

Legislative Assembly of Alberta**head: Introduction of Special Guests**

Title: **Wednesday, June 27, 1990 2:30 p.m.**

Date: 90/06/27

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

[Mr. Speaker in the Chair]

Prayers

MR. SPEAKER: Let us pray.

O Lord, we give thanks for the bounty of our province: our land, our resources, and our people.

We pledge ourselves to act as good stewards on behalf of all Albertans.

Amen.

head: Presenting Petitions

MR. SPEAKER: The Member for Edmonton-Centre.

REV. ROBERTS: Thank you, Mr. Speaker. I'd like to present a petition signed by over 150 staff workers at private nursing homes in Calgary calling for the nursing homes to become publicly operated by government and to improve the quality of care in those private nursing homes.

head: Notices of Motions

MR. SPEAKER: The Solicitor General.

MR. FOWLER: Thank you, Mr. Speaker. I'd like to give oral notice of motion under the provisions of Standing Order 40 for the Legislature to examine the following motion:

Be it resolved that the Legislative Assembly of Alberta convey its deepest sympathies to the family and friends of Constable Ezio Faraone of the Edmonton Police Service, who was needlessly and tragically killed while performing his duties to the people of this city, and urge all Albertans to reflect on the onerous responsibility that our police officers take on each and every day to help make our communities a safer place in which to live and say a prayer for Constable Faraone, his family, friends, and all police officers throughout our province.

head: Tabling Returns and Reports

MR. SPEAKER: Edmonton-Centre.

REV. ROBERTS: Thank you, Mr. Speaker. I'd like to table a copy of a Survey on the Status of Long Term Health Care in Alberta, which has recently been released by the long-term health care employees committee of the Alberta division of the Canadian Union of Public Employees.

MRS. BETKOWSKI: I would like to table with the Assembly the financial statement of the University hospitals board for the year ended March 31, 1990, a response to Question 236, and the annual reports of the inspection of animals under the Universities Act for the fiscal years ended March 31, '89, and March 31, '90. Copies will be provided to all members.

MR. SPEAKER: The Chair would like to point out that the petition was defective inasmuch as it was a photocopy, so the petition becomes a filing. Thank you.

MR. ISLEY: Mr. Speaker, it's my pleasure to introduce to you today and through you to members of the Assembly some visitors to our province from the country of Brazil. Leading a group of 25 cattle buyers visiting Alberta ranchers, we have in the members' gallery the president of the Simental Association of Brazil, Agostinho Fraga. I'd ask that he stand. Accompanying him is the vice-president of the Simental Association of Brazil, Amarilio Fraga, and in addition Alan Fraga, the technical director of the Simental Association. They're also being accompanied by Silvio de Castro, who is the president of Agro Export, a company located in Brazil, and are being toured around the province by Gary Smith, the president of Canadian Livestock International, home-based out of Wimborne, Alberta. The driver from the Alberta Agriculture marketing division is Darrell Neuman. I'd ask that they stand and receive the warm welcome of the Assembly.

MR. SPEAKER: The Member for Athabasca-Lac La Biche, followed by the Minister of Municipal Affairs.

MR. CARDINAL: Thank you, Mr. Speaker. It's my pleasure to have this opportunity to introduce to you and through you to the members of the Assembly Mr. Harold Burden, general manager, and Mr. Bill Adsit, general manager of finance from the Indigenous Games office, and also Charles Wood.

The North American Indigenous Games will be held here in Edmonton from June 30 to July 8 of this year. Mr. Speaker, the North American Indigenous Games will play host to over 3,000 Indian, Inuit, and Metis athletes, 1,000 cultural performers from 40 diverse cultural groups, and 1,000 First Nations Chiefs' Conference delegates, who will be attending an affiliated conference here, making Edmonton the site of the largest chiefs' conference in the history of Canada.

Mr. Speaker, the games are dedicated to the growth of our people and understanding among mankind. These athletes, artists, performers, and delegates represent dozens of bands and tribes across Canada and the United States. They are coming from as far away as Alaska and the Arctic, in the north, to the Mexican border, in the south, and from the east coast to the west coast. Mr. Speaker, the North American Indigenous Games continue Alberta's tradition of hosting world-class international sporting events such as the Commonwealth Games, the World University Games, and the Olympic Winter Games. This is both an honour and a privilege for all Albertans, and I would encourage all the members of the House to take advantage of this opportunity to support and take part in some of these events.

I would like to ask Mr. Burden and Mr. Adsit and Mr. Woods to stand at this time and receive the usual warm welcome of this Assembly.

MR. R. SPEAKER: Mr. Speaker, I would like to introduce some important guests to the Legislature today. First, from the Credit Union Central of the province of Alberta, Tom Matkin, chairman of the board, along with Jim Scopick, chief executive officer, and Leslie Knaus, marketing representative; from the Canadian Western Bank Larry Pollock, president and chief operating officer; from North West Trust Donald Farnell, president and as well chief operating officer. Along with them are three people from the Alberta Mortgage and Housing Corporation: Mary Cameron, Stephen Kent, and Joan McCracken. I'd ask them to stand and be recognized.

MR. SPEAKER: The Member for Lesser Slave Lake.

MS CALAHASEN: Mr. Speaker, thank you very much. It is my honour to rise with my colleague the Member for Athabasca-Lac La Biche to introduce to you and the members of the Assembly individuals associated with the Indigenous Games. Ray Paskimin, who is in the members' gallery, is the assistant manager of culture for the games. He has been instrumental in arranging for over 1,000 performers from 32 different cultural groups across North America to attend the games. The performances, which will be held June 30 between 11 a.m. and 1 p.m. at 107 Avenue and 109 Street, will include Northern Plains dancers, throat singers, mask dancers, jiggers, and square dancers.

Also with us today is Sabrina Wood. As the head of the North American Indigenous Games Youth Council, Sabrina has helped bring over 3,000 native youths from dozens of bands across Canada and the United States to participate in the athletic events, which will showcase native confidence and native ability. I would like Mr. Paskimin and Miss Wood to please stand, and I would ask the members of this House to give them the traditional welcome of this House.

head: Ministerial Statements

Mortgage and Mousing Corporation

MR. R. SPEAKER: Mr. Speaker, today I'm very excited to announce the sale of Alberta Mortgage and Housing Corporation's \$620 million single-family mortgage holdings in their portfolio. As a result of changes in the housing market over the years, it is now a major benefit to Albertans to have the private sector administer these loans rather than a provincial Crown corporation.

Over the years the Alberta Mortgage and Housing Corporation has acquired substantial land, housing, and loan portfolios. With the support of the Premier I initiated a major review of the Alberta Mortgage and Housing Corporation's mandate and programs in November of 1989. The goals of the review were as follows: to clarify the role of government in housing; to address AMHC's involvement in land, housing, and lending; to improve fiscal responsibility; and to improve communication and relations with key stakeholders. Through the president, Mary Cameron, and Deputy Minister of Municipal Affairs, Archie Grover, and with the co-operation of industry, AMHC's board of directors, nonprofit management agencies, and employees we have worked together to bring about a better understanding of what our role is in housing and should be.

Mr. Speaker, we as government have established the direction that AMHC will focus on: providing affordable housing for people with special needs: the disabled, seniors, and low-income households. As part of the changing focus of AMHC, the corporation will divest itself of programs and activities that can be more appropriately handled by the private sector.

The following results have been achieved since the beginning of the review. Sixty-eight municipalities involved in land agreements with AMHC have received a revised offer that is more manageable for them. Twenty-five municipalities have accepted that offer; another 24 have indicated very positive interest. A total of 658 foreclosed properties have been sold since November 1, 1989.

