed to]

MR. CARDINAL: Mr. Chairman, I ask that Bill 34 be reported.

[Motion carried]

Bill 35
Metis Settlements Act

MR. CHAIRMAN: The hon. Member for Lesser Slave Lake.

MS CALAHASEN: Thank you, Mr. Chairman. I would like to propose an amendment to Bill 35, the Metis Settlements Act, which had been passed out earlier this last month. I propose that section 187(2)(c), regarding representation on the existing leases and access panel, be amended to include the Small Explorers and Producers Association of Canada. This was an accidental omission that I would like to rectify at this time, Mr. Chairman.

MR. CHAIRMAN: Are there any questions or comments on the amendment?

SOME HON. MEMBERS: Question.

[Motion on amendment carried]

MR. CHAIRMAN: On the Bill itself as amended, are there any questions or comments?

MS CALAHASEN: Mr. Chairman, I'd like say a few words before we go on to the question.

MR. CHAIRMAN: Okay. On the Bill as amended, the hon. Member for Lesser Slave Lake.

MS CALAHASEN: Prior to any discussion on Bill 35, I would like to briefly outline the important principles which it embodies. The Metis Settlements Act, developed in consultation with the Alberta Federation of Metis Settlements Associations, defines fair and democratic criteria for membership and allocation and provides for the creation of democratic local government for the Metis settlements. These principles were the basis of Resolution 18 and are evident throughout Bill 35. In particular they are seen in the policy-making function of the general council, the settlement bylaw-making process, and the Metis appeals tribunal.

Mr. Chairman, I welcome any questions the hon. members might have.

MR. CHAIRMAN: The hon. Member for Calgary-Mountain View has an amendment to propose.

MR. HAWKESWORTH: Thank you, Mr. Chairman. I have copies to distribute.

As the hon. Member for Lesser Slave Lake has indicated, the Bill outlines how one can become a member of a Metis settlement. It outlines the powers and responsibilities of local settlements, outlines the powers and duties and obligations of the general council, and lays out considerable powers which remain in the hands of the minister and of the Lieutenant Governor in Council. It goes into significant detail as to what powers the minister retains. In fact virtually all powers are ultimately retained by the minister under Bill 35. What I am circulating to hon. members, Mr. Chairman, is a series of amendments that I think would make this Bill work better in terms of the final power and authority and decision-making resting in the hands of the settlement councils, more particularly resting and remaining in the hands of the general council.

However, Mr. Chairman, before I get to those, I'd like to start with the first amendment on the sheet that's presently being circulated, that being amendment A, and it has to do with section 75(1) and (2) and section 90(l)(b). What it does, Mr. Chairman, is refer to the word as it's used in the Bill referring to Inuit singular. Section 75(1) reads:

> An Indian registered under the Indian Act . . . or a person who is registered as an Inuit for the purposes of a land claims settlement.

Mr. Chairman, the plural is Inuit; the form for the use of singular is Innuk, which means individual. That may seem a relatively minor change. First of all, if people would like some reference other than taking my word for it, I could refer them to the *Houghton Mifflin Canadian Dictionary of the English Language*. The language of the Eskimo people, according to the quote here: Eskimo innuit means people, the plural of innuk, meaning person.

Well, it's clear from the context of the Bill, Mr. Chairman, that the reference is to an individual, not to a people. So the only form of the word that is really appropriate here is the singular form and that is Innuk, instead of Inuit.

Again, on section 90 . . .

MR. CHAIRMAN: Order, hon. member. The Chair regrets interrupting the hon. member, but the Bill has been editorially corrected to incorporate the amendments being proposed by the hon. member. In the official copy, in the sections mentioned, these changes have been made.

MR. HAWKESWORTH: Is Mr. Chairman saying that I won one without even trying?

MR. CHAIRMAN: That's right.

MR. HAWKESWORTH: Well, well, well, well, well. Hey, how about that? Very good. Well, thank you, Mr. Chairman. My thanks to you for that intervention. Perhaps hon. members will accept that some of the other things that I have to say are equally valid, although perhaps I'd better not push my luck. [interjections]

AN HON. MEMBER: You don't need to say them now.

MR. HAWKESWORTH: Well, if I knew that without my having to say anything these changes that I am proposing would be adopted, I'd be . . .

AN HON. MEMBER: Silence is convincing, Bob; silence is convincing.

MR. HAWKESWORTH: But I'd better not take my chances.

Mr. Chairman, I would ask members to refer now to section 222 in respect to subsection (2)(b). Now, this has to do with the general council policies, and section 222 lays out all kinds of policies which the general council may make, amend, or repeal but requires in all cases unanimous approval by the general council. Members can see that it's regarding the disposition of timber, comanagement of subsurface resources, financial allocation policies, under what conditions general council could engage in commercial activities, make grants of money, and so on. There's a list, a long list, that goes over the course of two pages to the bottom of page 90 of the Bill and to the top of page 91.

Now, I'm not arguing with the way this has been structured, Mr. Chairman; I'm not arguing with that at all. I'm not questioning in any way that these important policies ought to require the unanimous consent of the general council. After all, as the hon. members for Athabasca-Lac La Biche and Lesser Slave Lake have already mentioned tonight, these Bills come about as a result of long discussions that have taken place, negotiations that have taken place with the federation and the government, and the way that the Bill has been structured, the way the powers have been allocated, and the requirement for unanimity in these policies I'm not in any way questioning or in any way raising objection to. That's the decision of the federation, and I respect that and agree with the position they've taken. These are serious matters and ought to require the unanimity of all Metis settlements on the general council. Whether it'll work as well in practice as it is hoped, I don't know, but I respect and support their decision on this matter. As well, section 222 makes it a requirement to consult with the minister, and I think that's quite appropriate as well.

[Mr. Jonson in the Chair]

So we come to subsection (2), where this unanimity requirement is laid out, Mr. Chairman, and we find that this must be approved by all eight settlement councils, but this is the one that I just think ought to be changed in my view. This is my view of how this ought to work, and that is that the minister ought not to have a veto. After all, if something has been approved by all the settlement councils, then it seems to me that there's a tremendous collective wisdom amongst all those people, whether they be individuals or councils collectively. Because of that unanimity, if one says no, then of course the policy can't be amended or repealed. So it would seem odd to me that in practice – why would it be that a minister would even want to have the power to have a veto in this instance?

It just comes back to my view, the concept that the minister – in this case, the government – is really quite timid about pursuing this matter and giving over, investing in the general council and the settlement councils, the authority and the responsibility for adopting these policies and following them through. It's a situation I'm sure the members will vote down and will continue to keep within the Bill, but I guess this is my way of saying, Mr. Chairman, that it's a residual power that I don't think the minister in a practical sense is likely to ever exercise, and it just keeps such a rein on the situation that in the background there's always this threat that any policy is only pursued at the pleasure of the minister. Quite frankly, I would have preferred to have seen some other model put in place here by the government.

Now, these comments are being directed to the government and the philosophy and the attitude of the government that would want to keep this kind of residual power in this Bill. It's almost as if this government doesn't believe that the system that's being put in place is really going to work, and they want to keep to the background the right to overturn all eight settlement councils and the general council if they feel they know what's in the better interests of everybody involved. So that's amendment B on the list, Mr. Chairman, to strike out subsection (b).

Section 223(2)(b) has to do with special resolution, general council policies. Again, the structure is the same. "The General Council, after consultation with the minister, may make, amend or repeal" certain policies, and they're listed here from the membership to the taking of a census, the notice required for meetings, the right of non settlement members to reside in a settlement, and so on. Again, these are policies that require at least six settlement councils to approve them. Again, it's not quite the strict requirement of the previous section but is in a practical sense almost unanimity in that six out of eight would have to approve whatever those changes are. Even after that the minister retains unto himself the power to put a veto on anything that this group might decide under section 223. I think it's an attitude of government that wants to retain those powers unto itself, and it's going to stand in the way of the proper operation of these policies and will stand as a further obstacle for true decision-making authority to rest with the general council and with the settlement councils.

Section 224(1). Again, the policies are to be sent to the minister. This is a process by which the veto would work. They're sent to the minister and come into effect if the minister doesn't issue his veto within 90 days after they're received or make some provisions for a variation of that 90-day period. Again, we have a situation where the minister can veto it, and I would ask that 224(l)(b), in keeping I guess as a consequential amendment to the first two, is struck.

As a consequential amendment 224(2) would also be struck, in that the minister's veto would not apply in the case of these particular policies.

Now, Mr. Chairman, amendment F has to do with the following section in which it's changed from specifying "which General Council Policies are not subject to a veto." That is struck, substituted by the words "are subject to Section 222(2)(a) or . . . 223(2)(a) or the amendment or repeal of which are subject to 222(2)(a) or 223(2)(a)." The intent of that is to give the power to the minister to specify which policies would be subject to or would require the unanimous consent of the general council and which ones could be adopted through a special resolution of the general council.

Finally, Mr. Chairman, the cabinet through the Lieutenant Governor in Council retains some residual powers as well, so I'm looking to 226(3), which has to do with the general council policies that have to do with hunting of wildlife, the control of trapping, the control of gathering of wild plants, and so on, and the Acts of Parliament. These policies are also subject not to the minister but are residual powers held by the cabinet through the Lieutenant Governor in Council. It has the requirement that those general policies "must be approved by all 8 settlement councils and are of no effect unless they are approved by"

cabinet. It seems to me to be a rather paternalistic approach on the part of this government, to seek to have this power retained within this Bill. I think it says a lot about the attitude of this government towards the powers and responsibilities being provided to the general council and the Metis settlements; powers, by the way, that I'm not arguing with and in fact I respect and support and concur in. I think in the way the Bill has been structured that there's a lot of wisdom in it, but something inside me says that this government, by insisting on all of these sections and all of these powers whereby the government and the minister keep residual power, the right to overturn these Metis settlements, really isn't all that serious about turning over the decision-making power to these local councils and to the general council.

There is one area that I should note by exclusion – I'm not bringing in an amendment – and that is to protect rare or endangered species, which would be subsection (4), in which the Lieutenant Governor may rescind a general council policy if in that one instance there's a requirement or a need for action in order "to protect rare or endangered species," and that would have to be done "after consultation between the Minister and the General Council." That one I can see as being quite justified under the circumstances, and I would support it remaining in the Act as written.

I can see an instance, Mr. Chairman, if these changes aren't made as I'm suggesting, where, for example, the general council or the settlements councils might come forward with, say, an environmental protection policy that is much stronger than anything the government of Alberta thinks important, in which case the minister could take that policy and basically say: "Look, you people, men and women, you've made a decision here that's too restrictive, and we don't agree with you. Under the ministerial power to veto that policy, I'm basically going to make it null and void, and you'll have to live with whatever the environmental policy is that I'm going to set for your settlements."

This is why a policy in a Bill that gives such overriding powers to the minister leaves an impression in my mind of a government that doesn't want to really lose control and really turn over the decision-making to the people under this legislation. It's like saying: "Everything is great, but just to be sure, just to be cautious, just because we don't want to let go, because we really do want to have ultimate decisions on what happens in these settlements, we're going to keep the final decision in our hands. If you can't reach your decisions on these areas, we can decide it for you, or even if you do make your decisions and we don't like them, we can always move in and direct what should happen or send those policies back to you to rework them so they're in a form that we prefer." That's the kind of attitude that I think is being expressed in this legislation and at its most fundamental is what my reservation is about this particular Bill, Mr. Chairman.

I know the people in the Metis federation have negotiated a deal. They've worked long and hard with their lawyers and their consultants, and I respect and support that. The general concept of establishing the settlement councils and the overriding . . . Almost like a Senate or a House of Parliament, in a way, is what the general council represents. I can see the wisdom in that, and I can see why the Metis people through the federation have advocated for it and all the other powers that go with it, the tribunals and so on. But when it comes to what the powers of these bodies really are, I just feel that for the minister to retain that right to overturn, to reject, or send back virtually anything those settlements might do I think is just asking for, well, difficult times.

It's hard enough for eight settlements to come together and reach unanimity. I know that if that were to happen, it would be because there is unanimity and there is consensus, and people understand the importance of having to make compromises amongst themselves. That's all part of democratic decision-making. But for them to always have to look over their shoulder and say: "Will the minister like it? What will the minister do? Will it meet with the minister's approval? Will the minister send it back to us?" These are all questions that I don't think people should always have nagging at the back of their minds. If there's a need for some forum for second thought, then perhaps another structure could be contemplated.

For the minister to retain total veto power I think just runs counter to all the other words, the other principles, and the other intent that are contained throughout the rest of the Bill. It's a bit of an anomaly, it's a bit of schizophrenia the way the government has approached this legislation and these structures. I realize it's been agreed to by the Metis people in the federation. I understand that, but that doesn't mean it's the best of all possible arrangements, and if they were given the choice in the negotiations, it might be one they would not choose if there were a genuine choice in that matter that might have been subject to full negotiations.

So I would just ask all members of the Assembly to favourably consider the amendments that are in front of them.

MR. DEPUTY CHAIRMAN: Are you ready for the question on the amendment?

HON. MEMBERS: Question.

MR. DEPUTY CHAIRMAN: All those in favour of amendments B to G as presented by the Member for Calgary-Mountain View, please say aye.

SOME HON. MEMBERS: Aye.

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

SOME HON. MEMBERS: No.

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

[Eight minutes having elapsed, the House divided]

For the motion:

Doyle	Hewes	Roberts
Fox	McEachern	Sigurdson
Gibeault	McInnis	Taylor
Hawkesworth	Mjolsness	Wickman

Against the motion:

Adair	Hyland	Osterman
Ady	Isley	Paszkowski
Betkowski	Kowalski	Payne
Black	Laing, B.	Schumacher
Bradley	Lund	Severtson
Calahasen	Main	Shrake
Cherry	McClellan	Stewart
Clegg	Moore	Tannas

Dinning	Musgrove		Thurber
Drobot	Nelson		Trynchy
Totals:	Ayes –	12	Noes – 30

[Motion on amendment lost]

MR. DEPUTY CHAIRMAN: Further debate on the Bill, the Member for Calgary-Mountain View.

MR. HAWKESWORTH: Thank you, Mr. Chairman. I have a second amendment which I'd like to circulate to members of the Assembly, please.

AN HON. MEMBER: Question.

MR. HAWKESWORTH: I think you'd maybe like to – I'll at least let you have the opportunity to read it first, Mr. Chairman.

Mr. Chairman, if members would care to turn to page 74 of the Bill, which is section 176, they will read there the clause that I wish to address in my second amendment here this evening. It has to do with a clause in which the minister may consider that the affairs of a settlement are not being managed very well, either in "an irregular, improper or improvident manner," in which case, if he so decides, it gives the minister the power to simply

> (a) dismiss the settlement council or [individual] councillors or an employee or official of the settlement, or
>
> (b) direct the . . . council or an employee or official of the settlement to take any action that the Minister

feels ought to be taken. Then if that's not done, the minister can by order dismiss the settlement council if they don't do what he tells them to do, and finally, that order is simply published in the *Alberta Gazette*.

Well, Mr. Chairman, I would have hoped that the whole notion of natural justice would apply here as it would in almost any other situation that I can think of. It seems to have escaped the drafters of this legislation that people in a settlement council are entitled to the same hearing or the same right to be heard as anybody else would in any other situation where somebody has accused them of doing something that's not right. Here, however, under this section if the minister makes a decision that something's going on that he doesn't like, in his opinion he has these residual powers which are quite draconian and that I have not seen in any other legislation.

I just don't understand what could be going on with those who drafted this legislation to come up with this sort of a policy or this sort of a clause. It simply doesn't fit. It doesn't make sense. It's quite, quite all-encompassing and overriding, and quite subject to whim and caprice, if a minister so chose.

Now, perhaps the drafters of the legislation – because it comes under Division 7 in the Bill, Protecting the Public Interest – had intended for it to naturally flow from sections 170, 171, 172, 173, and 174. This is a process that requires, first of all in section 170, the preparations of budgets, the way bookkeeping and accounting and audits are to be conducted, and then gives the minister a power to appoint a person under section 171 regarding the financial administration and the management of a settlement. He can do that himself whether he wants to or if requested to do so by the general council. Then in 172, on the basis of a petition from a settlement council or the settlement members he can also act, and as well, under section 173 and 174, it gives the power of what an inspector or investigator may do in terms of reporting to the minister. Now, if section 176 is intended to flow from those sections in which the minister, having carried out these quite reasonable powers, is satisfied as a result of that process that the affairs of a settlement are not being managed in a proper way, then section 176 ought to say so and tie its powers into the process outlined in sections 170 to 174. But 176 does not do that. It simply sits there all by itself without any reference to any other section and gives the minister this overriding, omnipotent power to move in just on the basis of his wish or desire to do so.

So what I'm suggesting in my amendment is twofold; first of all, to eliminate section 176 as it's drafted and correct the error I've outlined here this evening. That can be done in one of two ways; first of all, by the proposed subsection (1), which basically is a straight paraphrase or straight plagiarizing of section 433 of the Municipal Government Act, and I'll read the proposal:

> If the Minister considers that the affairs of a settlement are managed in an irregular, improper or improvident manner, the Minister may request the Lieutenant Governor in Council to cause an inquiry under the Public Inquiries Act.

That's a similar power that the minister has under the Municipal Government Act. So there's the power for the minister to act if the minister chooses not to use section 173 or 174. If the commissioner or commissioners confirm that the affairs are managed as suspected or "in an irregular, improper or improvident manner, the Minister may, by order," and then it gives the power to the minister to carry out the actions contemplated in 176.

Now, the alternative would be to simply amend 176 to say that "If the minister as a result of receiving a report under section 174 considers the affairs of a settlement to be managed," et cetera. That would be the other option, which would have exactly the same affect, Mr. Chairman, as the one I am proposing. What I've said to you this evening is that I've researched the matter in terms of its applicability under the Municipal Government Act, and I'm proposing this alternative. But alternatively, if the members are not willing to accept the course of action I'm proposing, then perhaps an amendment, an alternative, as I'm suggesting could be pursued instead.

My concern is that the whole question of natural justice be done and that people can't have decisions made about them or conclusions reached about them and their affairs without having some opportunity to step forward and defend themselves, put their case before whoever is charged with investigating it, the right to hear whatever evidence is mounted against them, to answer to those charges and that evidence and place that evidence under some kind of scrutiny. All those restrictions, all those provisions, all those cautions ought to be in place as well under 276 as they would be if any one of us or any municipal council in the province of Alberta were charged with this kind of conduct. There is a provision in the Municipal Government Act – and I think it's one that is easily adaptable to this situation – that ensures that Metis settlements are not judged by the minister in absentia without any sort of right to have their day in court. That's just a fundamental principle of any kind of justice, and I don't see how any government could come into this Legislature and ask for powers greater than what they would have under the process of natural justice.

So I would just say in conclusion, Mr. Chairman, that section 176 stands by itself. There's no reference in it to any of the previous sections. That surely must have been the intent of the drafters of the Bill, but that's not what they did. I would ask the Assembly to correct this grave oversight and ensure that restrictions are placed on this power to ensure that no minister can act arbitrarily on the basis of his whim or opinion or

unfounded hearsay, that there is a clear process put in place for that investigation to take place, allowing everybody the opportunity to deal with it in the open, everybody able to answer to the charges. In my judgment, it would best serve the interests of both the Metis settlements and the conduct of justice in this province to adopt the amendment I've put forward tonight.

MR. McINNIS: Mr. Chairman, surely this is too much authority to put in the hands of any one minister. I think almost no one would like to have put upon themselves the question of determining whether an irregular, improper, improvident thing has taken place and then add from that the draconian remedies that are contained within the original section 176: to dismiss the council, to direct the settlement council to take any action. In fact, it amounts to virtual trusteeship.

Trusteeship does not occur in the business world without some process taking place. Either the company involved seeks trusteeship because it's determined through its own investigations that it's unable to manage its affairs, or else the creditors petition the court and the court then, on the basis of a hearing, will order trusteeship. But seldom do you find anywhere in provincial legislation that a minister may order trusteeship and fire those responsible or who may, in the opinion of the minister, be responsible without any kind of process. I believe that's the essence of the critique and the concern my colleague has put forward. He has suggested by way of amendment that the minister definitely has a role in determining whether irregular, improper affairs have taken place, but that role is to determine whether indeed it's a serious matter that has to be dealt with and then to refer that to a public inquiry.

We have a Public Inquiries Act that deals with very important questions that would have to be resolved in any process like this, such as what constitutes evidence, who may present evidence and under what circumstances, who may examine witnesses, who may cross-examine witnesses, and who pays the cost of those proceedings. All those questions have been dealt with in this Assembly. We've set up a Public Inquiries Act to deal with those situations where there is conflicting information, perhaps conflicting ideas, as to what happened and undoubtedly ideas as to what has happened in the past. Don't forget that we're talking here about the affairs of a settlement council. Now, such a council is analogous to another level of government. I think you could argue whether that level of government should be thought of in the same way a municipal government is. I think not, because companion legislation to this, the Constitution of Alberta Amendment Act, 1990, appears to grant to these settlement councils status which is over and above that of an ordinary municipal council. In fact, the argument is sometimes made that municipal councils are creatures of the Legislature. In fact, these councils are, I think, deliberately by the accord, by the protocols that go with that, and by the various Bills that make up this package accorded a status which is at least as good or probably a little bit higher than that of a local government council. It would be difficult to imagine a situation in which the Minister of Municipal Affairs, for example, could simply on his own motion dismiss a duly elected local council and substitute an employee or an official to in essence put the thing under trusteeship.

I recall at one time this Assembly passed legislation that provided an authority like that in the case of the northeastern Alberta commissioner, to try to put forward a government official who would have the ability to work through all the problems associated with oil sands development. There was a lot of concern at that time that this individual employee of the government would have authority to override certain statutes of the Legislative Assembly under certain circumstances and substitute his judgment for that of the locally elected councillors. Now, I believe locally elected councillors, like provincially elected MLAs and cabinet ministers and Prime Ministers, are all human beings and, therefore, fallible and capable of making mistakes. I'm not arguing that there shouldn't be any redress available in a situation like this. I do think, though, that by and large this Assembly should allow the Metis people the privilege of making their own mistakes so they can learn from them, just as we in the Legislative Assembly sometimes make mistakes – but usually only when they're forced on us by the government, sometimes under closure. However, that's another matter. I mean, we do have the freedom to make mistakes and to be accountable to our electors for the mistakes we've made and the good things as well. That's generally the posture I think we should take in respect of elected people in Metis settlement councils.

[Mr. Schumacher in the Chair]

So I'm not certain it behooves us to make it too easy for Big Brother provincial government to move in and try to clean up a mess. I mean, it's in the nature of politics that people who are unhappy with the outcome of a decision will canvass their options to try to determine whether there's some way they can overturn the decision or get around it. That's why people will sometimes take governments to court, just as the federal government was taken to court in the case of the Oldman River dam or the Rafferty-Alameda dam. Since the option appeared to be there under federal legislation, it was taken advantage of. I submit that if you put a section such as 176 in the legislation, if it remains there – in other words, if my colleague's amendment is defeated – it will be a very tempting avenue for those who are perhaps not happy with the decision that's been made in a settlement council to come forward to the government and say, "Well, we think something's irregular and improper here, perhaps even improvident, and therefore we would like you, Mr. Minister, to dismiss the council and direct that some other action take place." So long as that avenue is there, you can bet anything that somebody's going to want to take advantage of it whatever the avenue is. That's what we're entitled to do in a democratic society.

So I think perhaps the opposition feels this invites too much intervention on the part of the government based on too flimsy a case. If it's literally wide open that the minister simply has to consider that affairs are managed in an irregular, improper, or improvident manner, it can then result in all these various things and the minister will be faced with, I think, perhaps rather more petitions than might be necessary. If on the other hand we put it to the residents of the settlements that, yes, they can make such a petition but there's going to have to be a public inquiry to determine the facts of the matter, I think the minister will then be less likely to agree, certainly without a public inquiry. The prospect of having the whole story come out into the open will be there as well, and I think that might also be a limiting factor on the desire of individuals to have the provincial government set people aside or set decisions aside. Those are the authorities that are granted under the original section 176. So the powers are still there. The bottom line, the power on the part of the provincial government is there. It's simply that there has to be a process, a process which has already been established by this Assembly to determine the facts of the matter, to determine who's right in a factual sense, and to determine to a

standard whether there is indeed evidence of irregularity, impropriety, or improvidence.

So I think my colleague has put forward a reasonable amendment here, the amendment to section 176 of the Bill. I support it and urge others to do the same.

MR. DOYLE: Mr. Chairman, in speaking to the amendment to section 176, it seems to be a most reasonable amendment. We in the Official Opposition are great believers that the Metis settlements and Metis people, the aboriginals, the indigenous people, should have a better agreement, and we should help them and work with them to get that agreement.

Mr. Chairman, I find it strange that we're allowing them in with a Bill that has some real good pretense. In section 176 we give these strong powers to the minister, who at the stroke of a pen will get rid of boards or councillors without any real investigation or trial and says they must have a different rule than we have. This is totally wrong. I believe that the amendment to 176 proposed by the Member for Calgary-Mountain View would clear up that discrimination against this particular body and not give the minister that great power to just at his own will say to those people, "You no longer sit on that board." They have no trial, probably very little investigation. The amendment is certainly the right direction to go.

I find it hard to believe that we would want to do that to anyone in our Anglo-Saxon society or any of those boards or committees. For many years the Minister of Municipal Affairs had the right to overrule every decision improvement districts and others made. He could replace those boards, but at least they were allowed an investigation. But here we are in 176 of this Act saying to the Metis people, "I can let you go, and we can advertise and put a new board in there whenever I feel like it." I feel this is totally wrong, Mr. Chairman. We do not do that to our Anglo-Saxon people, and I resent the fact that we're trying to do this to the Metis people in the province of Alberta.

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

MR. McEACHERN: Thank you, Mr. Chairman. I also want to add my voice to those of my colleagues, suggesting that this amendment be accepted by the government. All too often we get the government standing up and saying, "Well, yes, you have a good point there; thank you for your input," but then they don't do anything about it. Now, I'm not sure they're going to say that on this one, because it's become a pattern for this government to give more and more power to more and more ministers. I can't help believe that in Canada we've had a long enough history of paternalism to our aboriginal and Metis people. The history of the way the judicial system has dealt with the aboriginal and the Metis people of this society is not a good one. We need to just look across the country and realize that there have been inquiries in Nova Scotia and Manitoba and even here in Alberta. The Alberta government has instituted an inquiry into the way in which aboriginal people are treated in our courts and our legal system to see if there is indeed discrimination there that shouldn't be there. I don't think there is much doubt about it that the two societies have clashed, and the way we look at the world and the way the aboriginal and Metis people in many cases look at the society we have developed for them – it has been a very difficult adjustment for them to live with our judicial system.

The federal government is well known for its paternalism in handling particularly the treaty Indians of this country, and it's time that this society quit being so paternalistic to some of the first peoples of this country. I can't understand why the minister would want the kind of power that would allow him to arbitrarily do things like removing officials from a settlement, people that supposedly were elected by whatever process the Metis settlements decided to elect them by. Certainly they have the right to make their mistakes. That's not to say one's going to condone anything that really is wrongdoing, Mr. Chairman. We're not suggesting that. If there is some wrongdoing there, then the judicial system and the police system in this society probably apply. If not, then it's because the Metis people have decided in conjunction with the government to set up some other form of justice system within their society. I could see even that coming about at some point down the road.

So nobody's trying to say that there shouldn't be a check on any wrongdoing on the part of any councillors or officials of any settlement. We're merely trying to say that the minister shouldn't have this great paternalistic power that says he is the be-all and end-all and can judge for himself who should or shouldn't be allowed to sit as a councillor or employee of these settlements. Before anybody is removed, they deserve due process. All the amendment does is suggest that the minister would have to call an inquiry under the Public Inquiries Act, as is fair and right, if there's some suspected wrongdoing. Only then, when he's got the evidence, would he be able to move in the direction 176 gives him the power to move now without such an inquiry, without such an investigation. That's not to say that this present minister would be likely to rush in and change things all around, but why should we have it on the books that he could? There's no need to give him that kind of power if he's not going to use it. So if we say that we should just trust the minister to use his good judgment and make sure his investigation is thorough enough before he removes anybody from the position of councillor, then let's put the legislation in that way. Let's see to it that he has to go through some kind of process like a public inquiry to see whether or not there was wrongdoing before he can move. I don't see why any minister would want to be put in the position of having people come to him trying to play politics with his powers, to suggest that he come and remove somebody else who was perhaps a political enemy more than somebody who had done something wrong legally.

Mr. Chairman, I expect that the members of the Conservative government would recognize the wisdom of this motion by the Member for Calgary-Mountain View and be prepared to accept this amendment which makes this Bill an even better Bill. Now, most of the provisions of the Bill we agree with, but I think faced with a suggestion that makes it a better Bill and gives the Metis people the same rights that we take for granted in our dominant – as my colleague for West Yellowhead said – Anglo-Canadian society . . . We take these kinds of rights for granted. Why should we not extend them to the Metis settlements?

So, Mr. Chairman, unless the government members have some very clear and reasonable arguments as to why this should not be accepted, I would expect they will all be voting in favour of this amendment.

MR. CHAIRMAN: Are there any more questions or comments on the amendment proposed by the hon. Member for Calgary-Mountain View?

The hon. Member for Lesser Slave Lake.

MS CALAHASEN: Thank you, Mr. Chairman. There have been a number of people speaking, particularly to the amendment, but also in respect to a lot of the different areas that have been covered. I would like to thank the good intentions the

members for West Yellowhead, Calgary-Mountain View, Edmonton-Jasper Place, and Edmonton-Kingsway have for the Metis people. However, I'd like to bring up a few points.

This Bill was drafted by the Metis. They were involved to the ultimate with this Bill. I guess it's really hard to see it being dragged the way it has been, particularly since they worked so hard to achieve where this particular Bill is going. The Metis were very proud in designing this unique Bill, and it's extremely disheartening to have people, particularly members opposite who are not Metis, state that Metis do not know what they are doing. Mr. Chairman, I take offence to this implication.

I don't believe one change should be made to this Bill unless the Metis have requested it, and to my knowledge they have not requested any changes. I meet on a daily basis, particularly on a weekly basis, with members of the Metis community. It's really sad to see that what they feel they have achieved on their own is being brought to this kind of limit, where somebody else is speaking for them. I really feel that's something that has not been looked at in this Assembly, particularly when we're dealing with the amendments that have been brought forward.

There were a number of concerns, Mr. Chairman, regarding the powers provided to the minister. When the government and the settlement representatives were working together to develop this legislative package, it was agreed that the settlements would be placed on a par with other local governments in the province. While this will give them a great deal more control over their own affairs than they had under the Metis Betterment Act, it also means that they will come under rules and regulations similar to those that apply to other municipalities. These rules and regulations are contained in the Local Authorities Board Act and the Department of Municipal Affairs Act. It states in there, when we look at those particular Acts, that there are certain powers given to the minister. These are the kinds of conditions and rules and regulations that the Metis have said they want to go under. It's not what I want. It's not what you want. It's what the Metis people want.

We keep talking and spouting that we want to take care of the Metis people. They have come forward and said to us: "We are ready. We are willing to take this forward. We want this Bill brought forward, and we are satisfied with what we have accomplished in co-operation with the government of Alberta." And now we are sitting here debating this Bill, bringing in amendments which they have not even seen, Mr. Chairman.

I think it's really terrible when we look at trying to be nonpaternalistic. I'm sorry, but this paternalism to me is really, really sad. I really feel it's time that the Metis people be recognized for what they have brought forward and be seen for what they have accomplished. I think they deserve a lot of credit regarding their concerns, because they have articulated them quite well. I am in no position to go back and say, "You should be doing this." Because they have come forward to me and said: 'This is what we want. We'd like to see you carry it through. If you have any problems, we'll see how we can resolve them, but we want to do the resolutions to them, not anybody else." They wanted to be part of the Alberta milieu, the cultural milieu, Mr. Chairman, and I think to give them the access that they can, for all of Alberta, access anything they want at par – at par with everybody else . . . That is going to be treating them equally with all Albertans. We will certainly not abandon the people that we represent. They are part of the Alberta culture, Mr. Chairman, and I think they should be recognized for what they have accomplished.

I'd like to ask all members of this Assembly to see that this Bill passes.

I'd like to adjourn debate.

MR. CHAIRMAN: The hon. Member for Calgary-Mountain View.

MR. HAWKESWORTH: Thank you . . .

MR. CHAIRMAN: Oh, excuse me, hon. member. The debate is concluded.

SOME HON. MEMBERS: It's on the amendment.

MR. CHAIRMAN: The hon. Member for Lesser Slave Lake has moved that the debate at this stage of Bill 35 be adjourned. All those in favour, please say aye.

SOME HON. MEMBERS: Aye.

MR. CHAIRMAN: Opposed, please say no.

SOME HON. MEMBERS: No.

MR. CHAIRMAN: Carried.

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

[Eight minutes having elapsed, the House divided]

For the motion:

Adair	Fischer	Musgrove
Ady	Hyland	Nelson
Black	Isley	Osterman
Bradley	Jonson	Payne
Calahasen	Klein	Severtson
Cardinal	Kowalski	Shrake
Cherry	Laing, B.	Stewart
Clegg	Lund	Tannas
Dinning	McClellan	Thurber
Drobot	Moore	Trynchy

Against the motion:

Doyle	Hewes	Roberts
Fox	McEachern	Sigurdson
Gibeault	McInnis	Taylor
Hawkesworth	Mjolsness	Wickman

Totals: Ayes – 30 Noes – 12

[Motion carried]

Bill 37
Alberta Government Telephones Reorganization Act

MR. STEWART: Mr. Chairman, pursuant to Standing Order 21, I move that further consideration of any or all of the resolutions, clauses, sections, or titles of Bill 37, Alberta Government Telephones Reorganization Act, now before the committee shall be the first business of the committee and shall not be further postponed.

MR. CHAIRMAN: Order please. All those in favour of the motion by the hon. minister, please say aye.

SOME HON. MEMBERS: Aye.

MR. CHAIRMAN: Opposed, please say no.

SOME HON. MEMBERS: No.

MR. CHAIRMAN: Carried.

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

[Eight minutes having elapsed, the House divided]

For the motion:

Adair	Hyland	Nelson
Ady	Jonson	Osterman
Black	Klein	Payne
Bradley	Kowalski	Severtson
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Cherry	Lund	Stewart
Clegg	McClellan	Tannas
Dinning	Moore	Thurber
Drobot	Musgrove	Trynchy
Fischer		

Against the motion:

Doyle	Hewes	Roberts
Fox	McEachern	Sigurdson
Gibeault	McInnis	Taylor
Hawkesworth	Mjolsness	

Totals Ayes – 28 Noes – 11

[Motion carried]

MR. TAYLOR: Speaking to Bill 37, Mr. Chairman, although our party has flagged and shown our approval of the Bill in principle at second reading, we feel there was one very important part of the Bill that's been left out. We'd like to therefore introduce an amendment that has to do with the . . . If I could give this out to the . . .

MR. DINNING: Monique Bégin wrote it. Right?

MR. TAYLOR: All right. The hon. Minister of Education wants my girlfriend's phone number, but you won't get it.

MR. DINNING: Sounds like kissing cousins to me.

MR. TAYLOR: Yeah.

Mr. Chairman, the amendment – until it gets circulated around – has to do with the cross-subsidization from long-distance calls to rural users. Now, we all know that's been going on for a number of years, but one of the concerns that I have is that our rural phone users, under the new administration by the federal government and private ownership, may find themselves in the position that they will not subsidize the rural subscribers to the same extent that they have been in the past. This motion is simply a statement asking that

> The Telephone Company shall maintain and continue the policy that local rates are subsidized by long distance revenues in substantially the same manner and to substantially the same degree as has been maintained by Alberta Government Telephones during the 10 year period prior to the commencement of this Act.

Now, I know the government will say, "Well, we can't make a promise." But the point I'm getting at here is that we could go as far as we can within the rights of the organization to go ahead and do it, because the organization, in order to maximize profit – and we must remember that that's what the main point of privatizing will be – may cut the cross-subsidization to the rural users because there'll be very little competition amongst the rural users. Now long-distance fees are used to subsidize both rural and urban users. I'm the very first to recognize that both the subscribers rurally and urbanwise get a subsidy from long-distance calls. Now, when competition starts in long-distance calls, that will reduce the revenue – we realize that – and therefore there'll be less money to transfer over. But all this amendment says is that we continue the same percentage, generally the same percentage of subsidization, if there's not as much in the long-distance pool as there used to be, and I expect there won't be, because of the competition from others. There'll be less being transferred rurally, but at least we have said aside to our rural people that we're recognizing the principle that long-distance calls should subsidize subscribers. The fact that the long-distance revenues are down may well mean that their subsidy will not be as much dollarwise, but as long as it's in the same general percentage, I will be happy.

That, Mr. Chairman, I think explains the amendment as clearly as I can. Therefore, I move the amendment to Bill 37. I think it's a sensible one. I support the Bill in general anyhow, and I think it's a sensible one and is not too rigorous to go ahead on.

Thank you.

MR. STEWART: In response to the hon. member, I would submit that the proposed amendment is in fact not in order. It purports to exceed the legislative jurisdiction of this Assembly. The matter of regulation and the determination of rates and all matters that pertain to that are exclusively now within the jurisdiction of the federal government, by virtue of the Supreme Court decision, in AGT and CNCP.

MR. TAYLOR: I realize what the hon. minister is saying, but the intent of this is to go as far as possible within federal rules. It's not saying that the federal government be damned or anything; it's just saying that the telephone companies will continue to cross-subsidize at the rates that they did in the past up to the limit of what the regulatory bodies will say. If the regulatory bodies say there's no cross-subsidization allowed at all or only 10 percent or 2 percent, that's automatically it. But what I'm worried about is that the regulatory authorities may well say that 50 percent or 30 percent cross-subsidization is permissible, but because this is privately owned and there's no need to, then they won't cross-subsidize.

MR. HAWKESWORTH: Mr. Chairman, I just wanted to say that it's an admirable goal that the Liberal member is trying to establish here, but I can't help but think that the Liberal Party wants to have it both ways. One is to . . .

MR. TAYLOR: Certainly. What's wrong with that? That's what politics is all about.

MR. HAWKESWORTH: Well, you can't have it both ways. It may be politically expedient to put forward a motion that doesn't have any chance of flying or working in reality, but it seems to

me that if they want to turn this company over to the private sector, then you have to accept all the luggage that goes with that decision. If you want the government to lose its ownership, then by virtue of that it's a trade-off that you lose the benefits of government ownership. One of the benefits of government ownership of AGT is that it can set policies – and it has in the past – to emphasize service over the local rate structures, emphasize rural concerns over urban ones, to do all kinds of things because that's a mandate given to that company by the government. So, you know, it's great to have this motion on the floor, but if the Liberal Party would want to see the chances of the implementation of it maximized, their best bet would be to ensure that AGT remains under public ownership as a Crown corporation.

MR. FOX: I thought I might speak very briefly to this amendment, Mr. Chairman; we do have a number of amendments that we'd like to get to. I share the concerns of my colleague from Calgary-Mountain View. Certainly the aim of this amendment is innocuous enough and one that we could support, but it certainly is coming from a curious quarter here. It's like the Liberals would like AGT to function in the future as some hybrid creation of questionable lineage. I realize that there are limitations to the words I can use to describe what they envision this company to be, but I want to make it very clear to my colleagues in the Liberal Party . . .

MR. TAYLOR: Vote against it if you've got the guts.