Today, Mr. Speaker, the government is announcing this \$620 million sale of the mortgage portfolio, which will occur in two phases. Three Alberta financial institutions – Canadian Western

Bank, the credit unions, and North West Trust – will buy \$237 million in loans. It was our belief that Alberta financial institutions should have the first opportunity to obtain part or all of this portfolio. The remainder of the portfolio, some \$383 million in mortgage loans, will be made available to other private-sector institutions through a bid process in July and ending in August of 1990.

All of the proceeds generated through the sale will be reinvested in the Heritage Savings Trust Fund. People who have mortgages with the Alberta Mortgage and Housing Corporation will not be affected. They will have their mortgage transferred to a lender which can offer as many or more benefits, particularly in the rural areas, where the credit unions can offer a stronger presence because of their extensive branch network.

The sale will affect some AMHC employees now administering the single-family mortgage portfolio. We have a commitment to do everything in our power to help them find alternate employment opportunities. AMHC employees have been actively involved in this open process of review and change.

Today's announcement of the \$620 million sale of the portfolio, Mr. Speaker, is only part of the continuing process to build a more effective, revitalized housing organization. My commitment to this Legislature is to complete this process by the end of the year 1990, which is the current calendar year.

MR. MARTIN: Well, Mr. Speaker, in replying to the ministerial announcement, there are a lot of unanswered questions. I notice that the minister has conveniently left out some very important details. He's talking about \$620 million. I expect it's a fire sale, Mr. Speaker, and I'd really like to know from the government how much money the taxpayers have lost in terms of the bungling that's gone on in the past. How much money are the taxpayers paying for this. Well, Mr. Speaker, I assure you that it would have been a lot more than \$620 million that we put into it, and they can't deny that.

Mr. Speaker, there are some other questions. Some of these people that are going to be involved and being sold off to the private sector are obviously renters. As the minister is well aware, especially in the two major cities we still have a very low vacancy rate. I wonder what protection and what process there's going to be for those people that are involved in that. I also notice that there's at least a mediating effect, and it's going to be very difficult for people with medium incomes and low incomes to have affordable housing in the future, Mr. Speaker.

The other point I would make is that it looks to me like roughly \$383 million eventually could go outside the province, Mr. Speaker. That's certainly not going to help our economy. I'm not saying it will all go out, but certainly that possibility is there.

The other thing, Mr. Speaker. It says "we have a commitment to do everything in our power to help" AMHC employees. I wish he'd be a little more specific, instead of the vague parts of this. How many employees are we talking about, and what are the alternatives available to these employees?

Mr. Speaker, the ministerial statement certainly raises more questions than we have answers, and we will look forward to pursuing that in the days ahead.

head: Oral Question Period

MR. SPEAKER: The Leader of the Opposition.

Provincial Budget Projections

MR. MARTIN: Yes, Mr. Speaker. To the Treasurer. Three months have gone by since the Treasurer made his bold

prediction that his government would reduce the deficit that they've created this year by \$1 billion. I think that at the time the pressure was really on the Treasurer to make a big splash, to try and cover up the financial mess that this government has created. But if I may say so, his rose-coloured glasses are becoming more scratched as each day goes by. The economic indicators are just not good. Today at 12:30 oil was trading at \$16.75. Analysts tell us that that may be leveling off, going into the fall around that price. No money from the stabilization grants, the GST coming forward, and I'm sure the Treasurer looked at Michael Wilson's statement yesterday that he is toying with midterm corrections – midterm corrections, Mr. Speaker – because interest rates are higher than he expected. At least Wilson is recognizing the reality even if he's not a very good predictor. My question: can the Treasurer now tell us whether he, like Michael Wilson, is also looking at midterm corrections?

MR. JOHNSTON: Mr. Speaker, I think I dealt pretty extensively with this very issue not more than two or three days back. I know that the opposition is tiring. I understand that their researchers are running out of fresh ideas, like their mentors, so you expect this kind of recitation of the same sort of issues.

I welcome an opportunity to speak to Albertans on this very important point, Mr. Speaker, and to spell out for them the confidence we have in the strength of our economic profile in Alberta and to confirm our view that the province of Alberta will probably be the strongest province in terms of economic growth through the next 12 months. The strengths here in Alberta, Mr. Speaker, are dependent upon a couple of things. One is that the people of Alberta want us to reduce the deficit, and that's why this government brought down a budget with a \$1 billion deficit reduction – \$1 billion – and we're on course to balancing that budget by '91-92. Now, we know the opposition across the way would like to see the worst case scenarios. They'd like to see unemployment rampant in this province, they'd like to see investor confidence dropping to low levels, and you can be assured they'd like to spend, spend, spend, spend. That's the manifesto that these people across the way work under.

Now, since they have specifically . . .

MR. SPEAKER: Thank you. Thank you.

MR. JOHNSTON: Now, since they . . .

MR. SPEAKER: Thank you, hon. minister.

Supplementary, Leader of the Opposition.

MR. MARTIN: Mr. Speaker, all the huffing and puffing in the world isn't going to change the fact that he's made bad predictions. We're not talking about the economy; we're talking about the revenues coming into this province. I would point out, just using the price of oil – it's \$16.75 today; it's always been far below what the minister predicted. Even if it started today and changed tomorrow, it would have to be \$22 a barrel for the rest of the time. I want to come back to this Treasurer. Instead of huffing and puffing and misleading the people of Alberta, why doesn't he admit that there are problems now with his predictions and, like Wilson, say that we're going to take a look at adjusting our predictions instead of being cruel to the people of Alberta and misleading them?

MR. JOHNSTON: I hope the Member for Edmonton-Norwood has got good medical advice, because his blood pressure is

soaring through the roof here, Mr. Speaker, trying to put some emphasis in his otherwise nonsensical comments. The simple fact that he's trying to strain himself to get the point across is understandable.

Let's just recount what happened to the price of oil, Mr. Speaker, since in fact he wants to talk about oil. The first three months of 1990, the price of oil in Alberta was about \$21 and 30 or 40 cents: someplace in there. The first six months of 1990, running a bit of an assumption on the \$16.75 or \$17 level through to the end of the month – and I'm sure the Member for Edmonton-Norwood will give me one or two days' flexibility on that average calculation – the price of oil is going to be very close to \$19, Mr. Speaker.

Now, last year at this time the Member for Edmonton-Norwood was up on his feet forecasting \$10 oil. I repeatedly said to him that if he doesn't like our \$21 forecast, then give us his own, and I bet you a nickel he won't because he knows darn well he hasn't got any intelligence about what the price of oil's going to do. Now, what's happening in this province is the following. The price of oil has gone to about \$16.75. Most analysts will confirm that's the low point. We're into that summer doldrums, Mr. Speaker. The price of oil is always down in this period, but it will come right back up. As soon as the cold weather starts to hit, the demand for hydrocarbons starts to work through the system, the demand in other parts of the world starts to take hold, remembering full well that Europe, Japan in particular, and North America certainly have strong economic growth taking place which has a high oil consumption component. That demand is expanding rapidly there, and you can be darn sure that the price of oil is going to track back up. Remember, already through the first six months of 1990 the average price of oil is running around the \$19 level, the first three months of 1990 the price of oil, on average, was over the \$21 estimate. Now, I ask you, Mr. Speaker, at the \$21 average price to March 31, 1991, is it reasonable? Let the people of Alberta judge. They'll probably come to the same conclusion the government has. It's a fair estimate. It's a long ways to go yet, Mr. Speaker, and there's no reason at all to worry about the economic strength of this province, contrary to the views held by the Member for Edmonton-Norwood.

MR. MARTIN: I have never seen a Treasurer that gets up and talks about the last three months of last year's budget to make predictions for this year's budget, Mr. Speaker. Talk about intelligence. And he expects the people of Alberta to believe that gabblegook?

This intelligent Treasurer, this great marketplace Treasurer: can he now tell the people of Alberta how it is that a quarter of the way through this particular budget – the price of oil is now \$3 to \$4 less than he predicted; interest rates are higher than he predicted; he's got no stability grant money coming from the federal government. How is it that he's making a prediction that he's on track? Let me put it this way: even the backbenchers understand that that's not the truth, Mr. Speaker. How can he tell it?

MR. JOHNSTON: Let me make three points, Mr. Speaker. We don't have backbenchers in our government, unlike the NDP. You never can tell who's providing questions over there. I mean, they have more backbenchers than I can believe, and in fact they don't even let the backbenchers who are responsible for certain issues raise questions. Do you notice that, Mr. Speaker? They take it away from them. Talk about a poor

attitude towards their caucus. That's not the view held in this government.

Secondly, we are on course, Mr. Speaker. Now, the member knows. He says why is it that we use the \$21 forecast. Well, of course, the budget was put together in February or March of 1990, when the price of oil was trading around the \$21 level, and for the first six months of 1990 the average is well up around \$19 anyways. Our view is that the price of oil will come right back up as we've indicated.

As well, Mr. Speaker, high interest rates with respect to Canada is a problem for us. It's a problem which is going to cost the province of Alberta some dollars, I agree; I agree that it will in some of our programs. However, the high interest rates on the Heritage Savings Trust Fund put more bucks into the Heritage Savings Trust Fund which are transferred across to the General Revenue Fund: about \$1.2 billion or \$1.25 billion coming from the Heritage Savings Trust Fund into the General Revenue Fund. We expect that to hold and go up, and so, Mr. Speaker, on balance, high interest rates work to the favour of the people of Alberta by continuing to give the highest level of services, the lowest level of taxation, and the strongest economic growth of any province in Canada. That's performance, and that's what those folks across the way don't like very well.

MR. MARTIN: I understand where our new provincial income's going to come from. We're going to sell hot air in this province, Mr. Speaker.

I'd like to designate my second question to the Member for Edmonton-Centre.

MR. SPEAKER: Edmonton-Centre.

Health Care for Seniors

REV. ROBERTS: Thank you, Mr. Speaker. Today in a news conference the Alberta division of the Canadian Union of Public Employees made public the astounding results of a survey of its long-term care support workers in 24 nursing homes and auxiliary hospitals throughout the province, a survey from the frontline, hands-on providers which clearly reveals that our elderly, the pioneers of this province, are receiving frighteningly inadequate care in these institutions. Now, three weeks ago the representatives of these nursing staffs sent a copy of the report and its findings to the Minister of Health and have been repeatedly asking her for a meeting to discuss its recommendations. I'd like to ask the Minister of Health today. Despite a quickly delivered note sent to them late yesterday afternoon not promising a meeting, I want to know why this minister has refused to meet them and when she's instead going to turn around and sit down and meet with these people to determine what they can do to improve the quality of care for seniors in our province.

MRS. BETKOWSKI: Well, Mr. Speaker, contrary to what the Edmonton-Centre member has said, this is not the nursing workers. This is support workers that are members of the Canadian Union of Public Employees who were surveyed. I very much appreciated CUPE sending me a copy of their report. Several of the issues that have been raised are best dealt with through the collective bargaining process, which CUPE is currently involved in with the Alberta Hospital Association, so it would be inappropriate for me to comment on those issues with respect to the bargaining process. However, I do believe that clearly the issues they've raised and the issues regarding

quality of care have to be taken very seriously. As I indicated in a letter back to the national representative of CUPE, I have asked my department to review the report very carefully in the context of long-term care in Alberta, along with lodges to which the survey applied.

REV. ROBERTS: So no meeting, no action: just another review, Mr. Speaker, while the quality of care for our seniors in our nursing homes and lodges continues to deteriorate and is in serious jeopardy.

Now, we have firsthand evidence that there is abuse, there's chronic depression, there's widespread alcohol and drug abuse. One nursing home resident even told an aide, "The only way I can get attention in here is by being violent or by getting sick." That's the only way this resident can get attention, because of the staff shortage. Given the seriousness of the charges that 86 percent of the respondents have seen incidents of violence or assault, how can the minister continue to allow these inhuman conditions to go on for so long?

MRS. BETKOWSKI: Well, Mr. Speaker, as the CUPE report has fully acknowledged, the survey is not scientific, not in its design nor in its conclusion. So I believe the report has to be considered rather in the context of long-term care in the province as a whole. The results of the survey, interestingly, are from some of the support workers in 24 long-term care facilities and seniors' lodges across the province. If we look at the numbers of long-term care facilities which exist, which is 165, and 193 seniors lodges, it is a small portion represented. Nonetheless, Mr. Speaker, I take the information very seriously with respect to the quality of care, and I will be looking at it very carefully, as I indicated.

REV. ROBERTS: Mr. Speaker, what these good people have done is provide evidence which I believe is just the tip of the iceberg in terms of what's going on in nursing homes in the province.

What the minister only has is the Health Facilities Review Committee, with a few members that go around and check all the health care facilities once every 16 or 18 months. It drops in, has tea, finds out how things are going, and then offers very few suggestions and recommendations. When is the minister herself – please, how can I beg any more that she please take action herself for the benefit of seniors in these nursing homes and stop shoving these human problems off onto yet another one of her many inadequate committees?

MRS. BETKOWSKI: Well, Mr. Speaker, the Health Facilities Review Committee is anything but inadequate and does a great deal more than go and have tea in these facilities. Last year they visited 72 lodges in our province and 52 long-term care facilities. They are a very vital part of this minister's ability to review health facilities in our province both with respect to a complaint that's been raised and on their own volition, which I very much encourage. I believe that the information that's been provided to me by the CUPE people has been very helpful from a quality care point of view, but it's only one way that I receive information. The hon. member forgets that Albertans living in long-term care, as well as their families, are in constant contact with this minister through correspondence and meetings that I have with them. I want to assure Albertans, those in long-term care as well as those in seniors' lodges in our province, that our care system is safe and it is one that other provinces look to for leadership. If any Albertan, any member of a family or any

member of the public, has a complaint about a specific facility, about the care that's being provided in our long-term care facilities, I would ask them to contact me directly. I'm hoping that the workers that have been surveyed in the 24 out of some 300 facilities that are the subject of this report will make their concerns about the care of the people in those facilities well known to the management.

MR. SPEAKER: The Member for Westlock-Sturgeon on behalf of the Liberal Party.

Senate Reform

MR. TAYLOR: Thank you very much, Mr. Speaker. [interjections] It's to my old friend the Deputy Premier – if I can keep the wild game quiet here on the right – with regard to Senate reform and the Constitution. We'll need a bit of a background. Back in August of '86 the then leader of the Reform and the Liberal parties tried to put the Premier on the hot seat and warned that Senate reform should be on the Meech Lake and Edmonton accord agendas up there with bringing Quebec into the Constitution. Then about a year later, March 19, '87, Mr. Speaker, a month before Meech Lake, I begged the Premier to put Senate reform and Quebec on the agenda. On April 7, '87 I asked the Premier:

In the discussions of an elected Senate is he prepared to sit down and negotiate with Quebec in return for some of the exclusive rights that they have asked for in language and culture?