MR. FOX: You'll have a chance to call division on the amendment to see how I vote, hon. member, if you can find someone to dance with you.

The point I would like to make is a very serious one. When you make decisions and when you take actions, there are consequences. When the Liberals want to garner the support of the reactionary right wing of the province of Alberta and say they're in favour of the privatization of AGT, then they'd better accept that there are certain consequences. The consequences are that we lose the opportunity over time to have any control over the kind of rates that are gouged out of the consuming public and any control in a real sense over the delivery of service to Albertans. I think the Liberals fail to recognize that. They want it both ways, Mr. Chairman, and sooner or later life will teach them a lesson that you can't do it that way.

MR. McINNIS: This amendment appears to be the outgrowth of the curious question that was put by the leader of Liberal Party in this Assembly some little while ago. He wanted an assurance from the government that the cross-subsidization could continue under the privatization initiative. Of course, that's what the issue has always been: whether it's possible to operate as a public utility with clearly focused social goals, one of which is providing reasonably priced, basic telephone service to all Albertans but especially those in rural Alberta. So it seems like the same proposition has come back in the form of an amendment. I would like to ask a question of the mover of the amendment; that would be Westlock-Sturgeon. I wonder if the member couldn't clarify that in fact this is a way for the Liberal Party to be in favour of change and status quo at the same time?

MR. TAYLOR: Mr. Chairman, I would think that is probably true. That's one of the whole points. But we're not so mired in the socialistic past that we would try to stick a publicly owned corporation into a private, competitive milieu. In other words, that's like grafting a set of horns on a mouse; it's not going to go anywhere. This is what our socialist friends would say: we've got to have government ownership because government ownership is good. But we're going to stick this poor company, whether you like it or not, out into the private, competitive milieu. I don't care whether you're NDP, PC, Liberal, Reform, or nuts, the point is that there's a competitive milieu out there for telecommunications, so you have to decide what kind of animal is going to do best. The animal that does best in competition, as has been shown throughout the world, has usually been private ownership. Otherwise, we'd go out and nationalize Esso and everybody. Publicly owned corporations . . .

MR. FOX: Petro-Canada.

MR. TAYLOR: Petro-Canada is the classic example. Why don't you read the recent report put out on Petro-Canada? Their own management confesses that they're a flop, that they've got to privatize to get anywhere. The point is that as long as it was necessary for society to subsidize Petro-Can, that's fine. And even you NDPers can go up there and take your little pink card and your little pink underwear and show it to a Petro-Canada dealer. Do you get your gas any cheaper? Hell, no. You probably pay more for it than if you bought it at Shell.

Anyhow, I'm just trying to get down to the point that this is a private, competitive milieu and this government has made one mistake or overlooked one thing. They put some restrictions on. They put a number on there of how many electors we can have, how much foreign ownership we can have. But I'm saying that one of the things they've overlooked is that in case the federal regulations are not explicit enough, cross-subsidization from long-distance calls should be to the maximum extent possible, and that maximum extent possible should be what has been over the last 10 years.

Now, I would love to see the NDs vote against that. I mean, this is going to be interesting after they've been talking. The whole point of public ownership is not public ownership in their argument, Mr. Chairman, but because they think it's going to give a better service and a cheaper service. Here I propose something that will give a better service and cheaper service. They say, "No, no." They don't want that, because it can't be morally correct if it's privately owned and cross-subsidized. It's silly.

Thank you. I hope they have some questions.

[Motion on amendment lost]

MR. TAYLOR: He stood. You saw him, didn't you? Ring the bell.

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

MR. McEACHERN: Thank you, Mr. Chairman. I was not looking for a standing vote; I was looking to speak to this committee reading of Bill 37.

Mr. Chairman, this Bill has a lot of sections in it that bother the New Democrats, and I suppose fundamental to it is part 4, section 33(1), where it proposes to sell shares. There are a number of other places where they're referred to, but that's the basic part that gives the government the right to sell shares of Alberta Government Telephones to private people. The Bill goes on to purport to protect the people of Alberta by setting some limitations to make sure that it's widely held. Section 12,

for instance, talks about the limitation to 5 percent for any one person or corporation in terms of the number of shares they can purchase. Section 11 talks about the limit of 10 percent only that can be sold to foreigners. Well, Mr. Chairman, we on this side of the House question how long the government could hold those margins, particularly the 10 percent one in terms of foreign ownership, under the free trade deal and the kind of atmosphere we have in the North American economic union that we are moving into. In fact, it's looking like they're going to include Mexico these days.

I guess what we object to, really, is the fact that the government wants to sell this company off without ever having a full-blown debate on it, without bringing out studies to show that it would in fact be good for Albertans. They have nothing of that kind or nature to put before the people of Alberta and say: "Let us have a debate on this. We believe that it's good. Let the opposition say they don't believe it's good and debate the issues pro and con." In fact, the debate even in this Assembly has been very shallow so far because we've not had any response from the government side that would refute any of the arguments we've made. So I don't believe this company can stay widely held very long. The shares will be concentrated in the hands of a few people. We think that's wrong, and we think there's a grave danger that in fact it will fall into foreign hands as time goes on.

Now, one of the things in the Bill is this golden share business, the idea that somehow the cabinet is going to protect everybody. It's nothing but a sham, Mr. Chairman, and I'll come back to that in some detail later.

I want to just say that I think the move the government has made is an ideological move that they've wanted to make for a long time. They've always wanted to sell AGT; they just couldn't find the right time and place and excuse for it. The excuse they used was the Supreme Court ruling of August 14 last year that said that the feds really have the right to regulate the telecommunications industry. Now, at first the minister purported to be really upset, and he joined Manitoba and Saskatchewan in a fight against this change, but pretty soon he backed off and said that he wasn't going to continue to fight against Bill C-41. I guess the thing that bothers me most is that having lost the regulatory fight, he then turns around and voluntarily gives up the ownership rights that go with ownership of the company. Mr. Chairman, that really doesn't make any sense.

Now the minister says that he's going to put his faith in the CRTC and expects that they are going to take over the regulatory job of the Public Utilities Board and be just as good at protecting Albertans. Well, Mr. Chairman, he's kidding himself if he thinks that Mulroney's handmaiden, the CRTC, is going to stop Unitel from muscling in on the long-distance telephone services of this country. That's exactly what the essence of the problem is. The federal government is committed to a North American economic union, to removing the Canadian border, more or less, and saying that as far as economics are concerned, money and people and goods can move back and forth without tariffs, without any kind of regulation. So that's why foreign ownership will go up over time. That's why Unitel will be allowed to muscle in on the long-distance telecommunications industry.

I guess I just can't understand why we should allow Unitel to hook onto a system built by Albertans over 84 years. We built up this big system, SaskTel did the same thing, Manitoba Tel did the same, B.C. Tel in B.C., Bell in Ontario, and Québec-Téléphone systems in Quebec. And the Maritimes have their own systems. They've built those up over a number of years in a monopoly situation. It's a natural monopoly situation. These guys that want to muscle in on the long-distance lines are not coming along and offering to run a separate line into everybody's home and get competition that way. They're saying, "No, we want to hook into your system and then compete." Well, that's great, isn't it? We built the system. Why should they hook into it and then compete with us? If the system was working fine, I don't see any reason to change it, and it was working fine.

The minister says, "Oh, they need more capital." I'll get to that point in a minute.

But I just want to point out the flimsy arguments so far put forward by the minister and the president of Unitel corporation about how wonderful all this is going to be for us. In his introductory remarks to Bill 37 the minister of telecommunications said that the sale of AGT was

> a vote of confidence in Alberta . . . There is tremendous potential there, and indeed the announcement today will augment the progress that we're making in this area.

This is from June 8, 1990, *Hansard* page 1762.

> It's good for the province because a strong, financially healthy, competitive telecommunications company can create more skilled jobs and leading edge technologies and services.
>
> AGT employees will also win.

The only thing they're going to win, Mr. Chairman, is the right to have three shares for the price of two at the expense of the rest of the people in Alberta that can't afford to buy one share in this company. So those glowing words are almost as fatuous and pie-in-the-sky – you know, must "leap through this open window of opportunity", like they talked about for the free trade deal – as some of the things that George Harvey said in his covering letter to the summary he sent me.

I went through these the other day, so I'm only going to hit a couple of them: "Competition in long distance will create winners everywhere"; we'll be able to lower costs and be more efficient; we'll create "thousands of new jobs"; we're going to give over half our total revenues toward keeping the local rates low. He's trying to tell us he's Santa Claus: this is such a wonderful opportunity; "there are no disadvantages." Well, that's just wonderful, Mr. Chairman. Maybe he'd like to tell us why he decided not to file his business plan along with his application and why he wants the CRTC to hear his application in secret, the business plan part. It is totally ridiculous. Mr. Rogers, who is behind this move, is certainly no Santa Claus. Who is he to tell us that we shouldn't have a monopoly telephone system when he's the guy that's the master monopolist in the cable TV industry. He has no right to tell us that.

The effect of privatization is something that I've spent some considerable time reading and trying to get a handle on. I've looked pretty closely at the Sherman report. We looked at the Olley report, which the minister tried to trash the other day. Today he was trying to trash the Sherman report. I've also read some material put out by Herschel Harden on a study he did for Manitoba Tel a couple of years back. All of them point in the same direction, Mr. Chairman. They all show that if you allow "long-distance competition" – in quotes because it's not really competition; it's just two companies sharing the same long-distance lines and the second line coming in being allowed to hook onto the network built up by the first company that built the long distance line, which is totally unfair in my view. If they want to compete in the long-distance market, why don't they build their own system? You know very well that because it's a natural monopoly situation, they can't afford to build the second system. That's why it makes sense to keep the one telephone

system we have and regulate it and not let somebody muscle in and compete in the long-distance market.

There are some very specific results from the Sherman report, and although the minister today tried to say that the Sherman report is out of date, nonetheless the analysis of what happened in the United States, as outlined in this executive summary to the Sherman report, is fairly clear on several points. By the way, Mr. Sherman was head of a federal/provincial/territorial task force on telecommunications set up by the Canadian telephone companies, so it was partly if not paid for, certainly supported and backed by this government as one of the people asking for this report.

The first point I wanted to raise – and I'll quote directly from the executive summary of that report:

> The Task Force was comprised of representatives from the federal Canadian Radio-television and Telecommunication Commission (CRTC), and telecommunications regulatory bodies and/or governments of all provinces and territories.

Bud Sherman was the chairman. Now, some of the things they found and some of the things they said.

> The local service price index increased substantially . . .

This is after the competition was allowed.

> . . . after 1980, indicating real local price increases. In contrast, dramatic decreases have occurred in the interstate long distance price index since 1982, with smaller decreases in the intrastate index after 1984.

I'll go to a chart that specifies those a little more accurately. This chart was put together by Peat, Marwick, I believe. It shows that starting in 1977, for the next four years, up to 1980 – actually the '80-81 period was the turnaround time, and that's when the long-distance competition started to kick in. All three services, both local and intrastate, meaning within the state but perhaps long distance in some cases, like, say, from Edmonton to Calgary or Red Deer to Grande Prairie, that sort of thing, and also the interstate, meaning real long distance – all three of those rates went down for that four-year period before the long distance kicked in. As soon as the long distance kicked in, the local rates started to rise and continued to rise right through to the late 1980s. However, the intrastate continued to go down some, leveled off, went up a little bit, and has kind of stayed in the middle. So there was some gain, although not very much after 1980, in the long distance within the states. However, the long-distance rates went down and down and continued to go down.

So, Mr. Chairman, it's very clear what the pattern is, and this government shouldn't kid anybody that anything different is going to happen. The Herschel Hardin report from Manitoba also showed very clearly that the rural areas tend to be hurt wherever the so-called competition is allowed.

Now, this whole business of cross-subsidization and the rates I want to get into in more detail, but I'm going to leave it for one of my amendments because it's particularly appropriate for one of the amendments.

I want to deal for a moment with the idea that AGT needs a couple of billion dollars in capital over the next three to five years. The offering of shares for AGT will take some time to organize, and you can't float all of the shares at once. The Bill is set up, I think, for at least two offerings; it seems to me the government may need as many as three. Certainly, I don't think you'd want to put a billion on the market straightaway. So probably the government will put on about half a billion for the first offering, and they will probably go quite well because, after all, people are going to be able to buy them with no interest payments. I don't see why the taxpayers should be subsidizing the purchase of shares by private individuals when some people can't afford to buy shares at all even if they are subsidized. So why should those that can afford it be subsidized? All the government is doing is trying to ensure that it's a successful sale, but that doesn't mean that they're looking after the interests of all Albertans in the long run. The same with the workers: to offer them three shares for two is not right. They've built a good company, and I have great respect for the workers. The union is against this privatization, but a lot of the workers will be conned, of course, into believing . . . And why not? It's a good deal. I won't blame them if they take their three shares for the price of two, but why should the rest of us be paying for it?

MR. CHAIRMAN: Order. The Chair hesitates to interrupt the hon. member, but the Chair feels the hon. member should be aware of the provisions of Standing Order 21. The Chair had been tempted to ask the hon. member not to be making his second reading speech at this point but wasn't doing so because of the time. The hon. member will have to deal with his amendment within the time allotted, because the standing order only provides one intervention in this debate. The Chair thought the hon. member should be aware of that.

MR. TAYLOR: Just a point . . .

MR. McEACHERN: Is it a point of order?

MR. TAYLOR: No. I wondered if the member would permit a question. Knowing how he can ramble, and we have . . . [interjections] No, no; this is very legitimate.

I would like him to focus his attention to only one question: the amendment. I was just wondering if the member would explain to me what the amendment – he has on the second page, "(b) by striking out subsection (2)." What's that do? I mean, I'm not being obstinate about it. I just don't want to sit around for an hour trying to figure out what he's saying. I thought if he could come right to this point, Mr. Chairman.

MR. McEACHERN: Nick, it's likely you wouldn't understand anyway, so just forget it. I'm certainly not going to interrupt what I was saying to talk about an amendment. I'm not going to talk about an amendment until I'm ready to talk about the amendment.

Mr. Chairman, section 24(1) through (5) talks about the sale of these shares, so I want to deal with the sale of these shares in a manner that responds to some of the things the minister has said. He says that we want to change the debt/equity ratio from 9 to 1 to 1 to 1. Now, given what I was just saying a minute ago, that likely the government is only going to put up half a billion – that's a very big offering of shares initially – then they will obviously have to have a second one. Now, they'll have to wait six months in between or maybe longer, and it's going to take two to maybe even three of those share offerings, really, to get to the 1 to 1 debt/equity ratio. If that's the case, then that means that AGT is not going to see any new capital. I mean, they will get equity instead of debt, but they won't have any new money for at least a year, maybe a year and a half, maybe two years, depending on how fast these sales go. I would like to bet that after half a billion, say, in the fall if you can organize it that fast, and half a billion next spring and then the next half a billion being questionable as to whether or not that's any new money for AGT, the new company – I think you're going to find the government hard pressed if they want to continue the sale through to its logical conclusion. They're going to have to break

the 5 percent limit and maybe even the 10 percent limit on foreign investment in order to attract the money they need to complete the privatization. That's another potential strain on the direction that they seem to be going with this. At the end of it, probably it'll be BCE Inc. or AT&T or Rogers Communications Inc. that'll be the big purchaser in the final analysis.

Now, Mr. Chairman, this government is making a serious mistake on this privatization. They've released no studies to show the benefits, just like they didn't in the free trade deal. They've had no public debate, so they haven't taken the people of Alberta with them. They're just trying to sneak it through while Meech Lake has been dominating the news media for the last two or three weeks.

The minister supposedly said today something about: he has some great protections that the CRTC has promised and offered us that convinced him that in fact they can do the regulatory job on behalf of Albertans. Mr. Chairman, I just don't believe that. I do not trust Brian Mulroney. I do not trust the CRTC to look after the interests of particularly rural Albertans, and I certainly do not trust the cabinet's golden share to do the job unless some of our amendments are accepted.

I want to deal with those amendments now. They've been passed out to the members. I want to refer to section A, and I would like to introduce these amendments one at a time and have them debated. I want to move section A of my amendments. As you can see from the paper that was passed around,

A. Section 2 is amended
  (a) in subsection (1)
    (i) by striking out "shares of at least the following classes";
    (ii) by striking out clauses (a) and (b);
  (b) by striking out subsection 5.

Now, Mr. Chairman, the effect of that is to say that the only share that the corporation is authorized to issue is in fact the golden share to the cabinet. In other words, it negates the sale, and that's the basic purpose of the first amendment, because we do not believe that this is the right direction to go, so we've said that (a) and (b) are both eliminated. The government cannot issue voting shares or preferred shares of the two classes named in section (b). They can only issue the golden share to the cabinet.

Now, the reason that we've done that, Mr. Chairman, is that we don't think that section 5, which is what the golden share refers to as it is presently here, protects the people of the province at all. I mean, section 5 says "the Corporation may not (a) change its name," and a number of other prohibitions, but the golden share's role, as presently identified, is merely to say that those prohibitions can be waived if the cabinet so desires. What we're trying to do with this amendment is to say that the corporation cannot sell any shares; they can only issue this one share to the cabinet, who will then, in effect, be the sole owners, as the government is now. So those protections, then, cannot be violated by the company. We deal with that, in fact, in the subsequent amendments that we have.

So, Mr. Chairman, I move amendment A and would hope that all members would support it, because we don't believe that AGT should be sold to private entrepreneurs.

MR. CHAIRMAN: The hon. member for . . .

MR. McEACHERN: Mr. Chairman, can I ask you a procedural question? Can I not move these other subsequent amendments later? I mean, I could get somebody else to, but I could move them all now.

MR. CHAIRMAN: It's been the practice in the committee that we have all of the amendments proposed by a proposer at once, and we have dealt with them as a bundle.

MR. McEACHERN: In which case, then, Mr. Chairman, I would move all the amendments.

MR. CHAIRMAN: The Chair is certainly in the hands of the committee. I'm just saying what has happened so far this evening and recently.

MR. McEACHERN: Well, I'm happy to move them all and then just speak to two or three of them in some detail and leave my colleagues to help carry the debate from there.

MR. CHAIRMAN: Right. Does the hon. Member for Edmonton-Kingsway . . .

MR. McEACHERN: No, no. Oh, yes; I will keep going, then, until my time has run out.

Amendment B merely deals with some tidying up of directors. We think that instead of two-thirds of the directors being from Alberta, they should all be from Alberta, and the government has the right to elect four directors. So we substitute that they should be able to elect all the directors since they will be the sole shareholder. Then sections 5 and 6 become redundant, so that's why they were removed.

Now, in amendment C here are some very specific prohibitions that we would like to see added to section 5(1) where these prohibitions of what the corporation cannot do were set out. We would like to add:

  (k) increase the rates charged subscribers for residential telephone service.

They can't do these things without consulting with the cabinet, okay. That's the final word on section 5(1). They cannot

  (l) abandon its programming of introducing individual line service for rural subscribers prior to the full implementation of that program.

I mean, after all, it's being paid by the taxpayers. Why should we pay for it with the taxpayers' money and then turn it over to some private corporation to make money out of it? So that's why section 1 that says we should not sell the shares of AGT.

  (m) readjust its extended flat rate program in such a way as to increase telephone rates for rural telephone subscribers.

Rural subscribers have some very important advantages in the present system to protect, I might add, and we will talk to that at more length.

  (n) readjust the existing telephone rates particularly as they affect the balance between rates for residential service and long-distance service; and
  (o) increase charges for rural telephone line installations.

(ii) by adding the following after "that he prescribes"

– that is, after the Lieutenant Governor in Council prescribes:

  following the tabling in the Legislature of a report by the Premier on the results of public hearings on the proposed changes, held in locations throughout Alberta or in areas directly affected by them.

  (b) by striking out subsection (2)

because it's unnecessary.

D: "Section 6 is struck out" because it becomes unnecessary.