Again, just a little later in '87 he also . . . [interjections] There's a lot of yelling going on here.

Do you now agree that entering into the Edmonton declaration, which put Quebec first and Senate reform as an afterthought, was a mistake?

Of course, he took our suggestion in '87, the bait in '88, and they went ahead with a Senate election in '89. Now, what I'd like to ask the Deputy Premier . . . [interjections] It's kind of noisy. You know, you shake the cage . . .

MR. SPEAKER: The hon. member may be engaged in the initial stages of his next try for an election, to the Senate or whatever, or making a plea to be appointed, but please let's have the question.

MR. TAYLOR: Thank you, Mr. Speaker. I was just a little bothered, because when you touch one of them over there, the whole bloody cage comes after you.

Now, to the Deputy Premier: will Alberta now turn the heat up and call the western Premiers together to see if they will all agree to elect the next Senate nominee?

MR. HORSMAN: Well, Mr. Speaker, I just want to make it clear that when the hon. Member for Westlock-Sturgeon said that "when you touch one of them over there, the whole . . . cage comes at you," he was referring to the Official Opposition and not the government.

Well, talk about revision of history. If I had the time, Mr. Speaker, which I'm sure you will not allow me to take, I could go back to 1981, to a period when we were in intense negotiations with regard to future constitutional change in this country, and then to 1982, when the Constitution was patriated without reforming the Senate, without any effort being made to reform the Senate on the part of the then Prime Minister of Canada, Pierre Elliott Trudeau. It left us in the position here where we then embarked upon an intensive dialogue with Albertans and established a select committee of this Legislative Assembly to go

across this province and this country under the chairmanship of the Hon. Dennis Anderson, Member for Calgary-Currie, and other members of this Assembly and came forward after intensive debate and discussion and public hearings and public hearings and public hearings with the people of Alberta to recommend to this Assembly in 1985 a Triple E Senate.

Now, Mr. Speaker, that's where the concept arose and it was brought to this Assembly and voted upon and accepted unanimously by the members of this House. Then after 1986, when the hon. Member for Westlock-Sturgeon came into the Assembly, he asked that that be reaffirmed, and it was and unanimously once again. That's when he got into the act, and we appreciated his support.

Now, to go on from there, of course, it was put on the agenda of the first ministers as a result of the Edmonton declaration as the number one constitutional priority after bringing the family of Canada together again. I could go on to recite all the steps that were taken subsequently, but it's interesting to note this: one thing the hon. Member for Westlock-Sturgeon failed to note is that when we brought the Senatorial Selection Act into this Legislative Assembly, he and his party voted against it.

Now, if I could, then, respond to the question. The western Premiers endorsed the concept of a Triple E Senate at the Parksville meeting in British Columbia, and that was the first time our Premier had the support of all four western Premiers for a Triple E Senate. That commitment is there, and it is our intention to press on further for Senate reform by whatever vehicle, by whatever means we have.

MR. TAYLOR: Thank you. Mr. Speaker, I was just trying to help them out, as I have for the last couple of years, and give them some ideas. Instead, he takes off down the pasture with his tail over the back and jumps the fence. Really all I'm interested in is not who voted for what section of the Bill; I'm saying that you can now turn the heat up underneath the Prime Minister by getting the western provinces together and putting an elected Senate together, as long as it's all common.

The second thing, then, I would like to get across, the second question is: would the Deputy Premier and the government not only meet with the western Premiers but hold the election for the Senate before the vacancies occur, so that slippery character down there cannot appoint before you've elected one?

MR. HORSMAN: Well, Mr. Speaker, I see the Leader of the Opposition is laughing, and I'm going to control mine if at all possible. If the hon. Member for Westlock-Sturgeon had wanted to help the government out in our quest for Senate reform, I remind him that he could have voted in favour of the Senatorial Selection Act, but he did not, and I repeat that once again. Now, I've never heard of anything so absurd as holding an election for a vacancy that doesn't exist, and no, Mr. Speaker, I will not recommend that to my Premier or to our caucus. If I did, I would be laughed at; I think that's fair to say.

MR. TAYLOR: Mr. Speaker, I've had two chances at bat, put them right over home plate, and each time he's turned around and bowed to the crowd rather than take a cut at the ball. [interjections] Well, I would inform the Speaker that I've only put one ball over the plate at a time, not like the Minister of the Environment. Again, we voted for the Bill in the second reading; we drafted the Bill for you. What more did you want us to do? Run the election?

The third question, then: would you even go further: not only call the western Premiers, not only draft an Act that you

can all agree on to put the heat on the Prime Minister, not only hold the election before the vacancies occur, but maybe ask the maritimes to join you? What would it be like if we could get eight of the 10 provinces all electing their Senators and see what the Prime Minister would do then?

MR. HORSMAN: Well, Mr. Speaker, I'd remind the hon. member that he has covered a lot of territory, but he seems to have forgotten this: as a result of the actions of our Premier and as a result of the actions of the Senate Reform Task Force, which I chaired as it went across the country, we have the support of eight of the 10 provinces for Senate reform. The companion accord, which was arrived at in Ottawa a couple of weeks ago and which was swept away with the Meech Lake, provided a vehicle by which we would have had meaningful opportunity for real Senate reform with the creation of a commission which would have reported to a first ministers' conference on the Constitution to have been held at the end of this year. Enormous progress was made in Ottawa. Unfortunately, we're not able to carry forward with it at this time.

I repeat this: it remains the firm commitment and intention of this government to press for Senate reform, for the Triple E model. Do you know why it is so? Because the people of Alberta have told us that's what they want, and this Legislature unanimously told us that that's what they want, and we will press ahead for it.

I want to add this caution, and I made this point during the course of the Senatorial Selection Act: if we had an elected Senate, if all 104 members of the current Senate were elected today, we would never be able to get a Triple E Senate. Under no circumstances whatsoever would we be able to sweep away 104 elected Senators with the current composition of the Canadian Senate. So what the hon. acting leader of the Liberal Party – and I want to congratulate him. He's in rare form today in that capacity, and quite frankly I enjoyed it a great deal more than the other chap, because he has a sense of humour.

The fact of the matter is that it would be dangerous in the extreme for us now to elect and put in place the 104 members of the current Senate. We would never get a Triple E Senate under those circumstances.

Mortgage and Mousing Corporation

MR. ZARUSKY: Mr. Speaker, my question today is to the Minister of Municipal Affairs. It's a great move here in Alberta today for the people of Alberta and for privatization in this province. We know and the minister has confirmed that AMHC mortgages will not be affected by this sale, but there are some questions arising. To the minister: will Alberta Mortgage and Housing Corporation lose any money on the sale of the \$383 million of mortgages to the private sector?

MR. R. SPEAKER: Mr. Speaker, the \$620 million of single-family mortgages that are for sale to the private sector are quality mortgages, high performing single-family mortgages in this province. There are 14,000 of them, and most of them were mortgages taken out for 25- and 30-year periods. They have about 15 years to arrive at maturity. We've done some examinations of that portfolio. About one-third of 1 percent of the 14,000 are maybe in arrears. We did a sampling of about 5,000 mortgages. Four mortgages are 60 days in arrears or less; four of them out of 5,000. These are very high-quality mortgages that are out in the marketplace.

There will not be any loss of money to the government. The mortgages will be sold at market value. We in this government will receive our values for them in that sale. It is my hope that at the end of the sale process we will be able to transfer back to the Heritage Savings Trust Fund some \$600 million to be looked at and dealt with and used for other purposes within this government and for the people of Alberta, Mr. Speaker.