E. Sections 7 to 45 are also struck out and the following is substituted . . .

And 7 and 8 refer to public hearings, which I will not stop to deal with for the moment because I only have a few minutes and I want to go back to (n) and (o) and talk about the rural rates.

Actually, the rate balancing concept is one major point that I haven't really dealt with as fully as I would like.

Most people, Mr. Chairman, have made the assumption that we're using long-distance rates to subsidize residential and rural users of telephone systems. I don't quite agree with that. It is true that when you look at the income of AGT, something like two-thirds of their money comes from the long-distance telephone services, but if those people who use long-distance service the most had to pay for a line by themselves, it would cost them a fortune. They could not afford to make very many long-distance calls if they had to build their own line and build all the infrastructure in to make it work. It is only because we have thousands of people in Edmonton and Calgary and Toronto that like to phone each other, that back up that long-distance system, that the long-distance rates are as low as they are. So long-distance rates do not truly subsidize the flat rates.

The long-distance rates themselves in fact are subsidized by the fact that they have the bulk system. If you didn't have millions of people wanting to make long-distance calls – most of us only do it occasionally, but it still amounts to a lot of calls – you could not afford to have the kind of long-distance telephone network that we have in the world. Therefore, it is not fair to say that long-distance rates are too high and should be lowered. That's what seems to be implied by companies like Unitel that want to get into competing in the long-distance service. They just see that it's the lucrative part. If they're allowed to hook into our systems, of course they can force the price down, but that does not help the overall service of the system because it unfairly puts the burden on the flat rate users, on the residential users of our cities and our rural areas.

I do agree that we are subsidizing the rural areas in terms of running lines out to them. I'm proud of that, and I think we should because I think rural people should be able to enjoy the same level of service that we do in the cities to what extent possible. The monopoly telephone companies of Canada have been doing a pretty good job of that, much better, I might say, where we've had Crown corporations, in Alberta, Saskatchewan, and Manitoba, than where we've had B.C. Tel or Bell Canada in Ontario. They charge incredible rates to run a mile of line out to a rural area, whereas in Alberta we do it very cheaply, for something like 35 cents.

So the cross-subsidization thing is far overplayed and tends to play into the hands of the companies like Unitel that somehow think that those rates are too high. The main beneficiaries of any changes there are going to be big businesses. The president of the Canadian small independent business association in Alberta has come right out and said that he doesn't think small businesses will get much benefit out of long-distance competition. The main beneficiaries will be big companies that do a lot of long-distance calling, because third parties will contract to give them special deals. Grandmothers that want to phone their grandchildren across the Atlantic or from Montreal to Vancouver will not benefit particularly, and rural people that want to phone from Red Deer to Lethbridge will not benefit particularly, and the residential users of Edmonton and Calgary and in Alberta generally will suffer in terms of the service and the rates they pay.

There is nothing the minister has done with this golden share in section 5, the way it presently reads, that will really protect the rates and the services of the people of Alberta. The minister has in fact abandoned them, Mr. Chairman. Because he lost the regulatory fight with the CRTC and because of the ideological bent of this government to selling AGT in the first place, he has decided to give up the ownership rights of AGT and say, "Well, let's sell that off, too, and let some private people start milking the system." Because that's what they will do. It will take time, but the trend is very clear. The Sherman report shows what happened in the United States. It also refers to what happened in England and Japan. The same kinds of things happened there. The minister can say, "Oh, those figures are out of date or were based on some applications that were made earlier." That could be, but the effect will be the same for any "long-distance competition," and the minister should know that and should know that he's doing something that will not be to the benefit of Albertans.

We have built this line over 84 years. It's served us well. It will not get any new money into the coffers of AGT straightaway. It will get some new money into the coffers of the government, and that's another reason they want to do it, because they can use the billion or billion and a half dollars they're going to get to help pay down the deficit. That is more likely the agenda, although basically it's an ideological bent to hand over AGT to some private people to make money out of it after we built the system, after we used taxpayers' dollars and the telephone users of Alberta have built the system. I don't understand why he wants to give it away.

Mr. Chairman, these amendments will correct the problems of this Bill and put the responsibility squarely on the cabinet for running this telephone system and keeping it Albertan and protecting it to what extent ownership will allow them to in spite of the difficulties of having the CRTC regulate and probably allowing that long-distance competition that we don't need.

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

MR. McINNIS: Thank you, Mr. Chairman. The amendments before us – there are several of them. They all interest me in some measure, but there are a couple that I wish to address some comments to.

There's a phantom presence in this debate: the hon. Premier of this province. While he hasn't participated in the debate on Bill 37, he did issue a news release, or one was caused to be issued in his name, in which he raised a very appropriate question. The Premier is quoted in the news release as saying, "Do we stay still with the old AGT, which has admittedly served us well – or do we, when we are ready, set out for new ventures?" Pretty good question, and I think one that is kind of central to the debate we're having today. The government obviously feels that we should do away with the old AGT and set out for some new ventures; the opposition clearly feels that there are some things about the old AGT that are worth preserving, some directions for reform perhaps. And of course the Liberals aren't prepared to answer the question one way or the other.

That's basically where we're at today, and I think that having thrown out that question, we should certainly begin the analysis by looking at where different people line up, aside from the parties in the Legislative Assembly. The only clear fans that I've been able to see in the various discussions that I've been able to listen to and the reaction that's been conveyed in the news media – there's been a very clear message sent by the good people at Unitel. They feel this is the best thing that's ever happened to them. They feel that it brings them one step closer to establishing their proposed discount phone network across Canada, Alberta being a sort of hole in the doughnut at the moment. They see the move to privatization as giving them further opportunity.

I'm quoting from a report published in the *Financial Post* on June 4, 1990:

> The announcement is good news for Unitel because once AGT is privately owned, it falls under the jurisdiction of federal regulators, who are considered much more receptive to competition than the Alberta government, which owned and regulated AGT.

Now, there's clearly some testimony on the part of Unitel. They feel it's a good idea.

On the other hand, officials in Manitoba and Saskatchewan are quoted in the same dispatch as saying that they have no intention of privatizing their telephone companies, so there's not much support coming from the provinces of Manitoba and Saskatchewan. I think if you want to analyze what the merits and lack of merit in a particular proposal are, one of the first things to do is look and see who lines up where on it, and I suppose ask the age-old question: who benefits? Now, it does seem clear that competing long-distance carriers who, as my colleague representing Edmonton-Kingsway says, use systems built by other carriers in order to compete with them will benefit and that they are lining up in support of this proposition. But I'm not sure that's sufficient to convince me or to convince members of the Legislature that this is the way to go.

I have spent a little time reviewing the history of how Alberta came to acquire, came to own, its own telephone company, and I find that this question of telephone service in the province of Alberta was a very lively issue in the public life of the province leading up to the days in which Alberta became a province in 1905. Some of the initial push toward telephone service came from law enforcement officers who found it was awfully difficult to find men and horses to chase after whiskey smugglers and others who were trying to avoid the law, so they found the use of telegraph and telephone, especially, aided in their work considerably.

History shows that what became known as the great telephone controversy in the province of Alberta began with negative feelings towards the Bell Telephone Company. Now, those negative feelings, Mr. Chairman, did not come out of the blue. They were not ideological in character. They had to do with the experience that people had with the Bell system trying to get established in the province of Alberta. People at that time were generally well disposed towards public or co-operative ownership. They were used to a situation in which you couldn't rely upon national and international corporations to provide their needs. People in the pioneer days of our province were quite prepared to do it themselves. They didn't wait for a Unitel or a CNCP to come along with an idea; they were prepared to take things in their own hands.

Thirdly, there was a strong feeling that the telephone could revolutionize farm life for the newcomers in our province and make real the promise that Canada had of free homes for millions.

[Mr. Moore in the Chair]

Now, I think you'd find, reviewing the history of this time, that some of the more important names in the history of the various cities in our province are involved in this story, people like Alex Taylor and Matt McCauley. Matt McCauley ran a blacksmith shop on what is now the corner of 100th Street and Jasper Avenue, where McCauley Plaza now stands. McCauley Plaza is a very large underground shopping centre, but also the headquarters of Alberta Government Telephones is in McCauley Plaza. It also takes place in the city of Medicine Hat, in which many of the people who were involved in the early telephone system were in fact druggists, because it was a convenient place to locate the community telephone. It was a nice adjunct to their business to operate the telephone. If you wanted to get hold of somebody, you'd end up phoning the druggist, and they would go out and they would find the person.

So Charlie Pingle was the druggist in the community of Medicine Hat who attempted in 1902. They did establish a municipal telephone company right there in the town of Medicine Hat. Charlie Pingle became active in politics and eventually came to represent Redcliff in the Alberta Legislative Assembly. In fact, he became the Speaker of the House. So clearly one of the early telephone activists in the town of Medicine Hat was one of the cofounders of the system. And they fought back. They fought to keep the Bell system out of town because they had this idea that the Bell system would come along and make all kinds of promises, squeeze out the competition, and then take advantage of the monopoly situation as private owners, and they wanted to avoid that. They dealt with the Bell system locally and then took their concerns to the Legislative Assembly. In 1903 the Bell company made a major assault on the province of Alberta and was frustrated by some people who became very important in the history of our province, people like W. T. Finlay, who had stepped down as the mayor of Medicine Hat to represent that town in the territorial Assembly. Finlay was later elected to the first Legislature of the Province of Alberta and I believe became the Minister of Agriculture in the first government.

A second person who fought the move of Ma Bell under federal charter to gain control of the phone system in Alberta was the hon. A. C. Rutherford, who represented Edmonton-Strathcona. Of course, as we all know, Mr. Rutherford became the first Premier of the province of Alberta and fought in that respect to make certain that one of the first orders of business of the brand-new Legislature of the brand-new province of Alberta was to establish a phone company, a public company, AGT, under public ownership.

L. G. DeVeber of Lethbridge was involved in those deliberations and also in dealing with the local phone service in the city of Lethbridge, and of course he was also part of that first cabinet. C. W. Fisher of Banff, who was the first Speaker of the Alberta Legislature, again was involved in fighting this issue when it was before the territorial Assembly of the Northwest Territories before Alberta even became a province – and people from Cardston, J. W. Woolf, or A. L. Rosenroll of Wetaskiwin. So it was a very widespread movement throughout the province of Alberta. Mr. Rosenroll told the Assembly how the Bell system had invaded Wetaskiwin and crushed the local municipal enterprise. He made the statement in those early debates that Bell's policies would mean ruin to the country, and he hoped all other monopolies would receive the same unmerciful deal as Bell was going to get from the province of Alberta.

So they took matters into their own hands. They established AGT as a Crown corporation responsible to the Legislative Assembly through the reporting mechanism. There are many, many good things AGT has been able to achieve over the years: a remarkably efficient phone system, technologically advanced; an excellent start on a rural individual line system, which is the envy of the rest of the prairie provinces in our nation of Canada. For a long period of time AGT ran CKUA, which, as members all know, today broadcasts question period live each and every day we're in session. CKUA began life as part of the University of Alberta campus, but when it moved to provincial airwaves, AGT was the auspices and continued to be until such time as the Lougheed government in the 1970s established, I believe, the

predecessor of ACCESS. I've forgotten the name of it, but it was a Crown corporation dealing with educational communications media. So the growth of CKUA, which is now absolutely the best spectrum of programming that's available in a public radio system anywhere in the world, I believe – we're fortunate enough to have CKUA in the province of Alberta. That was one of many benefits that came from the fact that AGT was a Crown corporation which worked through the government and the Assembly to achieve a variety of goals and values which were felt to be important by generations of Albertans beginning right at the very beginning. This is the very first thing that the Legislative Assembly did aside from electing a Speaker and this type of thing where they get set up.

My point is not to go over the history in great detail but to point out that the strong people – the Taylors, the Frank Olivers – who founded our province had very strong feelings about the emerging issue, in that day, of telephone service: how it was to be provided, to whom the entity would be accountable. They settled on a model which the government today is suggesting should be thrown out the window. I think aside from the testimony of Unitel and the ideological position taken by the government, there doesn't seem to be a lot of support out there in the community. Now, I don't imagine that every Albertan has an opinion on this question at the present time, and it's one of the reasons that I think my colleague has put forth amendment E, which essentially strikes out sections 7 to 45 and allows a process whereby Albertans can learn something about the pros and cons of undoing the last 85 years of our history and starting off in another direction.

In essence, the question which was put forward by the Premier – and he did, you will note, Mr. Chairman, put it forward as a question, not as a definitive answer or a thesis but rather a statement to challenge Albertans and to say that we have some options here. We have an option of moving forward with the corporation which is under our control and direction through this Legislative Assembly or casting fate to the vagaries of the marketplace and what may come.

Who knows what may come? I mean, there are certain safeguards in this legislation; for example, on the question of foreign ownership. Well, those safeguards are merely legislation, and legislation can be changed, which seems like an odd point to have to make when we're debating legislation. Nonetheless, what provision exists to limit who can own shares of various classes and categories can be changed just as easily as the current equity structure of this corporation is being changed or would be changed if Bill 37 passed unamended.

I think if we want to look to a model of how these things can be influenced by the political process, look at the province of British Columbia and the British Columbia Resources Investment Corporation, BCRIC as it's more commonly known and Westar as it's more recently known. BCRIC has performed very poorly in the period since 1975 when the provincial government issued some number of free shares followed by a large public offering of shares in the marketplace. Shares that were sold at the time for $6 each briefly went up in value above $9 – I think even over nine and a half at one point – and then began a very long slide as a result of a whole series of factors: increases in interest rates, decreases in resource prices, and some monumentally stupid investment decisions made by the people who were hired to manage BCRIC.

The result was that the share price began to slide from the high of some $9.50 down below the $6 to $5 to $4 to $3, and the government began to take a lot of heat from people who had invested large amounts of money based on glowing reports and speculation that they could cash in with a piece of the rock. So when that happened, the provincial government began to ease up on the restrictions on ownership. They took away the restriction that one person or one entity could only own 5 percent of the shares, which I believe is in this particular Bill. That was the first thing to go, and the restrictions on foreign ownership were lifted as well, because the government was feeling the political heat over the low value of the shares. Now, another member indicates that the price of the shares has fallen even further since that point. It's fallen below $2. Yes, Mr. Chairman, it did fall below $2, down to a buck and a half, maybe even below that at some point.

So these measures that the government was pushed into or felt that it had to take in order to try to prop up the value of those shares and to remove some of the heat from the people who were suffering losses were not in reality effective in boosting the share value all that much. I mean, what investors look at is primarily the performance of the company, the price/earnings ratio, and a variety of factors like that to influence their investment decisions, and these are very important in the secondary market, after the initial offering has been taken. I don't doubt that with the existing experience of previous governments having put heavily subsidized share offerings on the market to Albertans – the Alberta Gas Trunk Line situation, which later became Nova, where large profits were made in a short period of time, and the Alberta Energy Company, where the same thing happened – Albertans would respond to a share offering of this one believing that such profits will be possible under this venture as well.

So, you know, it's quite likely that whatever quantity of shares the government decides to offer at whatever price would result in a successful share offering, but that would then leave a lot of people who will be eyeing the entire political system and every member of this Assembly to ensure that the value of their investment is not only protected – I think most people would expect not merely to hang onto their investment but rather to earn a profit in terms of the escalation of the value of the shares. They will be looking to the government, to members of the Assembly to try to take actions to make certain that those share values continue to rise or at least remain at a fairly high level.

[Mr. Jonson in the Chair]

That does bring forward the concern about foreign ownership. I'm speaking here to amendment A on the sheet, the changes that are suggested in section 2. One of the concerns that my colleague has, and it's a concern that I have, is that there may eventually be foreign ownership of the phone company in Alberta. Now, that would sound like kind of a farfetched notion given that Albertans from day one have always rejected foreign ownership of the phone company and given the assurances that have been made by the government, but I have to remind hon. members that a majority of the common shares of the telephone company next door in the province of British Columbia are controlled by GTE corporation through a subsidiary of theirs known as the Anglo-Canadian Telephone Company. That's an American-owned outfit, and that's rather close to home.

It's been pointed out by some speakers that foreign ownership of the Canadian economy has many consequences, most of which are undesirable. For example, we tend to have a relatively low expenditure on research and development. I've pointed out I think on a previous occasion, or someone did, that AGT does invest considerably in research and development expenditure in

the province of Alberta. That's part of their mandate. I think they've been pushed in that direction by the provincial government, rightly so, and supported along those lines. But the question remains: will a privatized AGT continue to invest in research and development the way they have? Would a foreign-owned telephone company? I think not. I mean, the Canadian record – and this is really a measure of our competitiveness on research and development – is that the gross expenditure in Canada in R and D as a percentage of our gross domestic product is the lowest among all the OECD countries. Similarly, industry-funded expenditure is at the very lowest level among that group of industrialized countries that we tend to compete with in the marketplace, especially in the field of technology. The number of technology-intensive industries in which Canada has a positive trade balance, in which we ship more out than we buy in, is again the lowest among all the OECD countries. So we're in a negative trade balance position in many of the high-technology industries. Canada has enjoyed some advantages in the technology field, and I'm fearful we may be losing those in the context of privatizing AGT. I believe amendment A to Bill 37 speaks to that quite well.

There's also the question of international investment income. Now, we don't have investment income in Canada. We pay out rather substantial sums of money, and that's been increasing dramatically over the last two decades. That's roughly the period of time in which I've been studying foreign ownership, a period of time in which the value of assets controlled by foreign owners in Canada has increased almost without exception year by year and, at the same time, our deficit on the investment account alone has been increasing dramatically. You might think it would be the other way around with all this alleged inflow of foreign capital, but it doesn't work that way. For the most part, foreign institutions buy us out with our own money. They borrow from Canadian banks, from Canadian insurance companies, from Canadian investors. They simply control that.

The numbers are quite staggering. You look at, for example, the United States, which is the largest single foreign investor in Canada and I daresay would be the most likely source of foreign ownership of AGT shares. The numbers in the period from the end of the last war, World War II, up to 1988 are that there was only a total of some $4 billion new investment dollars invested in Canada. Meanwhile, we paid out over that period almost $60 billion – $58.8 billion – and despite the fact that the balance on that account, inflow versus outflow, comes out to minus $55 billion, despite the fact that we paid out $55 billion, the growth in book value of U.S. direct investment in Canada over that same period increased by almost $73 billion. So here's a situation where we took in $4 billion, paid out almost $60 billion, and still wound up with another $73 billion foreign owned in our economy. So this concern that's been raised in the debate on Bill 37 about the potential impact of foreign investment is a real one, and I believe the amendment to section 2 addresses that concern quite nicely.

I think my colleague has presented some sound arguments in favour of his position, and for that reason I would like to urge members to support the amendment.

MR. DEPUTY CHAIRMAN: The Member for Vegreville.

MR. FOX: Thank you, Mr. Chairman. I'm pleased to join in the chorus of support being echoed for the amendments being proposed by the hon. Member for Edmonton-Kingsway to Bill 37 before us today. I must say I share the quandary my hon. colleagues are in. We're in a position here where this Bill, very offensive to us in principle, content, and intent, has been passed by the Legislature and now is in committee before us. We're obliged as responsible legislators to look at the clauses in the Bill, to try and examine their merit or lack thereof, to try and determine what their impact on Albertans will be if passed into law, and then vote accordingly. I find it offensive in the extreme that we have only an hour and a half to do that with a major piece of public legislation, offensive in the extreme. It's a 38-page Bill here, and I submit that it wouldn't even be possible to discuss in very brief form all of the clauses contained therein. To suggest that we have time to do a thorough and thoughtful examination is a ridiculous contention, Mr. Chairman.

So here we are. We're in this position where we don't have any time really to consider clauses and to examine their impact, but as legislators we're here, and that's what we have to do. So we've come forward with some amendments that we think would make this Bill a better Bill, and we're trying to fight for them. Even though we don't think the Bill is worth the paper it's printed on, we're going to have to try and amend it and fight for some improvements.

My colleague the hon. Member for Edmonton-Kingsway has suggested five amendments, and I'd like to discuss them very briefly over the next half hour, if I might.

AN HON. MEMBER: Or so.

MR. FOX: Or so.

Proposed amendment A, that we amend section 2 of the Bill

(i) by striking out "shares of at least the following classes";

(ii) by striking out clauses (a) and (b);

(b) by striking out subsection 5.

Mr. Chairman, the motive behind that amendment and the import of that amendment is that it would remove the ability of the corporation to issue shares for all these classes. It deals, I think, in a very direct way with what is so offensive about this Bill, that it involves the carving up and piratizing of this important public resource known as AGT.

I'd like to emphasize that this action, the issuance of shares that are going to be bought and sold on the stock exchange, is a very offensive process to us in the Official Opposition. It is a denial of the history not only of AGT as a entity that has some 84 years of proud history in the province of Alberta, but it's a denial of the history of the pioneers of the province. I've spoken to many of them, Mr. Chairman, who have lived in my constituency, remember full well what it was like not to have telephone service, remember the chaos that existed when phone service was provided by a number of private companies competing with each other. It didn't provide a benefit to consumers. It didn't enable them to dicker with the so-called competing utilities for a better price. What it led to was a duplication in facilities, duplication in services, and in every case higher prices and poorer service to the clients, to rural Albertans in particular. So they welcomed the creation of AGT some 84 years ago. They appreciate the development of that company and the role it's played as a world leader in technology and the role that played in terms of the development of regions.

It is the case now that almost wherever you live in rural Alberta, you will soon have the opportunity to have individual line service, which at long last, thanks to a valiant battle waged for individual line service by the Official Opposition during the 1986 campaign, enables rural subscribers to have the same sort of basic service that urban subscribers do; that is, the ability to make phone calls, both personal and of a business nature, without having people eavesdrop, without have to wait your turn

to access the line, et cetera, et cetera. So it's a significant improvement. It's been made available to people of rural Alberta by virtue of the fact that AGT is a public corporation, a public utility with a broad mandate to not only operate efficiently but to provide service for people in Alberta regardless of where they live.

[Mr. Schumacher in the Chair]

Now the government is proposing by the words contained in clause 2 of this Bill to piratize this valuable asset, to start selling it off: put dollar value on shares and sell them to whomever may want to buy them. Again, that violates a very important principle. So the issuance of shares is something we take great exception to. Once you issue shares, you have to get into valuing the shares, the valuation of shares, and the government has avoided at all cost any discussion of the valuation of these shares. We suspect – in fact, I do believe my colleagues have been able to prove, Mr. Chairman – that there's been a deliberate undervaluing of the assets of AGT. When the Provincial Treasurer puts a price on the head of this corporation, he comes up with something in and around $1.1 billion, while if you look in other documents, other records, you'll see that the assets in some cases are valued at between $2 billion and $3 billion. You have to ask yourself: why are they seeking to undervalue this important company? They certainly don't try and undervalue things when it makes their books look good, but in this case they want to undervalue it, I think in a deliberate way, prior to the issuance of shares.

That may have something to do with their desire to make the share offering look good. They want to be able to tell Albertans, "Even though we weren't courageous enough to campaign on this issue during the last provincial election, even though we lacked the courage and the courtesy to have open public hearings to solicit input from Albertans and find out how they felt about the privatization of AGT, even though we didn't have sufficient respect for the democratic process to allow legitimate debate in the Legislative Assembly and we brought in closure at every stage of debate on that Bill, we're going to try and make it look good by undervaluing the shares and doing everything we can to encourage people to purchase them."

They're going to do that in a couple of other ways, Mr. Chairman, not just by undervaluing the company and enabling the shares to be offered at fire-sale prices, but they're going to offer people interest free loans to buy the shares. My colleague from Edmonton-Kingsway referred to the likely process used to encourage the employees of AGT to become owners of these shares as well. It will probably be through a "you buy two, we give you one, so you get three and pay for two" kind of a process. I submit that the motive behind this kind of process is to cover up for the lack of due public input and the lack of consideration in the Legislative Assembly. The government wants to be able to say: people must like what we're doing; they must approve of what we're doing even though we didn't have the courage to campaign on it, even though we've been able to name some prominent Conservatives who are no longer here in ridings where Official Opposition members campaigned on the privatization of AGT as an issue. They want to be able to say, "In spite of all that, Albertans must love it because they've bought the shares; a lot of them have purchased the shares."

We've tried to point out to members opposite, Mr. Chairman, that the government ought not to be fooled by that process. I can assure you that I know a lot of Albertans will buy these shares if this Bill ever passes. I know they will, and that's because Albertans are shrewd investors, the ones that have money at least. They know a deal when they see it. When the government comes along and says, "We've undervalued this company by at least 50 percent; we're going to give you interest free loans for a year to buy shares," people are going to take it because it's a good deal. They recognize that it's a sound company, well managed, in spite of interference from the Conservative government over the years, and people are going to want to get a piece of the action. They will have accepted this privatization as being inevitable. They don't like it. It's inevitable, and they're going to buy shares. I want to caution government members not to accept that as tacit support for this privatization initiative. It will simply be a result of the prudence of Albertans willing to make an investment once the ground rules have been laid out. So we're very concerned about that.

As well, Mr. Chairman, there needs to be some discussion given to the 10 percent foreign ownership provision contained in the Bill here. They make it possible for foreign interests to own, at the outset, up to 10 percent of this company. I'm disturbed about that for a number of reasons, and I believe the amendment proposed by my colleague the hon. Member for Edmonton-Kingsway would address those concerns, allay the fears that I have about opening it up for 10 percent foreign ownership.

I can only refer to my experience in this Assembly when trying to assess the merits of this proposal, and I remember – I believe it was called Bill 15. I'm not sure if I've got the number right, but it was a Bill dealing with the Alberta Energy Company. Now, this was a company formed many years ago with some very strongly worded statements being made by the then minister of energy, who coincidentally is the Premier of the province today, about how this company would serve Alberta well in the future, serve Albertans well, and would not be open to foreign ownership, and that was the case: there was no foreign ownership permitted in the Alberta Energy Company. People, I guess, made the mistake – they didn't have enough experience to think otherwise – of believing the word of the then minister of energy, now Premier. What were we to find, though: last year, in 1989, they introduced a Bill, the Alberta Energy Company Amendment Act, and suddenly foreign ownership is permitted, something that was considered inviolate when this company was created a few short years ago permitted by the stroke of a pen and rushing something through the Legislature.

As offensive as I find the entry level foreign control proposed by this Bill, the 10 percent foreign ownership permitted by this Bill, my concern is beyond that even, Mr. Chairman, because I know full well that this government possesses the ability and certainly has the record to indicate that they might come back to us next year and say: "Well, who cares about limits on foreign ownership? We want it wide open for whoever wants to buy it, wherever they live. We don't care at all about foreign control of a basic provincial resource." I want them to understand very clearly that we do. We don't accept this entry level foreign ownership. We see the 10 percent being proposed as the thin edge of the wedge. The government is likely to increase that percentage over time, and we're going to end up with a company that is certainly going to be – the possibility of it being controlled by interests outside of Alberta is very real through ownership of a major block of shares, but indeed the ownership of the company is very vulnerable, I submit, because we could even see a majority of shares being owned in the future if the government's to propose changes to that.

So I'm very concerned about the impact of that. We're not saying that we don't like foreign money and we don't like people

bringing their money to Alberta. We have to look at each and every proposal and assess it on its merit. What we have here is a basic public utility, a company upon which all Albertans rely for basic communications service. We're going to rely increasingly on that service, not just for phoning our neighbours and phoning businesses in town, but it will unite Albertans, both in a personal and in a public way, through a modern telecommunications network that provides service for computers and for purchasing and for record keeping and for education: all of these things will be possible in the future through the service provided for us by AGT, paid for by the people of the province of Alberta.

I submit, Mr. Chairman, that to open that up to foreign control and foreign ownership is an abdication of our responsibility as legislators to act responsibly with the best interests of our constituents and the people of all Alberta in mind for the long term. We've got to be able to assure people that we're going to be able to use our telecommunications network as an instrument of development in the province. We can't abdicate that responsibility and give it over to other people elsewhere. How can we influence the growth of our economy? How can we make sure that different parts of the province are not discriminated against in a very arbitrary way by a company that may not find it sufficiently profitable to deal in one area and may concentrate their resources in another? What assurance do we have that a company that can be 10 percent foreign owned immediately would not come and pressure this weak-kneed bunch of Lougheed leftovers to make other changes in the Bill that remove the protection about the head office remaining in Edmonton, or the protection – I shouldn't call it that – that two-thirds of the directors of the corporation must be ordinarily resident in Alberta? That means, I suppose, that they could all live in Houston and maintain a home in Pincher Creek or someplace like that; that's pretty flimsy. You know, that's not sufficient assurance for me and certainly not sufficient assurance for the people I represent that AGT will remain an important and positive part of the future of the province of Alberta, certainly in terms of advancing the best interests of this province.

It may be that we'll find years down the road that whichever company ends up taking control over AGT through the ultimate concentration of these shares, whether it's AT&T, Bell, Unitel, or Rogers Communications, may decide in the future that it's not profitable for them to maintain their toll equipment or their main switching equipment or their offices or anything like that in the province of Alberta. They may find that they can do all of that sort of thing out of their office in Seattle or their office in Chicago or their office who knows where. I mean, there are going to be great strides made in telecommunications even in Tokyo, great strides made in telecommunications technology over the next few years, and we have no assurance, because of the flimsy provisions of this Bill, that we're going to be able to make sure that AGT is going to be there when Albertans need it. That's a great concern to me because I not only represent a part of rural Alberta very conscious of its heritage and its history, but I represent an area that is well served by AGT and has a considerable number of AGT employees in it.

I have to think that this acquiescence to foreign ownership and foreign control by the government so evident in the government policy, both in terms of the provisions of the Alberta Energy Company Bill last year and this Bill this year, relates in large measure to just the supreme lack of confidence that Conservatives seem to have in the ability of Canadians to manage our own affairs. You know, they just somehow don't believe that we can build this modern telecommunications company and compete as a proud Alberta corporation. No, no, no; we have to bring in American money. We have to, you know, do this sort of bend-over-for-business act all the time and get somebody else's money in there, and I just don't accept that. I have great confidence in the ability of Albertans to manage this company in the long term as a public corporation.

I guess we have to look at some of the reasons the government's providing to us for their desire to privatize this company, piratize this company, issue shares for this company, and they use the word competition. They talk about how this will open up the system for competition and we'll all be better off as a result. I submit that members opposite have a very feeble understanding of the word competition. They suggest, in fact, that because we don't agree with the privatization, we're afraid of competition. Well, we're not afraid of competition. I'd like AGT to be competitive, and I believe AGT is competitive. It's been competitive because it's been able to operate as a public utility well managed and has almost always been profitable. It's been competitive, but thoughtful people need to know how to organize competition. We want competition to exist in a way that's beneficial for all Albertans, Mr. Chairman, not in a very narrow way that perhaps provides some benefits in the form of reduced long-distance expenses for certain businesses making a lot of phone calls out of province but that lays the burden for that saving squarely on the shoulders of the average telephone subscribers in the province. We don't like competition like that. That's a foolish kind of competition.

It reminds me of the kind of competition Peter Pocklington was advocating for hog producers in the province when he said, "We want to get rid of the Hog Producers' Marketing Board because we want hog producers to have the freedom to compete with each other to sell me their hogs." I had to scratch my head and think, "Gee, Peter, that's a nice idea, I suppose, if you're the guy sitting there waiting for the producers to come to compete with each other to sell you their stuff." Hog producers are too smart; that's not well-organized competition. They said, "We like competition, but we want it to be organized in such a way that potential buyers for the product have to come to us and compete with each other to purchase it." Now, I'm just using this as an analogy, Member for Cardston. It shows you that competition can be used in a way that actually benefits all Albertans rather than used in a way that benefits a few wealthy businesses in the provinces and punishes the good people of Cardston and Vegreville. That's what I'm trying to explain here. I think the reasons that . . .

MR. DOYLE: And West Yellowhead.

MR. FOX: And West Yellowhead too. Indeed, we want it to benefit all of the people of the province of Alberta, and that's why we're firmly and unalterably opposed to Bill 37, Mr. Chairman.

I think the reasons the government has given us for privatizing, for issuing shares, are very, very, very flimsy: the idea that they want it to be competitive. I think they're trying to hide the real reason, one that was enunciated by the Provincial Treasurer some years ago, and that is to raise some money, a quick-fix cash solution to the budget woes created by Messrs. Getty and Johnston. In the four and a half years that they've been at the helm, they've created a fiscal nightmare for the province of Alberta. I guess politically they feel they need to pretend that things are better than they really are, and there are several ways they can do that. One way is by trying to sell off the assets of the province, get some money in the short term so that they can

say to the people when next they go to the polls: "Look, we've reduced that deficit to zero or almost to zero. We've had to sell off all your assets to do it. We've built up a $13 billion total debt in the meantime, but we want to say to you that we've wrestled the deficit to the ground, reduced it to zero. Now you should vote for us again." Well, I'll tell you, we're going to be there to tell Albertans, Mr. Chairman, exactly what the fiscal situation in the province is and what kind of bungling led to that and what the government . . .

MR. ADY: The spend, spend, spend boys.

MR. FOX: Spend, spend, spend. The hon. Member for Cardston is chastising his own government for driving us 11 and a half billion dollars in debt. The $13 billion I was alluding to is what it will be when we next go the polls, hon. member.

MR. HORSMAN: Selective hearing. He's talking about you being a spender.

MR. ADY: Yeah, you're the spenders.

MR. FOX: I might remind the hon. Government House Leader that New Democrat governments, wherever they have existed, have proven their prudence. Saskatchewan is a case in point, where in 1982 they had money in the bank, they had Crown corporations providing service and earning money for the people of Saskatchewan, and they had social programs without equal. When Roy Romanow takes over, when the NDP government is re-elected six months from now, they'll be $6 billion in debt, thanks to the spend, spend, spend Conservatives. They'll have reduced social programs, and they'll have nothing left in the portfolio of Crown corporations to earn money for them. That's Conservative management. [interjections]

MR. CHAIRMAN: Order please. Back to the subject at hand, hon. member.

MR. FOX: With more people leaving Saskatchewan than leaving East Germany: that's the Conservative record. That's the Conservative record. [interjections] That's not debatable.

Anyway, in terms of the amendments proposed by my colleague the hon. Member for Edmonton-Kingsway, I'm not confident that they're going to pass, Mr. Chairman, because they're too thoughtful, because they seek to do something positive for Albertans rather than politically expedient for the Conservative Party, and my experience in this Legislature is that we seldom pass things that are good for the people of Alberta. The agenda is dictated solely by what is considered politically expedient – some members excepted – by the Conservative Party, Mr. Chairman. I'm really excited about the amendment proposed by my colleague that would deal with the . . . [interjection] I beg your pardon?

The hon. Member for Cardston seems to be anxious to enter into the debate. Perhaps he can persuade the hon. Government House Leader to reconsider the closure motion that is hanging over our heads like a weight, Mr. Chairman.

But I do want to speak a little further on some of the amendments proposed by my hon. colleague the Member for Edmonton-Kingsway. He tries to add in his amendments to section 5 . . .

MR. DINNING: Get the glass slippers.

MR. FOX: This is section C, hon. Minister of Education, if you haven't, as you usually do, ripped up your amendment and thrown it away.

He's trying to provide in section 5 some additional assurance to Albertans. If this company is going to be privatized – and that may well be the case. If the government carries the day on these votes, this company will indeed be privatized. We want to make some additions to section 5 that would ensure, Mr. Chairman, that the corporation may not "increase the rates charged subscribers for residential phone service" without the consent of the Lieutenant Governor in Council and then only on the terms and conditions, if any, "that he prescribes." In other words, the company needs to be in close contact with this Legislative Assembly, the Lieutenant Governor in Council, which a few years hence will be made up of members of the New Democrat cabinet. We want to make sure. I want to be able to assure my constituents that they're not going to be gouged by a company whose only mandate is to provide profits for shareholders. I'm not sure . . .

MR. CHAIRMAN: Order in the committee, please.

MR. FOX: The members are whistling at me, Mr. Chairman. Perhaps I'll undertake to wear long-sleeved shirts in the future. The Minister of Education better not let the Minister of Agriculture know that he whistled at me during debate.

Hon. members, I'd like you to consider carefully the other things proposed by the Member for Edmonton-Kingsway. He wants assurance embodied in section 5 that the corporation may not "abandon its program of introducing individual line service for rural subscribers prior to the full implementation of that program." Now, surely this is a simple amendment. The hon. Minister of Technology, Research and Telecommunications tries to give us that assurance during debate. He says: "Oh, no; don't worry about that. We're going to complete that program. The new lean machine privatized corporation will, of course, do it because I want them to do it or we're going to include it in the golden share." We don't see anything described in the golden share in the Bill. But, of course, they try and give us that assurance. We think their assurances are written in sand, Mr. Chairman, and we'd prefer that they be written in ink and embodied in the legislation. So it's not at variance with what the minister himself has said is going to be case. We want to make sure that he's able to back up his words with commitment and agree to the motion contained in amendment C proposed by my colleague from Edmonton-Kingsway.

Further, he suggests that the corporation may not

> (m) readjust its extended flat rate program in such a way as to increase telephone rates for rural telephone subscribers

without the consent of the Lieutenant Governor in Council and then only on the terms and conditions, if any, "that he prescribes."

This is admitting that while the government is giving up ownership control of the company, we're not giving up regulatory control. We need to maintain regulatory control. Frankly, we don't have the same kind of faith in the CRTC that the hon. Minister of Technology, Research and Telecommunications has, Mr. Chairman. We believe this, you know, assurance needs to be given to Albertans about the . . .

[Mr. Fox's speaking time expired.]

MR. CHAIRMAN: Order please. [interjections] Order please. Order please. Pursuant to Standing Order 21(2) the Chair is

required to put all questions remaining to be decided with respect to this measure at this stage.

The first of those questions is on the amendment proposed by the hon. Member for Edmonton-Kingsway. All those in favour of the amendment proposed to Bill 37, please say aye.

SOME HON. MEMBERS: Aye.

MR. CHAIRMAN: Opposed, please say no.

SOME HON. MEMBERS: No.

MR. 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:

Doyle	Hawkesworth	Mjolsness
Fox	McEachern	Roberts
Gibeault	McInnis	Sigurdson

Against the motion:

Adair	Horsman	Nelson
Ady	Hyland	Osterman
Black	Jonson	Payne
Bradley	Klein	Severtson
Calahasen	Kowalski	Shrake
Cherry	Laing, B.	Stewart
Clegg	Lund	Tannas
Dinning	Main	Taylor
Drobot	McClellan	Thurber
Fischer	Moore	Trynchy
Hewes	Musgrove	

Totals: Ayes – 9 Noes – 32

[Motion on amendment lost]

MR. CHAIRMAN: As to the title and preamble, are you agreed?

SOME HON. MEMBERS: Agreed.

MR. CHAIRMAN: Opposed?

SOME HON. MEMBERS: No.

MR. CHAIRMAN: Carried.

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

[Eight minutes having elapsed, the House divided]

For the motion:

Adair	Hewes	Musgrove
Ady	Horsman	Nelson
Betkowski	Hyland	Osterman
Black	Jonson	Payne
Bradley	Klein	Severtson
Calahasen	Kowalski	Shrake
Cherry	Laing, B.	Stewart
Clegg	Lund	Tannas
Dinning	Main	Taylor
Drobot	McClellan	Thurber
Fischer	Moore	Trynchy

Against the motion:

Doyle	Hawkesworth	Mjolsness
Fox	McEachern	Roberts
Gibeault	McInnis	Sigurdson

Totals: Ayes – 33 Noes – 9

[Title and preamble agreed to]

MR. CHAIRMAN: On the Bill itself, does the committee agree?

SOME HON. MEMBERS: Agree.