MR. ZARUSKY: Mr. Speaker, supplementary. That's good information, I think, and people will be pleased with that.

Mr. Speaker, to the minister: in addition to the Alberta-based institutions, has the minister received any expressions of interest in this program from the other private-sector lending institutions?

MR. R. SPEAKER: Mr. Speaker, there are a number of financial institutions that are very, very interested. We have documented 50 at the present time, and there may be more than that. Each one of these financial institutions is very soundly based, is insured by the Canada Deposit Insurance Corporation, and has the ability to buy the mortgages that will be up for sale. Mr. Speaker, we think that there will be many inquiries and many bids on the remaining mortgages that will be put out to the private sector.

MR. SPEAKER: Calgary-Forest Lawn.

Southern Alberta Institute of Technology

MR. PASHAK: Thank you, Mr. Speaker. My questions today are to the Minister of Advanced Education. As the minister knows, the president of the Southern Alberta Institute of Technology resigned today. His resignation was accepted. As the minister is also aware, a new chairman is about to be appointed for the board of SAIT. My question to the minister is: will he assure this House that these positions of leadership in our postsecondary educational institutions will be filled by people whose primary commitment is to education and not to the development of entrepreneurial programs?

MR. GOGO: Mr. Speaker, I was advised just this morning that the president of the Southern Alberta Institute of Technology tendered his resignation. I would point out, Mr. Speaker, that that is a board-governed institution. It's the board of governors I deal with, and the hiring and evaluation of a president is the responsibility of the board and not of this minister.

With regard to the chairman of the institution, Mr. Speaker, the institution now is being chaired by Mrs. Gloria Planidin with a well-qualified board of governors.

MR. PASHAK: My supplementary, Mr. Speaker. SAIT has also announced program cuts, the abolition of a number of full-time positions, and other measures to deal with continuing budgetary problems. These problems are in part due to SAITs involvement in that offshore Indonesian oil training program. Will the minister now commit to providing a full disclosure of SAITs dealings with the Batam Island project?

MR. GOGO: Mr. Speaker, as the hon. member is well aware, SAIT operates under the Technical Institutes Act, and he is as aware as anyone, I believe, as to the contents of that Act. As a board-governed institution they have a responsibility for educating, training, and community service, and also within their Act are other activities that they are empowered to do.

I would point out, Mr. Speaker, that the budgetary process is now under way. The involvement of this minister is with regard to the institute operating within an approved budget, and we have the safety of the Auditor General of this province, who does the annual audit, which is tabled with this House. I would think on that basis, Mr. Speaker, hon. members should be assured that the obligations of the Technical Institutes Act apply to SAIT, and they must comply with them.

MR. SPEAKER: Calgary-Buffalo, followed by Clover Bar, Edmonton-Avonmore, Edmonton-Gold Bar.

Privacy

MR. CHUMIR: Thank you, Mr. Speaker. My first question will be to the minister in charge of telephones. Private cellular telephone calls can and are being monitored by busybodies using hand-held police scanners, which are available from any neighbourhood electronics store. Now, this is only one example of how our privacy is being threatened by technological developments, such as the new telephone receivers which display phone numbers, through lie detectors, through voice stress analyzers, through drug testing paraphernalia, and by use of the social insurance number. As a society, Mr. Speaker, we need to take a much greater interest in protecting the privacy of our citizens. To the minister in charge of telephones: I am wondering whether he would tell this House whether the government is doing anything to tackle the problem of cellular telephone calls being intercepted, possibly through banning the sale of scanners or through discussions with the federal government in order to deal with the problem at a national level.

MR. STEWART: Mr. Speaker, it is certainly true what the hon. member has stated: as technology changes some of these anomalies that he has spoken of do come forward and do require our close supervision and examination. We're doing just that. As soon as that came to light, we did engage in some discussions with respect to the situation, try and get a better handle on exactly what sort of anomalies were occurring and what sort of potential there was through these technologies for abuse. That examination is under way at the present time.

MR. CHUMIR: Well, I'm pleased to hear that, Mr. Speaker. I think it's long overdue.

I'm wondering whether I might ask the Deputy Premier, although I would say on behalf of our caucus that we prefer the other chap, I'm wondering whether the government would agree to consider establishing a commission to review the privacy problem in Alberta with a view to enacting privacy legislation in order to protect Albertans from the dangerous invasions of privacy that are about these days?

MR. HORSMAN: Unless I missed it, I thought the hon. Minister of Technology, Research and Telecommunications had answered that question and said that that matter would be under consideration and in due course, in the fullness of time, appropriate action might well be taken.

MR. SPEAKER: Clover Bar.

Cooking Lake Natural Area

MR. GESELL: Thank you, Mr. Speaker. My question is to the Minister of Forestry, Lands and Wildlife. Some of my con-

stituents have raised a concern about the realignment of Wye Road east of Sherwood Park and the possible effects that that road widening might have on the North Cooking Lake natural area. This is despite a study that was undertaken, and I just quote it: A Survey of Wetland Wildlife Resources, Strathcona county No. 20, Alberta, by Deidre E. Griffiths, consulting ecologist, January 1987. I'll file with the House the title page and an excerpt of that study. That study did not indicate any ecologically sensitive areas related to the North Cooking Lake area, but can the minister advise the Assembly if he or his department has any particular concerns with the proposed widening of the Wye Road in this natural area setting?

MR. FJORDBOTTEN: Mr. Speaker, I personally reviewed my department's involvement in this area through our natural areas program, and also I've reviewed the options that would be available to the county of Strathcona. In my view, if you look at a commonsense view, the road alignment that's being proposed is the best option as it relates to greater safety along that particular road. Also I thank the hon. Member for Clover Bar for his assistance on this matter with me, because my department has been able to negotiate with Strathcona county for 12.9 acres that would come out of the natural area, but at the same time we negotiated between 140 and 150 acres that would be put into the natural area to enhance it. So along with that agreement as well we received certain road right-of-ways from the county that now are put back in the natural area, so it was a great benefit to the natural area and also I think to traffic safety in the area.

MR. GESELL: Thank you. Mr. Speaker, the concern by the constituents relates to endangered plant species. Can the minister assure me that the road alignment will not affect any rare or endangered plant species in this natural area?

MR. FJORDBOTTEN: Mr. Speaker, my department advises me that any of the plant species that are in the particular area are very common species, and certainly there is no risk in their view of eliminating any endangered or threatened species of plant life.

MR. SPEAKER: Edmonton-Avonmore.

Family Violence

MS M. LAING: Thank you, Mr. Speaker. My questions are related to the eradication of violence in the family. Yesterday we welcomed the Solicitor General's statement that he acknowledges that violence against women by their husbands is a crime, but prosecution is not enough. In other jurisdictions it has been proven that the most effective treatment for batterers is that which is court mandated and vigorously followed up by probation officers. My question is to the Solicitor General. Will the Solicitor General now commit to funding for court-mandated treatment programs across Alberta as part of his long-awaited strategy to deal with battering as a crime?

MR. FOWLER: Mr. Speaker, I agree with much that the hon. member says. However, for a program that has been under study for nearly one year within my department, to come and ask in question period today if I will make a specific commitment in respect to a very specific matter, I just simply cannot do that.

MS M. LAING: Well, one could have hoped for a commitment to at least looking into it.

Mr. Speaker, for the past decade workers in shelters for battered women have noted the impact that violence in the family has on children who witness or are targets of that violence. If we are to break the intergenerational cycle of violence, early intervention with these children is required. My question is to the Minister of Family and Social Services. In view of the reference the Social Care Facilities Review Committee has made to the need for counseling programs for children who witness or are targets of violence in the home, will the minister target additional funds in order that shelters can provide counseling for children and thus work to break the intergenerational cycle of male violence?

MR. OLDRING: Well, Mr. Speaker, I'd want to first of all point out to the member that last year we increased our funding to the women's shelters in this province some 24 percent. This year we increased it by another 9 percent.

I appreciate and recognize the issue and concern the member has raised. I'd want to first of all say that we, too, share that concern, and we, too, are committed to doing everything we can as it relates to the prevention of family violence. We've made considerable progress in this province and in this nation. Having said that, Mr. Speaker, we recognize that there's much more to be done. We recognize that there is a need for the counseling that the member has spoken of, and it is happening. It's happening today in Alberta, not perhaps to the extent that we'd like to see it happening, but it is happening. We are committed to continue to work with Albertans, to work with communities and community agencies. I'd want to point out that between the years of '87 and '89 alone, we saw an increase of some 24 percent in community agencies that are prepared to respond to the needs of this particular problem.

Mr. Speaker, it is a multidimensional problem. It requires a multidimensional solution. I can say that we're committed to offering some leadership as a province. I can say that we're committed to working with our federal counterparts, who have done an awful lot of work in this direction in recent years, that we're committed to working with communities.

The last thing, Mr. Speaker, that I do want to mention is the initiatives that we announced last June in this Assembly, and that was the funding of a number of educational projects and a number of demonstration projects right across this province, all geared towards finding solutions and towards the prevention of family violence.

MR. SPEAKER: Edmonton-Gold Bar.

Day Care Policy Study

MRS. HEWES: Thank you, Mr. Speaker. Here we are in the last week of June and the Minister of Family and Social Services hasn't yet revealed to us any of the details on the rate schedule and training standards for day care. Parents and operators alike are in a dilemma here. They can't make plans or decisions without the subsidy schedule. My questions to the Minister of Family and Social Services are: when are we going to get it; what on earth is the holdup?

MR. OLDRING: Well, two questions, Mr. Speaker. It's always interesting when I listen to the members opposite. I find at times that they're telling us that we're acting too quickly, we're moving too fast, and we're not allowing Albertans the oppor-

tunity for their input. Then at other times when it's convenient they're telling us: act quicker; don't consult with Albertans; just announce it and do it. Well, what I've found about the Liberal Party is that the only thing consistent about them is their inconsistency.

Mr. Speaker, I want to say that we have gone through an excellent process. This process of the white paper on reforms to Alberta's day care programs has been most effective. I've had the opportunity, Mr. Speaker, of hearing from some 2,400-plus Albertans. I've taken the opportunity of reading through their suggestions, their comments, their recommendations. We've had public meetings right across this province where close to another 5,000 Albertans were able to participate. I personally have met with advocacy groups, parents, day care users right across this province. All I can say is that it is time well spent, that I'm not going to allow the integrity of these reforms to be compromised by rushing them through, that I'm going to continue the process. I'm going to see it through to a successful conclusion, and I look forward to announcing some of the most progressive day care policies in Canada.

MRS. HEWES: Mr. Speaker, the minister must have had that rate schedule long before the reforms were even announced in the first place. This delay, I think, is unconscionable. It's thoughtless and insensitive to the needs of families.

Mr. Speaker, what about the day care workers? Can the minister please tell us now what the details are of his package of training, including access and funding for training of day care workers.

MR. OLDRING: Well, again, Mr. Speaker, as I mentioned to the Member for Edmonton-Gold Bar, we are going through a consultative process. It's coming to a conclusion. I am looking forward to announcing very shortly the final recommendations. Again, I am going to make sure that we take the necessary time to do these things properly, that we take the necessary time to allow Albertans to be a part of these reforms and to make sure that we continue to be able to offer the highest quality level of day care in Canada.

I would want to point out that one of the things that has come out very clearly through this process is just how good our day care really is in Alberta. Parents have told me very consistently through all the letters that I've received how pleased they are with the day care we've been able to offer here in Alberta. I'd want to point out to the Member for Edmonton-Gold Bar that we're the only province in Canada that has a surplus of day care spaces. I might also note, Mr. Speaker, that we're the only province in Canada that treats profit and nonprofit day cares on an equitable basis, and that might just be part of the reason we stand out the way we do.

MR. SPEAKER: The Deputy Premier, in response to questions raised by Edmonton-Avonmore yesterday.

Biological Research at CFB Suffield

MR. HORSMAN: Mr. Speaker, the hon. Member for Edmonton-Avonmore yesterday in question period alleged that the federal government was building

a level 4 biohazard containment facility . . . [to] provide for the testing of genetically altered microbes which produce diseases for which there are no known cures.

I have consulted with the Department of National Defence and have been assured that no such program exists within Alberta

for testing for defensive or any other purposes, nor have any such tests been conducted, and that the containment facility in question was announced on January 25, 1989, by the then Minister of National Defence to deal with chemical agents only. Of course, beyond that we are advised by base command Suffield that although the announcement had been made, no action has been taken by the Department of National Defence on the facility. There have not been any plans, specifications, work, or funding for such a facility, and any decision to proceed would be subject to the federal government's own environmental assessment and review requirements.

MS M. LAING: Mr. Speaker, given that there has been approval although not the beginning of the building of a level 4 biohazard containment facility and given that such a facility, although it may not necessarily be used for the testing of biological warfare agents, can be used for such testing, will the minister now give his assurance to this Assembly and to the people of Alberta that he will vigorously oppose the building of such a containment facility?

MR. HORSMAN: Mr. Speaker, the hon. member has not listened to what I just said. No such facility is being built to deal with biological agents.

MR. SPEAKER: Thank you, hon. members. There are a number of items to be dealt with. First, we have three matters of purported points of privilege, followed by Standing Order 40, and then we'll go on from there.

head: **Privilege**

MR. SPEAKER: First, with regard to the point of privilege raised by the hon. Member for Calgary-Buffalo. The member raised a purported point of privilege which he presented to the House yesterday, stating that he is prohibited from fulfilling his responsibility as an elected member by the fact that lottery funds are not presented with the estimates or in the public accounts, allowing for full scrutiny and examination by members. Proper notice was given under Standing Order 15, but it can hardly be said that the matter was raised at the earliest opportunity. However, the Chair will deal with the substance of the issue rather than taking that narrow focus, as the member is referring to a continuing state of affairs rather than a single event.

The fact that lottery fund expenditures are not contained in the estimates is a consequence not of an administrative act or discretion but of the provisions of the statute law of this province. [interjection] Order please. Essentially the member has a complaint about the status of the law, which is not a matter of privilege.

It is not entirely accurate to say that lottery funds are not included in the public accounts. The expenditures are included, although the income to the fund and the balance of the fund are not. In fact, there was discussion on its expenditures in the Public Accounts Committee on May 16 of this year when the hon. Minister of Public Works, Supply and Services appeared before the committee with lottery staff and offered to deal with all matters under his authority. The Member for Calgary-Buffalo was on that committee and, indeed, spoke on that occasion.

As to the opportunities available to members to debate lottery issues, the Chair would point out that since 1986, there have

been over 80 occasions when the matter of lottery funds has been raised in the House: 43 times in Oral Question Period, 26 times during consideration of the estimates, six written questions and motions for returns, seven occasions of debate on or references in Bills before the House. One of those occasions was the member's own motion, Motion 208, debated this session.

Notwithstanding that and regardless of whether the member was satisfied with the outcome of those opportunities, the Chair rules there is no *prima facie* point of privilege but rather a complaint about the provisions of the law. The member's remedy is to continue to propose changes to the law in the normal fashion.