MR. CHAIRMAN: Opposed?

SOME HON. MEMBERS: No.

MR. CHAIRMAN: Carried.

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

[Eight minutes having elapsed, the House divided]

For the motion:

Adair	Hewes	Musgrove
Ady	Horsman	Nelson
Betkowski	Hyland	Osterman
Black	Jonson	Payne
Bradley	Klein	Severtson
Calahasen	Kowalski	Shrake
Cherry	Laing, B.	Stewart
Clegg	Lund	Tannas
Day	Main	Taylor
Dinning	McClellan	Thurber
Drobot	Moore	Trynchy
Fischer		

Against the motion:

Doyle	Hawkesworth	Mjolsness
Fox	McEachern	Roberts
Gibeault	McInnis	Sigurdson

Totals: Ayes – 34 Noes – 9

[The sections of Bill 37 agreed to]

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

MR. CHAIRMAN: Having heard the motion of the hon. Minister of Technology . . .

MR. DOYLE: I have a question for a point of clarification. I wonder if AGT workers will be allowed to draw their pensions while still gainfully employed by AGT . . . [interjections]

MR. CHAIRMAN: No. Order please. Order. Order. The hon. . . . [interjections] Order please. That question was out of order, hon. member, in case you were unaware of it.

The hon. Minister of Technology, Research and Telecommunications has moved that Bill 37, the Alberta Government Telephones Reorganization Act, be reported. All in favour, please say aye.

SOME HON. MEMBERS: Aye.

MR. CHAIRMAN: Opposed, please say no.

SOME HON. MEMBERS: No.

MR. CHAIRMAN: Carried.

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

[Eight minutes having elapsed, the House divided]

For the motion:

Adair	Hewes	Musgrove
Ady	Horsman	Nelson
Betkowski	Hyland	Osterman
Black	Jonson	Payne
Bradley	Klein	Severtson
Calahasen	Kowalski	Shrake
Cherry	Laing, B.	Stewart
Clegg	Lund	Tannas
Day	Main	Taylor
Dinning	McClellan	Thurber
Drobot	Moore	Trynchy
Fischer		

Against the motion:

Doyle	Hawkesworth	Mjolsness
Fox	McEachern	Roberts
Gibeault	McInnis	Sigurdson

Totals: Ayes – 34 Noes – 9

[Motion carried]

MR. CHAIRMAN: Bill 35: the hon. Member for Lesser Slave Lake adjourned debate.

MR. HAWKESWORTH: Point of order.

MR. CHAIRMAN: Oh; point of order.

MR. HAWKESWORTH: Point of order, Mr. Chairman. Standing Order 21 has been invoked, and subsection 2 states that:

> if the adjourned debate or postponed consideration has not been resumed or concluded before 12 midnight, no member shall rise to speak after that hour . . .

Then it goes on to deal with all the matters required to conclude the adjourned debate. I would say, Mr. Chairman, that it's now after 12 midnight, and I don't see how you could recognize any member to rise and speak after that hour given that section 21(2) has been invoked by the government.

MR. CHAIRMAN: Well, the Chair would say: it's close but no cigar, hon. member. That rule applies to the motion under consideration at 12 o'clock and has nothing to do with what is called after that particular matter is concluded.

Bill 35
Metis Settlements Act
(continued)

MR. CHAIRMAN: Is the committee ready for the question on Bill 35?

MR. HAWKESWORTH: I'm on my feet, Mr. Chairman.

MR. CHAIRMAN: Okay; the hon. Member for Calgary-Mountain View.

MR. HAWKESWORTH: First of all, I'll organize my . . . Could I have this delivered to the table, please?

Pardon me?

AN HON. MEMBER: There's an amendment on the floor.

MR. HAWKESWORTH: Yes, I realize there's an amendment on the floor. I'm just giving notice to Mr. Chairman.

Mr. Chairman, I was interested in the comments made by the hon. Member for Lesser Slave Lake earlier this evening regarding the amendment presently on the floor.

MR. CHAIRMAN: Order, hon. member. Just for the Chair's clarification, is the hon. member speaking to his amendment to section 176 at this time?

MR. HAWKESWORTH: Which is presently on the floor, Mr. Chairman. Yes, I just thought if we're going to be proceeding with this Bill throughout the rest of the evening, I'd just give you notice that I may be pursuing another amendment later on.

[Mr. Jonson in the Chair]

Mr. Chairman, I was interested in the comments made by the member who is sponsoring this Bill, who was objecting to the amendment presently on the floor regarding section 176 of Bill 35. Now, Mr. Chairman, she objected to this proposal being adopted by the Assembly for a number of reasons. Foremost among her arguments was that this Bill, this legislation, had been drafted by the Metis federation themselves, which I found to be a rather curious argument given that it's the job of government to bring in Bills, and if I recall correctly, in fact, this Bill required a special dispensation requiring the unanimous consent of the Assembly in order to allow the hon. member to introduce it, in that it's a money Bill, legislation that can only be introduced into the Assembly by a minister of the Crown. So I find it very curious indeed to have a member state that this was all drafted by the Metis federation itself. Well, I just take that as perhaps an argument she made that the Metis federation was involved in the debates or the negotiations and the discussion leading up to the drafting of the Bill. But it seems to me that the only body that has the authority to actually draft legislation and bring it into the House is the government, and they should be able to stand behind what they present to the Assembly.

I want to make it clear, Mr. Chairman, that nothing in this amendment before us is directed at the Metis federation or is in any way questioning the Metis settlements federation at all.

What this is doing is directing itself at the government and the actions of the government and the power that the government is asking to be vested in the minister, a power which doesn't exist anywhere else and goes far beyond anything provided to the Minister of Municipal Affairs, for example, under the Municipal Government Act. What this section 176 allows is for the minister, with no reference whatsoever to anything else, to make up his or her mind that the affairs of a settlement are managed in a way that they don't like and, once that decision has been taken, they can then take all kinds of action without reference to anyone else, practically, and direct that elected people be dismissed or that staff people of settlement councils can be dismissed or that he can tell people exactly what they have to do to make things run according to the way the minister likes it. And there's no definition of what irregular is. There's no definition of what improper is or what improvident is. There's no process in place to ensure that the minister is not acting in a capricious way. All of this is directed at the powers of the minister, and it's not questioning the Metis federation and the work they did in negotiating an agreement or an accord with the provincial government.

The hon. member said that this Bill, Bill 35, is intended to place Metis settlements on a par with other local governments in Alberta. Well, assuming for the moment that that's what is intended by the Bill, then the hon. member makes as strong an argument as any I can think of for voting for this particular amendment, because what it does is take the concept that exists within the Municipal Government Act and transcribe it into the context of the Metis settlements legislation. That's what it does. It puts the same brakes and checks and balances on the power of the minister as exist in the Municipal Government Act in regard to the powers of that particular minister. So it's not out of line with what already exists in other pieces of legislation. It's quite in keeping with what government has determined is the proper conduct when it comes to matters at the local municipal level. For that reason I don't see why this government seems to be treating it with such horror and reaction. It's intended to put a brake on the powers of the minister. That's what it's intended to do.

I also want to reject the notion, Mr. Chairman, that if I happen to criticize this Bill, then somehow I can be accused of being paternalistic. I find a lot wrong with many of the government Bills that are brought before this Legislature, and I maintain my right as a member to examine them critically and to review them with an open mind. When I see that there are some provisions within an Act that offend my sense of justice or fair play, I maintain every single right to stand up and draw that to members' attention in this Assembly and do my utmost to correct what I see or anticipate may be a major problem. I don't think it's fair to simply say, "Well, we've got an accord reached with the Metis settlements federation, and therefore every last single line, sentence, word, paragraph, comma, and semicolon has to be adopted and accepted simply as they're presented before us."

The accord dealt with a number of concepts. The hon. member and all members of the Assembly will recall that I've highlighted some of the ways in which that accord has been violated by this government, and the promises signed on the bottom line have not been implemented in this legislation: clearly the contrary. Now, there may be reasons the government and the federation changed their minds after the accord was signed and they decided not to proceed one way as opposed to proceeding another. That simply highlights the fact that it's an ongoing process, that an accord is reached and at the time it's a good arrangement, and then as the two parties examine it more fully, they anticipate that the way things are worded, it might result in some difficulty or might not meet the objectives originally intended. Therefore they go back and rework it and reword it. It's a dynamic process. That's the way the world works, and that's the way the world should work, and I would hope that's the way it works in this instance as well, which means that when we see particular sections that arise that don't meet the objectives of natural justice, to take the basic in this case, there's nothing wrong, in my view, with stepping forward and drawing that to the attention of the Assembly.

I think, in fact, it would be paternalistic for any of us if we were to simply say, "Well, because this has do with the Metis settlements, we think something might be wrong, but we'll just keep our counsel to ourselves and not say anything." My goodness, if we feel there's something wrong here, we're going to raise that and draw it to the attention of the Assembly and ask the government to explain themselves and justify their wording in this particular Bill or any legislation that's brought before us. Whether it has to do with telephones or electrical utilities or Metis settlements, the obligation is on us to ask the government to explain itself, and it's incumbent upon the government to justify its decisions in the wording they've chosen.

I'd simply say to the hon. members of the Assembly that this particular section is directed exclusively at powers that the minister is having conferred upon him. I mean, for example, Mr. Chairman, some years ago this government brought in a Bill dealing with lotteries where the minister was given powers unheard of in any Legislature in the British Commonwealth in terms of being able to spend money without coming to the Legislature for a supply vote. We warned the government that that was a dangerous precedent, and I think that experience has shown, even though they're not willing to admit it . . . The embarrassment that's come and the way that money has been spent have turned it simply into a slush fund. So many of our predictions at that time have come to pass. I'm saying that in this case the government is asking for a power that offends the principles of natural justice, and I don't think that Metis people should be denied those principles any more than any other Albertan should be denied those principles of fair play and a fair hearing and an opportunity to defend themselves and speak for themselves before their accuser and to examine evidence which someone might bring against them. Yet, Mr. Chairman, if we look at 176 as it's presently worded, the minister can just make a decision that the affairs of a settlement are being mismanaged in some way, and it doesn't indicate in anyway how he is to determine that decision, how he is to reach that decision, how he is to make that conclusion. There are no provisions in this section for him to do that.

[Mr. Schumacher in the Chair]

Now, that means he may feel that a council has spent some money on some project or has purchased some investment, or in fact there may be letter-writing campaign to members of the Assembly about some action of the minister and he doesn't like the fact that a council might be launching some sort of campaign in opposition to something the minister has said or done and he may feel in a capricious sort of way that that's an improper thing for a settlement council to be doing. This section gives him that wide discretion to determine what is improper or not improper with the affairs of a settlement, and once he's made that determination, he can act. It's pretty draconian, the way the minister can act: either dismiss the entire council or one or two

or more of the councillors, or he can go right directly to the employees or the officials of a settlement and tell them to get out, again without a hearing, without evidence, without cross-examination or anything.

What I'm asking this Assembly to do, Mr. Chairman, is pretty straightforward: that if the minister considers that these affairs are being mismanaged, then it's incumbent upon the minister to ask cabinet to cause an inquiry to take place, and that's again from the concept contained in the Municipal Government Act. Once that commissioner or commissioners have been appointed, then they conduct their investigation and confirm. If they then confirm that the settlement affairs are not being managed in a proper way, then and only then may the minister have the authority to act. The Public Inquiries Act is the guiding legislation in this amendment. It lays out the terms and conditions under which an inquiry takes place; it lays out the powers of a public inquiries commissioner; it spells out how a hearing is to be conducted and how witnesses are to be subpoenaed and documents and evidence to be gathered. All of that is presently contained and laid out in the Public Inquiries Act. It's a well-established procedure that's worked in this province. It's got a long history and tradition behind it of jurisprudence to inform it.

So there are the limits. That's how the inquiry, the investigation ought to be carried out, and only then, after the result of that process – and it's a fair process; it's an aboveboard process – can a report be made based on that evidence, based on that conclusion, based on those recommendations or whatever. Only then can the minister by order act to settle the problem. That puts some limits on the minister; it puts some sort of limitations on the minister to ensure that he cannot act and does not have the power to act in a flippant or capricious or vindictive way against an individual council. That, I think, is only just, and what it does is extend the same rights that all Albertans enjoy to people who serve on settlement councils. It gives them some protection that they will be treated in a just and aboveboard manner. That I can't see as being paternalistic, Mr. Chairman; far from it. It's being just, and it's asking that they be treated the way that any other Albertan serving on a council at the local level would deserve to be treated. It puts them on the same footing, gives them the same rights as any other municipal councillor.

So I don't see how the hon. member could object to the Bill, and I reject any notion or any idea or any suggestion that it is in any way paternalistic to try and achieve the same standard of justice in the minister's dealings with settlement councils as we expect from a minister of the Crown in his dealings with local councillors in every other region and corner of this province. It's just simply a matter of justice, not a matter of paternalism. It shouldn't be acceptable for a member of the opposition to have to feel that putting forward that sort of amendment is interpreted in that particular way. This is a matter of how we see this government operating, ministers of this Crown operating, and we expect the same standard from the minister responsible for the administration of settlements as we do from any other minister. That's all this amendment is about. That's all it attempts to do. I can't see how any member of this Assembly would object to that particular limitation being placed on a minister of the Crown. Other ministers have managed to work under these rules and regulations; the minister responsible in this case can live with the same rules and regulations as well.

So I put the motion for all members of the Assembly to consider. I would hope that they could see the wisdom and the justice in it, and if not, well, I'm sorry to say, then, that they are voting powers to this minister that go far beyond what's required or what's necessary or what obtains in other situations. I wonder, then, what the real agenda of the government is if they would deny rights to members of settlement councils or people who work for settlement councils, if they would deny rights to those people that other Albertans who work for municipal councils or who serve on municipal councils . . . I think the same standards ought to apply, and I would question a government that might not use the same standard in this legislation as they do in the Municipal Government Act.

MR. CHAIRMAN: The hon. Member for Westlock-Sturgeon.

MR. TAYLOR: Thank you, Mr. Chairman. I rise with some hesitancy to speak because the Member for Lesser Slave Lake had roasted us for being a bit patronizing for sticking our nose into just what they'd already agreed to with the Metis. I can appreciate her point of view, but then on the other hand we wouldn't get a heck of a lot done in the Legislature if we didn't stick our nose in other people's business; that's what we're elected for. Also there is a little bit of conscience involved here too and, let's face it, maybe covering our tracks when we see something that could obviously cause trouble down the road, to flag it and a couple of years from now say: "I told you so. Even though the Member for Lesser Slave Lake said it was all right, we said this would happen."

Anyhow, Mr. Chairman, I find that I rather enjoy this time. I'm a late-night person. I never really get the blood moving till about 12, but I notice many of the people dozing off. So when we look at the hour, I would like to move adjournment of the debate.

MR. CHAIRMAN: Having heard the motion of the hon. Member for Westlock-Sturgeon that debate be adjourned on this item, all those in favour, please say aye.

SOME HON. MEMBERS: Aye.

MR. CHAIRMAN: Opposed, please say no.

SOME HON. MEMBERS: No.

MR. CHAIRMAN: The motion fails.

Is the committee ready for the question?

HON. MEMBERS: Question.

MR. CHAIRMAN: All those in favour of the amendment proposed by the hon. Member for Calgary-Mountain View, please say aye.

SOME HON. MEMBERS: Aye.

MR. CHAIRMAN: Opposed, please say no.

SOME HON. MEMBERS: No.

MR. CHAIRMAN: The amendment fails.

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

[Eight minutes having elapsed, the House divided]

For the motion:

Doyle	Hewes	Roberts
Fox	McEachern	Sigurdson
Gibeault	McInnis	Taylor
Hawkesworth	Mjolsness	

Against the motion:

Adair	Hyland	Musgrove
Betkowski	Jonson	Osterman
Black	Klein	Severtson
Calahasen	Kowalski	Shrake
Cherry	Laing, B.	Stewart
Clegg	Lund	Tannas
Day	Main	Thurber
Dinning	McClellan	Trynchy
Fischer	Moore	

Totals: Ayes – 11 Noes – 26

[Motion on amendment lost]

MR. CHAIRMAN: The hon. Member for Calgary-Mountain View.

MR. HAWKESWORTH: Thank you, Mr. Chairman. Bowed but not beaten.

I think we'll try option 2, if members can remember back to my comments earlier on Bill 35. They will recall that I said at the time that the drafters of this Bill may have simply made a small error. I hope that's the case, and I hope to correct it with the second option as opposed to the first one, which has just been voted down by the Assembly. So I'm going to try again, and it basically is in section 176(1) to insert a number of words after the phrase "If the Minister considers," and the words that I'm asking to be inserted are these words: "after receiving a report under the provisions of Section 174(1)." So if the amendment were adopted, Mr. Chairman, the clause would read:

> If the Minister considers after receiving a report under the provisions of Section 174(1) that the affairs of a settlement are managed in an irregular, improper or improvident manner, the minister may, by order . . .

and the clause would continue from there.

Now, if members would like to refer to section 174(1), it has to do with the report of the inspector or investigator. It's a requirement; it's a directive clause, Mr. Chairman, that "the inspector or investigator must make a report to the minister about the inspection or investigation." Here again, this is a consequential section referring back to section 173 and the earlier sections 171 and 172, in which the inspector or the investigator is established by the minister to investigate the books or accounts of a settlement if he feels compelled for a number of reasons or based on a number of preconditions to do so. In establishing or setting up that process, the minister can establish or appoint an inspector or an investigator. Again, here we have the Public Inquiries Act referred to in section 173, and following those powers and requirements of the Public Inquiries Act, that inspector or investigator must make a report to the minister.

So what the amendment I'm proposing this evening does, Mr. Chairman, is basically tie in to section 176 the preceding sections really beginning at section 170 and following through on 171, 172, and 173, in addition to the 174(1) named in the amendment. By bringing that provision into section 176, it triggers a mechanism by which the minister must satisfy, in order for him to pursue or follow through on the subsections of this clause in dismissing the settlement council or directing the settlement council or employee or whatever to take action – what it does is provide a process and a limitation on the minister's powers in order to ensure that he doesn't go overboard in his relationships with a settlement and he treats a settlement in the proper, laid out process, a fair process and a just process, and treats them under the laws of natural justice. I think what it does is correct an inadequacy and an error that was made in the original drafting of the Bill, to ensure that section 176 fits with what's preceded it in this division called Protecting the Public Interest. Again, I would hope it's the intention of the Assembly to ensure that good government takes place and that this overriding power the minister has is not abused and some limits are placed on the minister's ability to abuse that power. I think the mechanism I've chosen here is a workable and an appropriate one, Mr. Chairman.

MR. CHAIRMAN: Is the committee ready for the question?

HON. MEMBERS: Question.

MR. CHAIRMAN: All those in favour of the amendment proposed by the hon. Member for Calgary-Mountain View, please say aye.

SOME HON. MEMBERS: Aye.

MR. CHAIRMAN: Opposed, please say no.

SOME HON. MEMBERS: No.

[Motion on amendment lost]

MR. CHAIRMAN: As to title and preamble, are you agreed?

MR. FOX: On the Bill.

MR. CHAIRMAN: On the Bill as amended, hon. Member for Calgary-Mountain View.

MR. HAWKESWORTH: Thank you, Mr. Chairman. There were a couple of other questions that I'd like to place on the record. I don't know whether the member sponsoring the Bill would care to make any comments, but I'd like to refer hon. members to section 102(i). By the way, section 102 has to do with the land registry that's being established for the Metis settlements as I refer to my comments on Bill 34. This is companion legislation setting out how land will be registered, given that the Land Titles Act doesn't strictly apply in the new system.

MR. KLEIN: What's the question?

MR. HAWKESWORTH: Thank you, Mr. Minister.

So this section has to do with a whole new registry being established for land and adopts or lays out the process for doing that. Coming to the last section, (i) has to do with "respecting the fees payable for the administration, management and operation of the Metis Settlements Land Registry." I guess my question is whether this fund is intended to be fully self-supporting of the costs of administering the land registry or whether it's simply a fee to offset some of the costs, with the balance being assumed by the General Revenue Fund. I would certainly hope

it's the latter option, otherwise the fee schedule might be too onerous and, therefore, make the whole system unworkable. Perhaps the member would be prepared to make some comments about that particular section.

Section 168, Mr. Chairman, has to do with development levy bylaws. I guess I wanted to make one point on this particular section. Earlier the member had said that it was intended to put the Metis settlements on the same level as municipalities and development levy bylaws are the authority of the settlement council. Yet I see in section 169 that the Lieutenant Governor in Council, that being the cabinet, will retain the power to set "the maximum amount that a settlement council may by by-law establish." It just seems to me in reading these two sections side by side that in essence, with the maximum being established by cabinet, in reality it doesn't leave a lot of discretion in the hands of the local council, although that remains to be seen in practice. If the maximum has been established by cabinet, it may be simply a matter of the local settlement council adopting in all instances the maximum, and especially if over time these aren't changed, it may become more difficult for the councils to justify that rate. There's no process I can see in legislation to ensure that the cabinet is responsive or sensitive to changes that might be required from time to time.

Section 107, Mr. Chairman – these all have to do with subdivision. By the way, the sections I'm referring to all have to do with sort of planning regulations. Section 107, for example, has to do with the subdivision approving authority, and I think to some extent this may follow the Municipal Planning Act, but it seems to me that the minister here at least in the legislation retains considerable powers by

> prohibiting or controlling and regulating the subdivision of patented land, and exempting certain persons or uses of land from subdivision approval.

That's pretty well a blanket exemption, and in practice I'm not sure if it's going to work the way it sounds, but it seems another example of where the minister retains considerable powers which aren't provided to the local authority or, in this case, the settlement council.

> Under (e) the minister may make regulations
>
> establishing or naming a person or entity as the subdivision approving authority for patented land or for specific areas of patented land, and providing for delegation of the granting of subdivision approval.

This is something that exists in the planning Act, and I was wondering if perhaps the member sponsoring the legislation could indicate to the Assembly what the intention of the government is, whether it is to name the Department of Municipal Affairs, for example, or if it would be the local regional planning commission or some other body or individual to exercise those powers. If the member would be able to give us some indication of what's intended, that would be appreciated.

On the next page regarding development approval, which is another important authority or power exercised by municipal governments in Alberta, I see that much of this again seems to be held as residual power by cabinet. It's a blanket provision, 110(1), where

> The Lieutenant Governor in Council may make regulations
>
> (a) prohibiting or regulating and controlling the development or use of land or buildings in the vicinity of an airport;
>
> (b) prohibiting or regulating and controlling the development or use of land or buildings in the vicinity of anything that . . . may create a danger to the health and welfare . . .

All of these things presumably could be used as a way of exercising development approval and development appeals, and I don't see any provision laid out in the legislation that has the same general powers as development appeal boards at the municipal level.

I'd like to ask the member sponsoring if she would care to make some closing comments. Development approval and development appeals are a power that's exercised – again, a delegated power in many cases – from the provincial government, but it is spelled out through the Municipal Government Act and the Municipal Planning Act. I don't see quite the same equivalent powers spelled out in this particular legislation. So if the member could give us some indication of what's intended and expected, I would be satisfied with those answers.

I have a number of pages of notes, Mr. Chairman. As I've gone through the sections, I think what I've done this evening with these questions is basically highlight some of the concerns I have in simply comparing Metis settlements to local authorities at least at the municipal level in Alberta. As I read these pertinent sections, it seems to me some of these powers may be more limited than they are in the municipal government legislation.

I guess some general comments would be in order in terms of the overall direction of the Bill, Mr. Chairman. It's simply this: that I know the government and the Metis settlements federation have worked very hard over a number of years to bring these pieces of legislation to fruition, and for that I support and salute those individuals who have been key to that negotiation and to bringing this legislation before the House.

As I made comments already about this, Mr. Chairman, I have concerns about what I see as the philosophy of the government behind some of the key pieces of sections and clauses of this Bill, which betrays to me an attitude that the government has not fully moved towards self-sufficiency or self-government by the Metis people on these settlements throughout the province. Having said that, notwithstanding that, I will acknowledge that this legislation is an improvement on the Metis Betterment Act, and I would commend the government that they have involved the affected people in the negotiations and discussions leading up to the drafting of this legislation. They've been part of the decision-making. They've had to make decisions for which there are real consequences, and they understand what those consequences are and have accepted those consequences. Among them, it's giving up some things in order to get others, to be able to put a land base under their people in the settlements, to secure that land base, and to provide them a basis for economic growth into the future. So to the extent that the legislation accomplishes the objective of self-sufficiency, by all means our caucus is highly supportive and strongly in support of it. To the extent, however, that various sections of this Bill work against that objective, we have very serious concerns which we've raised in the form of amendments, and I'm sorry that they've been defeated by the members tonight.

That decision having been made, I can only say that we wish all the parties well as they embark on this new chapter. I see this as – if I could paint a picture of a journey of, say, a train that over SO years ago left the station with the Social Credit government granting some lands to Metis people in northern Alberta to settle on, and over those years that journey has brought Metis people some considerable distance. But in the process, a government took some of those lands set aside for Metis settlements and with the stroke of a pen simply eliminated them. They didn't exist anymore. Places that were people's homes, people made their living on those settlements lands, and they were taken away from them. So I can fully understand the urgency and the importance that the Metis settlements federa-

tion have given to ensuring that this legislation goes through and that a land base is secure for them. Again, that's part of the journey. The train has come into another station, and that station is 1990, and the Bill is in front of us tonight. But this is not the end of the journey, Mr. Chairman. Metis people will be with us for a long time. A secure land base is provided for them, for their communities. I would hope that in the years ahead as these Bills are implemented, as they're put into practice, as people work with the legislation and the words and the sections in these Bills, they will see which work and which ones don't work, which ones require changes and amendments.

I'm hoping, Mr. Chairman, that as a result of that dynamic process some of the shortcomings we've identified in this legislation will eventually be changed. We say to the government: it's a start. We feel that you could have done a better job, but the agreement has been made, the accord has been signed. We recognize that and we wish all parties well. We ask them to get on with the business of making the legislation work, and I can say to the government and to all Metis people in this province that the Official Opposition is quite prepared, as we always have been, to facilitate the operation and the success of this experiment. We remain open to suggestions for improvement for amendments in the future, and we will be happy to assist in making this a success in any way we can.

So we begin tonight, Mr. Chairman, as we did at second reading, having put forward our concerns, having put forward our objections, having put forward our cautions. Having done that, we're prepared to join with the government in ensuring that Bill 35 gets approval by the Legislature tonight. We wish all parties well in the future in making this Metis Settlements Act a success and a strong base for the future.

MR. CHAIRMAN: The hon. Member for Lesser Slave Lake.

MS CALAHASEN: Thank you, Mr. Chairman. I'd like to first of all thank the Member for Calgary-Mountain View for all his views and all his points. I would also like to thank him for finally coming on side.

Speaking of process – I know he mentioned process in one of his comments – I think that's exactly what the Metis people as well as the provincial government have done, a process of negotiation in trying to come to some agreement relative to the Bill itself. I know it was a hard task. There were many times when they had to come back and forth, and I think that's what process is all about: involving the people to a point where they find what they want and then they come back and renegotiate what they actually get* from their members. I think this was a process of negotiation not only between the Metis federation and the government but also between the Metis federation and its members. So I think it's very, very important to recognize that.

The other questions that were brought forward were regarding the registry fees. I think it's recognized that it will be necessary to tailor the fees to the ability to pay by the settlement members, and I think that has to come forward. In terms of the development fees, the linkage is the same as that outlined in the planning, and I think you've made reference to that, which was used as the model for this particular section. I think that's something that will continue to be developed.

Regarding section 107, subdivision approving authority, that's retained by the minister because of the technical complexity and the expense of the subdivision. Who is the division authority at this time? It's currently under review by the federation and the province, but we recognize the need to be sensitive to the settlement concerns, and I think that's very important. As to 110, that's also based on the Planning Act provisions. In general, I guess the appeal tribunal can be given power to hear appeals, and I think that's also an important aspect.

I just want to cover terms of some of the ministerial powers. That seemed to be coming forward from the member. One of the overall principles behind the development of this legislative package, as I said earlier, is to try to bring all forms of local governments on an equal footing in Alberta while recognizing the unique nature of the land and the membership aspects of the settlements, and I know that was brought forward also. If the settlements are to be accepted as part of the local government system, this legislation should treat the settlements in a manner consistent with other local government legislation in the province. The ministerial powers outlined in this Legislative package are no greater than those given to the Minister of Municipal Affairs by the Department of Municipal Affairs Act or the Local Authorities Board under the Local Authorities Board Act. All the powers that the minister has are the same as these particular Acts and those particular boards. There are so many powers that could be brought into that whole area. When you look at the Act itself, it follows those different boards and those different Acts throughout. So there's really nothing any different except taking into consideration the Metis settlements' needs. I think that has to do with the cultural aspect, and that was reflected quite well by the Metis federation themselves.

I'd like to emphasize that the relationship outlined in the Bills between the Metis settlement and the province are those agreed to by the settlement representatives and the province. I think that's an important step, and I think it's one step that we have to commend not only the province itself but also the Metis federation in the way that they have negotiated with these particular Bills.

With that I would like to adjourn debate.

[Title and preamble agreed to]

[The sections of Bill 35 agreed to]

MS CALAHASEN: I move that Bill 35 as amended be reported.

[Motion carried]

Bill 48
School Amendment Act, 1990

MR. DINNING: Mr. Chairman, you have before you a House amendment to Bill 48. Having been distributed to members, I believe on June 18, the amendment is a simple one. On page 22 of the Bill section 46 is to make it very clear that school boards may borrow by way of debenture for the construction or acquisition of all buildings, including those for the education of our students.

[Motion on amendment carried]

[Title and preamble agreed to]

[The sections of Bill 48 agreed to]

MR. DINNING: Mr. Chairman, I move that the Bill as amended be reported, please.

[Motion carried]

Bill 50
Alberta Cultural Heritage Amendment Act, 1990

MR. CHAIRMAN: The hon. Minister of Culture and Multiculturalism. There is an amendment.

MR. MAIN: No, I'm not making an amendment, Mr. Chairman. I'm just here to . . .

MR. CHAIRMAN: There's an amendment coming.

MR. MAIN: Oh, there's an amendment coming. Well, I'll reserve comment until I see the amendment, because I know I haven't seen it before, Mr. Chairman.

MR. CHAIRMAN: Would the hon. Member for Edmonton-Gold Bar wish to move her colleague's . . .

MRS. HEWES: Mr. Chairman, you'll have to give me a copy of the amendment.

AN HON. MEMBER: I thought you knew it by heart, Bettie.

MRS. HEWES: I'm sorry; I haven't seen it before.

MR. CHAIRMAN: The hon. Member for Edmonton-Mill Woods.

MR. GIBEAULT: Thank you, Mr. Chairman. Yes, I do want to make a few more comments on Bill 50. This, members will recall, is the Bill that the minister has put forward to destroy the Alberta cultural heritage council, and it culminates a sad year of lack of activity, certainly lack of leadership and initiative on the part of the Minister of Culture and Multiculturalism over a whole variety of issues. I would suggest that that sorry record on behalf of the multicultural community has resulted in the Alberta Federation of Labour passing a recent resolution which I think is instructive to members of the Assembly, so I'd like to read it into the record. This was passed unanimously at the annual convention of the Alberta Federation of Labour just last Thursday. It's a resolution that says:

> Whereas in the past year, Albertans have witnessed the emergence of right-wing neo-fascist groups committed to the perpetration of . . .

MR. CHAIRMAN: Order please, hon. member. The Chair suggests to the hon. member that in committee stage the hon. member is going to have to connect whatever he's talking about to some clause of this Bill.

MR. GIBEAULT: Yes, Mr. Chairman. I am speaking to the clause that outlines the objectives under the Alberta Cultural Heritage Act, which refers to promoting respect and understanding and how this particular resolution passed by the AFL is trying to outline the failure of this minister and this government to support the objectives that are specified under the Alberta Cultural Heritage Amendment Act.

As I was saying, the resolution reads:

> Whereas in the past year, Albertans have witnessed the emergence of right-wing, neo-fascists groups committed to the perpetration of pro-Nazi, white supremacists ideologies, and
>
> Whereas in promoting their messages of hate, certain "skinhead" groups have actually committed acts of brutality and intimidation, such as the attack in Sherwood Park in March, 1989 on a retired CFRN TV reporter for his role in exposing Nazi war crimes, and
>
> Whereas the social message promoted by these groups go beyond racism to encompass a dangerous reaction to many progressive and humanitarian programs and objectives, therefore
>
> Be it resolved that this Convention condemn and renounce all forms of neo-nazism and racism wherever and whatever form they emerge in our society, and . . .

This is the most important part, Mr. Chairman, so I hope the minister and his colleagues are listening.

> Be it further resolved that this Convention call on Multiculturalism Minister Doug Main to end his conspicuous silence on this cancerous outgrowth, and immediately denounce them and their right-wing, racist objectives in the clearest possible terms.

So that's the feeling of the largest labour organization in this province, representing 110,000 workers.

Again, I just want to reiterate a couple of other points. How disappointed we are that the minister has chosen not to incorporate in a flagship Bill, the Alberta Cultural Heritage Amendment Act, some reference to employment equity legislation which is being asked by ethnocultural minority groups and is in place now at the federal level and in other jurisdictions. I would suggest to the Minister of Culture and Multiculturalism that he ought to have a good look at the employment equity Bill that was just recently introduced in the Ontario Legislature by our good friend Bob Rae, leader of the New Democratic Party there, for some ideas, for some light, for some guidance, for some direction because . . .

You know, the minister is laughing, Mr. Chairman, but if he were to take advantage of this example of legislation by our friends in Ontario, he would notice that it has many similarities. It's much more progressive, but it has many similarities to the employment equity legislation passed by this minister's Conservative brethren at the federal level four years ago. So as I said before, if this minister is not interested in showing any leadership, all we're asking here is for him to show a little 'followership' and follow the lead of others, even some of his Conservative counterparts across the country. If he were to do that I would stand in this Legislature and commend the man. So we await that opportunity with restless anticipation.

MR. FOX: Let's not get radical.

MR. GIBEAULT: Yes. Heavens, let's not show any leadership.

So, Mr. Chairman, those are some of the ideas that we have yet to see in this Bill. We also did not see in this Bill any provision for employees to designate a day which may be of particular religious or ethnic significance to that employee as a holy day, which they could then have as a day of time off without pay to be made up by the employee in extra hours for which overtime is not paid. That kind of opportunity to respect the religious and ethnic, cultural heritages of our citizens would be something that would be appreciated by many of them. Because the predominant culture of our society is Christian, but there are many other faiths in our society here in our province, and our citizens of those other minority faiths would like to have opportunities to have their faiths given some measure of respect which currently do not exist.

In fact, speaking on that point, you know, Mr. Chairman, we might want to have the Minister of Culture and Multiculturalism have a word with the Speaker at some point about trying to have the prayers that open every day's session be a little more inclusive. They're very much, I think unfairly, focused on the Christian tradition. With all due respect, that's an important

tradition, but it's not the only one. We could do a better job by showing a little example in that department.

Mr. Chairman, this Bill, the Alberta Cultural Heritage Amendment Act, also does not speak to the right of parents to have their children receiving school instruction in other languages. I know this is a very grave disappointment to the teachers of English as a Second Language and by the Northern Alberta Heritage Language Association, both of which have made representations to the government, to the commission about their needs in this area, and this Bill just does not speak to that in any meaningful way.

Again, Mr. Chairman, we could have had with this Bill some tie-in with the Department of Education and the Minister of Education introducing a flagship policy on intercultural education. Now, this has been recommended from years back by Mr. Ghitter's report, and we're still waiting for it. So I don't know if the Minister of Culture and Multiculturalism doesn't have any influence with the Minister of Education, but it's still a gaping hole that exists in multicultural policy in the province of Alberta.

Mr. Chairman, I have to get on record as well another important consideration that many of the multicultural and ethnocultural community centres have brought to our attention, and that is the plight that many of them are in now after being encouraged by the provincial government in past years to build community centres. They are now facing some horrendous municipal tax bills to the point where they are becoming so burdensome that they can barely function. I want to bring in particular to the minister's attention the plight of the Polish Canadian Cultural Centre in Calgary.

Now, I was there at a function just last week. The president of the Polish Canadian Cultural Centre, Mr. Ken Makowski, who is also president of the Polish Canadian Association there, brought to our attention the fact that this centre is now facing an annual municipal tax bill of some $42,000 a year. That's almost a thousand dollars a week for a cultural centre's tax bill. You know, what is happening, they have advised us, is that the members of the association are being discouraged from their voluntary participation in the activities of the association and in their outreach activities to the community because almost all of their time now is taken up in fund-raising just trying to pay the tax bill. Can you imagine trying to come up with a thousand dollars every week just to pay the tax bill? You haven't done anything else: you haven't paid any salaries; you haven't been able to offer any cultural programs, educational programs, English as a Second Language, or anything else, immigrant settlement services. Just to pay the tax bill: $42,000 a year now. Surely the minister has got to have some kind of way of dealing with this. I would like to know.

I haven't heard anything about this from the MLAs that say they represent Calgary. I would like to hear what they have to say about this. Maybe they don't care about our friends at the Polish Canadian Centre or the other ethnocultural community halls. I'd like to hear their point of view about this, but I want to tell the minister that many of them are very much concerned about this issue. If the Minister of Culture and Multiculturalism and the Calgary Conservative caucus and the Minister of Municipal Affairs refuse to take action on this, what you may have simply is these cultural associations saying: "Well, that's fine. We'll just let the government or the city take these centres over and foreclosure situations." Then they won't get any tax money, and then they won't get any of the programs that all those volunteers put in hours and hours to when it was part of their voluntary association. Mr. Chairman, I'm trying to tell the Minister of Culture and Multiculturalism here that his Bill 50 is not addressing a serious problem that must be addressed. I leave that to him. I know the people of the Polish Canadian Cultural Centre in Calgary and many others across this province want to hear from this minister as to what he proposes to do to provide some measure of tax relief so that these centres can go on providing the important and valuable services and programs to their community that they need to and not be continually obsessed with trying to raise money so they can simply provide the municipality with taxes.

Now, there needs to be as well, Mr. Chairman, increased public support for English as a Second Language programs. There's an important need for this. My colleague the Member for Edmonton-Centre is familiar with the problems of Vietnamese Canadians and new immigrants from a variety of communities in his constituency, many in my constituency in Edmonton-Mill Woods, many in Calgary-Forest Lawn, and other communities around the province. We are having more and more immigration, and we need immigration for the economic vitality of our province and our country, and English as a Second Language is an important component of that: not only the basic English as a Second Language but English as a Second Language programs at technical, supervisory, professional levels to ensure that people who have advanced qualifications in foreign countries have a chance to contribute in a productive way in those fields when they come to Canada. I don't see anything in Bill 50 about that either, Mr. Chairman, another big oversight.

So, Mr. Chairman, there are a number of problems there that really need to be addressed and would be addressed by a Cultural Heritage Act we could be proud of. Unfortunately, Bill 50 just doesn't cut the mustard there. There are a number of deficiencies with this Bill. We've raised a couple of them before, yet we still seem to have a very timid and shy piece of legislation. I just don't think this is going to cut the mustard. I would hope that the minister will take some of these concerns seriously, because I know that in the ethnocultural communities there was a great disappointment after Focus for the 90's came out and the lack of initiatives and leadership that the minister showed on the lapel pins and the RCMP turban issue with the Sikhs. You name the issues, and the minister had his head in the sand. Now we've got this piece of legislation, Bill 50, before us: another disappointment.