With respect to the matter of the purported point of privilege as raised by Edmonton-Whitemud, on Monday, June 25, that member gave notice to the Chair of a purported point of privilege concerning his complaint about comments by the hon. Minister of Public Works, Supply and Services on Friday, June 22. The Member for Edmonton-Whitemud presented his case to the Chair and to the House yesterday. After careful examination of *Hansard* the Chair has had opportunity to assess the comments of both the minister and the Member for Edmonton-Whitemud. The issue has two major components. The first is the complaint by the Member for Edmonton-Whitemud about the words "lying," "lied," and "lie" used by the minister against him. The second is the complaint of intimidation by the minister against the Member for Edmonton-Whitemud through certain statements by the minister in the House.

With regard to the first complaint, the Chair points out to members that a complaint of privilege is indeed a very serious matter. There are privileges of both the member individually and the House as a whole. With respect to a member's individual privileges, a breach of privilege is generally considered to have taken place when a member is subjected to something which prevents or attempts to prevent that member from carrying out his or her parliamentary duties as a Member of the Legislative Assembly. With respect to the use of the words "lying," "lied," and "lie" by the minister, there can be no doubt that those words were used. There can also be no doubt that those words are intemperate, unparliamentary, and out of order. *Beauchesne* citations 485 to 494 clearly indicate this and prohibit the accusation that another member of the House is lying, regardless of the circumstances. The matter of unparliamentary language, however, is a matter of order and not one of privilege. The Chair will ask the hon. minister to withdraw the offending words after this rendition. No doubt the minister can substitute more temperate and suitable phrases which are indeed regarded as parliamentary. The Chair finds, however, that there is no *prima facie* case of privilege with respect to this issue.

With regard to the second matter, intimidation of a member is a very serious matter and one that could potentially involve a breach of privilege. However, a careful examination of what was actually said elicits some comment. Yesterday the Member for Edmonton-Whitemud quoted the minister as saying:

This member will either retract that statement now or I will take every step available to me as a member of this Assembly to make sure that he's eliminated from this Assembly.

The correct and complete quote would read:

This member will either retract that statement now or I will take every step available to me as a member of this Assembly to make sure that he's eliminated from this Assembly, under the basis of the law that we have within the rules.

Members are directed in future to please use complete quotations, as the House is always concerned about complete accuracy.

It seems to the Chair that the warning of one member to another member that he will use within the law the rules to stop a member from making unfounded allegations within the Chamber is far from being intimidation designed to stop another member from performing the duties of his or her job. The complete quotation was indeed a severe warning to the Member for Edmonton-Whitemud but was within the rules of temperate and parliamentary language. The Chair, therefore, finds no prima facie case of privilege in this matter.

With regard to the matter of intervention by outside counsel, raised by the Member for Edmonton-Whitemud yesterday, the Chair sees complaints between members over something which transpires in the House as being between members themselves. Each has a right under the rules of this Assembly to seek redress. The Chair does not see it as appropriate for any stranger to this Assembly to communicate with a member, threatening the use of the rules of this House to force particular conduct from that member. Complaints to the Speaker about what transpires in the House is an exclusive right of members. It is inappropriate that nonmembers should be involved, because they themselves have no rights of complaint to the Chair, nor can they demand remedies. They have no status before this House. Use of counsel in matters before the Chair which concern that particular code of laws applicable only inside this Chamber should be restricted to private advice. This would not apply to matters arising outside the House, where members may indeed take legal action against each other if they so desire. The Chair finds no prima facie case of privilege in the matters raised by the Member for Edmonton-Whitemud.

On Friday, June 22, an exchange during question period took place between the Member for Edmonton-Whitemud and the Minister of Public Works, Supply and Services . . . Forgive me, hon. members. I must pause long enough to see if the Minister of Public Works, Supply and Services will deal with the invitation.

MR. KOWALSKI: Mr. Speaker, I don't mean to interrupt, but I did rise when you had begun.

Beauchesne makes it very clear that "language used in the House should be temperate and worthy of the place in which it is spoken." I regret and am personally ashamed about my usage of unparliamentary language in this Legislative Assembly on June 22, 1990, as the decorum and the integrity of this Assembly are very important to me. I would ask that the record show that where the words, "lied," "lie," and "lying" were used, the phrases "totally untrue," and "not telling the truth" be substituted.

Thank you.

MR. SPEAKER: On Friday, June 22, an exchange during question period did take place between the Member for Edmonton-Whitemud and the Minister of Public Works, Supply and Services which has subsequently become the basis of a purported question of privilege by the minister. There are two types of privilege to be considered here. The first affects those privileges enjoyed by each member individually. In this context this would be an impairment of the member's parliamentary duties. The second type of privilege affects those rights enjoyed by the House as a whole. In this context this would be a complaint of deliberately or recklessly misleading the House.

The Chair examined what transpired on that date and also on June 25 and 26 when the Chair received notice and heard arguments relevant to the matter. In the Chair's opinion the minister gave no prima facie evidence of how the comments uttered by the Member for Edmonton-Whitemud impaired his

abilities to function as a Member of the Legislative Assembly. However, the Chair does regard the comments of Edmonton-Whitemud as potentially defamatory and damaging to the minister, which might be an impediment to his parliamentary function. But on the basis of the evidence before it, the Chair cannot rule that a prima facie case exists.

On the second matter of the privileges of the Assembly as a whole, the Chair considered the question of the House having been misled. At this time there is no evidence before the House as to the truth or falsity of the allegations by the Member for Edmonton-Whitemud except the minister's denial. At the same time, the nature of the allegations is serious. If it should be determined that they were not factual, the House may have been seriously misled, either deliberately or recklessly. The Chair would submit that the issue of misleading the House is unclear.

However, it is not the Chair's function to make a final determination on the matter; it is only required to determine whether or not a prima facie case of breach of privilege exists. What is the meaning of the words "prima facie"? Joseph Maingot QC in his book *Parliamentary Privilege in Canada* on page 188 writes, and I quote:

A prima facie case of privilege in the parliamentary sense is one where the evidence on its face as outlined by the member is sufficiently strong for the House to be asked to send it to a committee to investigate whether the privileges of the House have been breached or a contempt has occurred and report to the House.

The Chair finds that there is sufficient cause in the second issue to warrant a determination that a prima facie case of breach of privilege exists. The Chair, therefore, leaves the matter to the determination of the House.

head: **Motions under Standing Order 40**

MR. SPEAKER: Standing Order 40, Solicitor General. Those in favour of giving unanimous consent, please say aye.

HON. MEMBERS: Aye.

MR. SPEAKER: Opposed, please say no. Carried.

Moved by Mr. Fowler:

Be it resolved that the Legislative Assembly of Alberta convey its deepest sympathies to the family and friends of Constable Ezio Faraone of the Edmonton Police Service, who was needlessly and tragically killed while performing his duties to the people of this city, and urge all Albertans to reflect on the onerous responsibility that our police officers take on each and every day to help make our communities a safer place in which to live, and say a prayer for Constable Faraone, his family, friends, and all police officers throughout our province.

MR. FOWLER: Thank you, Mr. Speaker, and also for permitting the motion to be put without circulation.

I'm confident that all members join with me in expressing our deepest sorrow to the family and friends of Constable Faraone. It is with great sadness that we in this province are witness to the tragic loss of life of one of Edmonton's finest. Constable Faraone has paid the ultimate price in ensuring that our community in Edmonton is a safer place in which to live, and for that we must not forget.