So, Mr. Chairman, I'm trying to give this minister a chance, because I like the minister. He's a good friend of mine. It's because I like this minister and because I'm concerned about his political welfare that I'm trying to give him this chance to bring back something before the Assembly that we could be proud of. Bill 50, as I said, just doesn't cut it. I hope the minister would take advantage of this opportunity to say, "Yes, we haven't done the job we should have; we've got to make this much more comprehensive, much tougher, much more inclusive," and bring back something in the fall that we'd be able to support with more enthusiasm.

So, Mr. Chairman, with the Bill before us, such as it is, the New Democrats will not support this piece of legislation.

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

MRS. HEWES: Thank you, Mr. Chairman. I want to speak very briefly on this and speak in the main to the amendments to Bill 50 that are being circulated to members of the House now. It seems to me that this Act has been amended somewhat in the preamble to emphasize the multicultural nature of the Bill rather than simply the cultural heritage, and the Act's objectives have been amended rather dramatically. Instead of seven objectives

we now see in section 2(5) – that is, "Section 2 is repealed and the following is substituted:" – only four objectives. They are, I believe, significantly weaker and vaguer than those they replaced. For example, instead of talking about "tolerance and understanding of others through appreciation of ethno-cultures that make up the . . . heritage of Alberta," the Art now promotes simply "an awareness and understanding of the multicultural heritage of Alberta." The only real, positive addition is an objective encouraging "all sectors of Alberta's society to provide access to services and equality of opportunity." That comes directly from the Alberta Multicultural Commission's Focus for the 90's recommendations.

Mr. Chairman, I think all members have received a copy of this amendment, and you'll note that the first amendment is to section 5 by striking out the proposed four amendments in the Bill and substituting nine sections which I think are a lot clearer, a lot more definitive, and speak directly to what we are trying to accomplish in this province vis-à-vis the Alberta cultural heritage. I think they are far more specific, and I think that's exactly what we need. We need to send a message to all of our communities in Alberta about what this Act is intending to do. I believe this amendment in fact does that. For instance, the verbs in the various sections (a) to (i) are more aggressive and more determined, and I think they constitute more of a commitment to the objectives of this Bill than the ones that are now contained in section 5.

Mr. Chairman, I would invite members to read them through and look at them. I believe they do, in fact, reflect what we are attempting to do and what we have promised to do in all of the Premier's comments and speeches in establishing the multicultural component of the department of culture and in the minister's commitment to it and his comments about it. I think this amendment, in fact, reflects that.

I'm pleased, too, to see subsection (e):

> To make available opportunities for Alberta's ethnocultural communities to contribute to the cultural, social, economic and political life of Alberta.

I have spoken to that fact often in this House, and I believe we are in fact not giving full opportunities to people from other countries, other nations, as they become Canadians, to contribute in that positive way that we could all recognize and benefit from.

These objectives also reflect not only the work of the Alberta council, but they do in fact reflect the objectives that were stated in the federal task force report of 18 months, two years ago: an excellent report, well received across the country, on which the federal government has acted. I think our Bill might do well to copy and closely paraphrase those that are in the federal Bill as well.

Just to go on, amendment (b) is related to the makeup of the Alberta Multicultural Commission. Now with 12 members, we have suggested – the amendment here strikes out three and substitutes 10; what we're suggesting is that you strike out 10 and substitute four. In addition to that, you'll see in (iii)(b) that six additional persons would be appointed "by and from the Multiculturalism Advisory Council." Mr. Chairman, the multiculturalism advisory council has been literally emasculated, and a great deal of its powers and capacity to advise have been removed. I and I believe our communities want to see it again developed into a very strong and capable organization, and I believe that if they are given the responsibility of putting six persons from the advisory council on the multicultural commission, we will go some distance to guarantee that.

Mr. Chairman, these are the amendments of the Liberal caucus. They don't in any substantive way change the intent of this Bill, but they do, I believe, more accurately reflect what is happening in our province and what needs to occur in the province, and I would hope that all members will support them.

MR. CHAIRMAN: The hon. Member for Edmonton-Mill Woods.

MR. TRYNCHY: Again?

MR. GIBEAULT: Mr. Chairman, it's so encouraging to see how the minister of Occupational Health and Safety looks forward to my contributions in the debates.

Mr. Chairman, just a clarification. Are we dealing with the entire amendments, or are we separating the two, A and B?

MR. CHAIRMAN: The practice this evening has been to keep all the amendments under one cover.

MR. GIBEAULT: Well, if the Member for Edmonton-Gold Bar would be agreeable, I would like to suggest we deal with them separately, because we could quite happily endorse the First amendment in terms of the objectives. That's a significant improvement in terms of what the Minister of Culture and Multiculturalism has proposed in Bill 50. However, we have some difficulty with the second section in terms of the composition of the multicultural advisory council. It seems to us here, particularly with the last one, that having "6 persons appointed by and from the Multiculturalism Advisory Council" on the commission is just to duplicate the two agencies. Frankly, that's ineffective, particularly given the inadequate record of the Alberta Multicultural Commission headed by the Member for Redwater-Andrew. It's really been a shameful experience. It's hard for us to support the Multicultural Commission such as it has been in the past. Then to simply have it essentially duplicated by the people who are on the multiculturalism advisory council to us makes no sense.

MR. MAIN: Well, Mr. Chairman, I find myself in the unfortunate position of having to agree with everything the Member for Edmonton-Mill Woods just said with regard to amendment B. It in fact does duplicate exactly what's there. I'm unable to comprehend what the Liberal caucus is talking about when they say "6 persons appointed by and from the Multiculturalism Advisory Council," which under the Bill is made up of 20 to 30 people, who would then be moving over to the commission and you will leave that body short. So amendment B, as far as I'm concerned, does not accomplish what we're attempting to do.

Section A, Mr. Chairman. I guess we could spend all night and the committee could come up with a list of 10 or 20 or 50 objectives that would do what the government is attempting to do in the field of multiculturalism. We consulted with the commission. We consulted with the public. The commission produced a report. That report is reflected in the amendments before the House included in this Bill – not the amendments from the Liberal caucus – and I believe that the Bill as proposed fully covers the objectives.

I should say just a couple of other things, Mr. Chairman, before concluding. The remarks from the Member for Edmonton-Mill Woods focused not so much on Bill 50, as I would have liked, but on labour legislation, education legislation, municipal affairs legislation, the Criminal Code in his dealing with neo-Nazis. If he believes that an amendment to a Bill will stop neo-

Nazism – I'm not sure how that would ever happen. ESL, of course, is a policy matter that is covered and addressed by four departments of this government already and will continue to be addressed.

So, Mr. Chairman, I would move that the amendments that are before us presented by the Member for Edmonton-Whitemud be rejected and that after that is completed, the Bill be reported.

MR. CHAIRMAN: The hon. Member for Calgary-Mountain View.

MR. HAWKESWORTH: Thank you, Mr. Chairman. Just to make a small intervention here, I think it's important for the Minister of Culture and Multiculturalism to realize that employment standards and labour legislation and all those other Bills do have something to say about the multicultural fabric of our province. I hope this government doesn't see his role and his department as some token effort to put a name on the top of a letterhead that can be pointed to as saying, "Oh, we're interested in the needs of the multicultural community in Alberta." I have to hope that the mandate of his department goes much further than that so that he sees perhaps the Labour minister's department and the Education minister's department and the Health minister's department as sort of missionary territory to spread the word and to change the policies to ensure that there is equal opportunity in government services and in government policies for all people of this province, regardless of their cultural background.

That really has to be the mandate of his department. It's to create a climate. The problem of neo-Nazism or bigotry or racial discrimination comes with those attitudes and those values having wide social acceptance. If they don't have wide social acceptance, there's not a climate conducive to their growth and development. That's what's more important than the laws or regulations. I agree with that. But how do we create that climate? If the Minister of Culture and Multiculturalism doesn't see it as his mandate for his department to help create that climate within all the government programs and policies, then somebody else is going to establish that climate in this province, and it may be the people who sell these lapel pins that wonder who the real minority in Canada really is and show a picture leaving the impression that people from foreign countries are now in the majority and the white Anglo-Saxon males are in the minority. That kind of climate breeds intolerance and breeds the ground in which some of these other philosophies and attitudes can take root and grow.

So somebody somewhere has to come to grips. What's needed are some value changes, some policy changes, some attitude changes, and it can't be simply a token effort in some small corner of government operations. It's something that needs to permeate government policy-making, permeate government decision-making. It has to be a factor in decisions affecting curriculum, the provision of health services, the legislation governing labour relations. It has to be a part of all of those things and more.

So I simply say to the minister: help ensure that climate is created. One of them could be a mandate provided in this amendment to co-ordinate government services, servicing the needs of Alberta's multicultural community, make available opportunities in "the cultural, social, economic and political life", section (e). These are areas and mandates that could be performed by the Alberta Cultural Heritage Foundation or others. I see it as being very much a part of the mandate of this minister and this department to ensure that all of Alberta's government operations meet these high standards and implement these objectives in their operations.

MR. MAIN: Mr. Chairman, let me just say that this whole business is not treated as tokenism anywhere in this government. That's why there is a department, that's why there's a minister, that's why there's a commission, that's why there's a commission chairman, that's why there's a cabinet committee on multiculturalism, and that's why there's Bill 50 before us tonight. Therefore, my previous suggestion to members stands.

MR. CHAIRMAN: The committee has before it an amendment proposed by the hon. Member for Edmonton-Gold Bar on behalf of the hon. Member for Edmonton-Whitemud. It is in two parts, A and B. A suggestion has been made that they be dealt with separately. Does the committee agree to deal with them separately?

SOME HON. MEMBERS: Agreed.

[Motion on amendment A lost]

[Motion on amendment B lost]

[Title and preamble agreed to]

[The sections of Bill 50 agreed to]

MR. MAIN: Mr. Chairman, I move that Bill 50, the Alberta Cultural Heritage Amendment Act, 1990, be reported.

[Motion carried]

Bill 53
Parentage and Maintenance Act

MRS. HEWES: Mr. Chairman, I have a number of amendments to this Bill. [interjections]

Mr. Chairman, does the Clerk have copies of these amendments?

MR. CHAIRMAN: We have a copy.

MRS. HEWES: But you don't have copies to distribute?

MR. CHAIRMAN: No. It's up to the hon. member to ensure that the copies are distributed.

MRS. HEWES: Can I have some copies made, Mr. Chairman? I've gone through these amendments with the Member for Highwood. I think they're important and need to be heard, and I would like to have copies made for the hon. members, if I may. Thank you.

Mr. Chairman, this amendment relates to a number of items that are in the Act, one or two that I believe to have been discriminatory in their presentation. However, first of all, I wanted to speak to the section in the beginning of the Act in section 1 where it refers to "Court" as meaning "Court of Queen's Bench." It would be our intention in our amendments to change that to family court because frequently people who are embroiled in separation, divorce, and custody need to avail themselves of more than one court. It makes it extremely difficult to deal with a number of different settings and environ-

ments. In matters of custody it seems to us that family court would be the more appropriate venue for these problems to be resolved, so we have asked in our amendment that that one be changed; that's 1(c) within the Act.

Mr. Chairman, further, in section 4 of the Act, "a request for assistance relating to the maintenance of a child or a mother," our amendment suggests that "mother" be changed to "parent." I do not believe it is appropriate simply to refer to the female parent in these circumstances; it could be either parent. Therefore, we have suggested that it refer to . . .

AN HON. MEMBER: "Female parent"?

MRS. HEWES: No. It would be changed from "mother" to "parent," Mr. Minister, and not use the term "mother" at all.

Let me see. There's another one. I don't have the amendments in front of me. Do you have a copy of the amendments, Mr. Chairman?

MR. CHAIRMAN: The Chair has one copy of the amendments.

MRS. HEWES: Could I borrow it, sir?

MR. CHAIRMAN: If the member promises not to write on it.

MRS. HEWES: I won't write on it. [interjections] It's gone out to be copied. Thanks very much.

Mr. Chairman, the next amendment is in section 14(1) of the Act, which refers to married women. I find that to be discriminatory. The section reads: "Notwithstanding any other Act, in an application under this Act a married woman is a competent and compellable witness." I believe the term "married" should be struck, and that is what the amendment specifies. Why should an unmarried woman not have the same rights within the Charter and so on as a married woman? I think that's clearly discriminatory.

Mr. Chairman, the last amendment is to section 16(2)(a), suggesting there that after clause (iii) we add the term "and of a request by the mother to remain at home with the child," so that following the birth of a child and at the request of a mother, the direction could refer expenses to the mother for that period of time.

Mr. Chairman, I also expressed earlier my concern that this Bill did not resolve the problem of the noncustodial spouse and access by that person. There have been other concerns expressed to me subsequent to those comments about the capacity of grandparents to get access, and I would hope that the member will look at this very seriously, because I think this Bill only goes part way to dealing with the things that really must be dealt with in order to protect noncustodial spouses and other close family members in having access to children when there has been a divorce and there is some acrimony between the spouses.

Mr. Chairman, I believe these to be sensible amendments. I think they improve the Act, remove any of the gender confusion or the discriminatory sections of the Act, and I would hope that all members will support them.

MR. CHAIRMAN: Is the committee ready for the question on the amendments proposed by the hon. Member for Edmonton-Gold Bar?

[Motion on amendments lost]

[Title and preamble agreed to]

[The sections of Bill 53 agreed to]

MR. TANNAS: Mr. Chairman, I would move that Bill 53 be now reported.

[Motion carried]

Bill 54
Miscellaneous Statutes Amendment Act, 1990

MR. STEWART: Mr. Chairman, on behalf of the hon. Attorney General I'd like to place before the committee a government amendment which has been circulated, just clarifying two sections that were incorrectly stated at the time of the Bill's printing.

MR. CHAIRMAN: Are there any questions, comments, or amendments to be offered?

[Motion on amendment carried]

[Title and preamble agreed to]

[The sections of Bill 54 agreed to]

MR. STEWART: Mr. Chairman, I move that Bill 54 be reported as amended.

[Motion carried]

Bill 49
Ambulance Services Act

MR. CHAIRMAN: Are there any questions, comments, or amendments to be offered?

The hon. Member for Edmonton-Centre.

REV. ROBERTS: Thank you, Mr. Chairman. As we start into the late, late show now, we're pleased that we have a few comments to make before these amendments that I'd like to offer for consideration tonight are distributed.

AN HON. MEMBER: Just like Arsenio Hall.

REV. ROBERTS: Yeah. I know Letterman is over too.

I was most disappointed, Mr. Chairman, that the minister herself didn't have some amendments to offer to this very flawed piece of legislation. I mean, as we said at second reading, this is a moment for Albertans to take hold of emergency health services, an ambulance Act. It's been through so much study, through so much analysis. We have the model example of how the system works so well in other provinces, yet we have a Bill before us that just doesn't meet the kind of standard, the kind of progressive look at the whole system of ambulance services that we need and deserve and that Albertans deserve. So we're just going to have to have some amendments to help move some things along here in terms of clarifying some of those points, not to mention how to improve at least 12 different areas – 12 different areas – that we in the New Democrat caucus have cited.

While they're just being distributed, Mr. Chairman, I'd like to point out myself, too, how upset I am at how the minister is

doing away with volunteers in the ambulance system. I know that she might accuse me of trying to do that, but very clearly at second reading stage on June 19, 1990, the minister said that we need to have this Bill because it will move

> from a voluntary ambulance service right across this province to a mandatory service; that's a very fundamental principle that's embodied in this Bill.

We're moving from a voluntary ambulance service to a mandatory service: that's a very fundamental principle. Now, may we have some different clue about what volunteerism is about? I and the New Democrat caucus still very much support people who want to help out in ambulance service. Whether it's in Cardston or whether it's in High Level or whether it's in the city of Edmonton, if someone wants to help and be in a certain position that is now regulated . . . [interjection] Well, if they want to be there, they can certainly be there, but we just want to ensure that any member of the emergency team meets certain standards. Whether they want to take a salary for that or not might be an issue for them, but clearly, voluntary in a sense of not meeting certain standards is going to be a problem. So that's the one point.

The second point, as members of the New Democrat caucus pointed out at second reading, is that there are still far too many regulations left for this minister and the Lieutenant Governor in Council to have their way with what is, again, a very vital service for Albertans. It leaves far too much to the minister. As I put it, far too much is left void in the management zone here. We've got a lot of municipalities doing things at the local level. We've got the ministerial sense of what should be directed. We've got funding coming from all over. There's no clear management sense of how this Bill and the ambulance service in the province are going to be developed in terms of, as we said, funding, other details of investigation, of making those boundaries: a whole range of issues which are left up to the minister and regulation and which we feel much more strongly would be more carefully embodied in what the Schumacher report recommended in terms of an emergency health services commission. That would be the solution; that would be the answer that would satisfy many of our concerns. We'll get into these questions in more detail as we look at the amendments, I suppose, next time, in a day or two.

Thank you, Mr. Chairman.

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

MRS. HEWES: Mr. Chairman, thank you. Yes, I have amendments as well to circulate tonight. I've spoken before to say that I intend to support this piece of legislation. I'm glad we finally have it in front of us, but I do believe that there are many things left missing that we need to have answers on, and I will hope that the minister, when we have some debate in committee, will have an opportunity to answer some of them for us.

Mr. Chairman, I'm glad that we've got it, but it seems to us that there's no plan set in motion for start-up and operating, for funding, for central communication between services, for education of personnel, and for monitoring; in short, how fees are to be charged, how the funding of ambulance services is to be done over the long term, how education of personnel will be conducted and by whom, what access there will be, what the communication systems will consist of and who will fund and manage them.

I've also expressed concern about accountability. The boards that are appointed, it appears, can requisition funds from councils and can contract for the service to be provided. They are not, however, accountable to anyone, as far as I can see, for the use of the funds. Finally, the capacity of the Bill to deal with the problem of ambulance service on reserves: I am not at all comfortable with what the Bill is suggesting there.

So, Mr. Chairman, I have a number of amendments here that I would like to have circulated, and hopefully the minister will have a chance to reflect on them and answer to them in debate. Thank you very much.

Mr. Chairman, I beg leave to adjourn the debate.

MR. CHAIRMAN: The hon. Member for Edmonton-Gold Bar has moved that debate be adjourned on Bill 49. All those in favour, please say aye.

SOME HON. MEMBERS: Aye.

MR. CHAIRMAN: Opposed, please say no.

SOME HON. MEMBERS: No.

MR. CHAIRMAN: Carried.

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

[Motion carried]

[Mr. Speaker in the Chair]

MR. SCHUMACHER: Mr. Speaker, the Committee of the Whole has had under consideration certain Bills. The committee reports the following: Bills 34, 37, 50, and 53. The committee reports the following with some amendments: Bills 32, 35, 48, and 54. The committee reports progress on Bill 49.

Mr. Speaker, I wish to table copies of all amendments considered by the Committee of the Whole on this date for the official records of the Assembly.

MR. SPEAKER: Thank you. Do the members concur in the report?

HON. MEMBERS: Agreed.

MR. SPEAKER: Opposed? Carried. Thank you.

In spite of the fact that the hon. Member for Edmonton-Mill Woods is not present at this time, the Chair still needs to make a brief statement. At 2 this morning the Member for Edmonton-Mill Woods was speaking in committee with respect to a Bill before the House as sponsored by the Minister of Culture and Multiculturalism. At that time the Member for Edmonton-Mill Woods made some comments with respect to the prayers in the House. The House needs to be apprised that at no time has the hon. member bothered to discuss this matter with the Chair on an individual basis. At no time in this House since I became Speaker has a reference been made to the Christian religion, nor has the name of Jesus Christ been used. As a matter of fart, all of the prayers have been drafted to be all inclusive, as I have been especially sensitive to the fact that there is a broad spectrum of belief and nonbelief represented by members in this House. That really needs to be brought to the attention of the Member for Edmonton-Mill Woods.

[At 2:43 a.m. on Tuesday the House adjourned to 2:30 p.m.]