Mr. Speaker, mere mortals that we are will cause us to ponder the dilemma that faces us as our society challenges the very fabric of its soul. The increasing stresses and strains that our

rapidly moving society places upon its citizens are giving rise to fears and uncertainties. Law and order are but two pillars that must always be strengthened, and I pledge to this Assembly that I will do all within my powers to ensure that these pillars remain the hallmark of all Albertans.

Today, Mr. Speaker, we must reflect upon the unnecessary loss of a human life. Throughout our history as a province we have recorded at least 31 police officers who have paid the ultimate price. Their service must not be forgotten. We today and our children, and their children in turn, must pause and reflect upon what our society would be like if each person was at liberty to do whatever they chose whenever they wished at whatever price necessary. That would ensure that no society could survive.

I call upon this Assembly and all Albertans to reflect on the ultimate price that Constable Faraone has paid for our peace and safety and implore all members to reconfirm to their families and constituents that we are a society that is built upon the rule of law and that our own peace and safety are dependent upon our own commitment to upholding and respecting that fundamental principle that with each freedom comes responsibility, and only through the proper discharge of that responsibility do we ensure that those freedoms are preserved.

To Constable Faraone's mother and family, we the Members of the Legislative Assembly of Alberta and all Albertans extend our heartfelt condolences on the loss of a loving son and brother. To all members of the Edmonton Police Service and all police officers of the province of Alberta, we pray that you accept our statement of gratitude for the services that you are asked to provide and ask that God give you guidance and strength to continue to provide Albertans with the protection and safety we all too often take for granted.

In closing, Mr. Speaker, I would like to reference the ultimate authority and quote:

This is what I meant when I said, while I was still with you, that everything written about me in the Law of Moses, in the Prophets and in the Psalms, has to be fulfilled.' He then opened their minds to understand the scriptures, and he said to them, 'So you see how it is written that the Christ would suffer and on the third day rise from the dead, and that, in His name, repentance for the forgiveness of sins would be preached to all the nations, beginning from Jerusalem. You are witnesses to this.'

Thank you, Mr. Speaker.

MR. SPEAKER: The Member for Edmonton-Centre.

REV. ROBERTS: Thank you, Mr. Speaker. On behalf of the Official Opposition New Democrat caucus, it's hard to follow the eloquent words of the Solicitor General, but we certainly want to support him in his motion for unanimous consent.

Certainly, Mr. Speaker, those among us who are servants of the people involved in life and death situations are ones that we need to continue to honour with greater respect than we often do. They continue to take risks and preserve for us that sense of sacrifice and service which so many of us are called to do and be part of, but to do so in a spirit also of safety for the common good.

As the chief of police, Mr. McNally, has already said, it's not wise for us to "if this situation to death, trying to understand what could have been different if this or that had been, a different set of circumstances. But this certainly for all of us is a time of reflection and then for some action in terms of what we can do better to serve the people through the police service so that these situations do not happen again.

We certainly, too, want to offer our support for Constable Faraone's family and for his colleagues in the police service for whom this is a very grievous time, but hope that at the end of the day we can all be strengthened in the spirit of sacrifice, service, and safety that calls us forward.

Thank you.

MR. SPEAKER: Edmonton-Gold Bar.

MRS. HEWES: Thank you, Mr. Speaker. For some years I was privileged to sit as a member on the Edmonton Police Commission, and as such I learned very closely the nature of the work of the members of that police department. I got to know them, and I got to know many of their families, and I often talked with members and with the chaplain about the anxieties they must deal with in their daily life. I got to understand the nature of their work and to know them as highly trained and highly skilled and highly principled people in our community.

Mr. Speaker, they do, however, deal daily and sometimes without visibility with situations that are volatile and violent, and they are often at high risk. We owe them, as the Solicitor General has said, our deepest gratitude. We also often, I fear, take them for granted, and it's unfortunate that situations like this have to occur before we are drawn to a stop to consider what they mean to us.

Mr. Speaker, my Liberal colleagues and I wish to join the government in sending our sympathies to the family of Constable Faraone and also to all of his grieving colleagues on whom we will continue to depend for peace and good order in all of our communities.

MR. SPEAKER: There's a call for the question. All those in favour of the motion, please say aye.

HON. MEMBERS: Aye.

MR. SPEAKER: Opposed, please say no. Motion carries, let the record show unanimously.

Orders of the Day

MR. HORSMAN: Mr. Speaker, I move pursuant to Standing Order 18(1)(a) that on June 28 and 29 and July 4, 5, and 6, 1990, the Assembly will resolve itself into Committee of the Whole when called to consider certain Bills on the Order Paper.

[Motion carried]

head: Private Bills Second Reading

Bill Pr. 1 Sisters of Charity of Providence of High Prairie Amendment Act, 1990

MRS. BLACK: Mr. Speaker, on behalf of the Member for Grande Prairie, Dr. Elliott, I am pleased to move second reading of Bill Pr. 1, Sisters of Charity of Providence of High Prairie Amendment Act, 1990.

This Bill will amend the name of the corporation and change the location of its head office from High Prairie to Edmonton.

[Motion carried; Bill Pr. 1 read a second time]

Bill Pr. 2
Edmonton Research and Development Park
Authority Amendment Act, 1990

MR. ZARUSKY: Mr. Speaker, I move second reading of Bill Pr. 2, the Edmonton Research and Development Park Authority Amendment Act, 1990.

Mr. Speaker, what this Bill does is designate the Minister of Technology, Research and Telecommunications as referred to in the Act. To this point the Act was under the ministers of housing and public works, so the change of ministers is one area. In the other the Act will redesignate the number of members and the procedure for appointment of members of the Edmonton Research and Development Park Authority board. The Act will also serve to clarify terms of membership of the park authority and the filling of member vacancies.

[Motion carried; Bill Pr. 2 read a second time]

Bill Pr. 4
Canada West Insurance Company
Amendment Act, 1990

MR. MITCHELL: Mr. Speaker, I rise to move Bill Pr. 4, the Canada West Insurance Company Amendment Act, 1990, standing on the Order Paper under my name.

This Act is really an administrative matter. It's been duly reviewed by the appropriate committee and by Legislative Council.

AN HON. MEMBER: Question.

MR. SPEAKER: There's a call for the question.

[Motion carried; Bill Pr. 4 read a second time]

Bill Pr. 6
Alberta Wheat Pool Amendment Act, 1990

MR. HYLAND: Mr. Speaker, on behalf of the Member for Grande Prairie, Dr. Elliott, I would like to move Bill Pr. 6, the Alberta Wheat Pool Amendment Act, 1990.

MR. TAYLOR: Mr. Speaker, before second reading is completed, I want to register a couple of points on the principle of the Wheat Pool Act. In a close examination of the Act, which is a very complicated one – I wouldn't pretend I was an expert on it – I do think the time may be coming, or maybe it has come, when the government should be thinking of putting the Wheat Pool under the co-op Act and under the ruling of consumer affairs. It sits out by itself. Of course, there was good reason for that in years past, and I think it was the first one. It was the first organization of a co-operative nature in Alberta. But I would like to see the government strike a committee, an agricultural committee or subcommittee of the House, not necessarily with everybody on it. It might be a good idea to look at what could be done or what's necessary to be done if it's possible – I think it is possible – to knit it into the co-op Act so we as legislators don't have to be making what are essentially shareholder decisions in this Legislature.

A second comment I would like to make, Mr. Speaker, is that in my opinion – and I've talked to a number on either side, although there again it's complicated – there is a class of reserve holder, in effect people who patronized or used a pool in the

past, a certain class, I should say, around the 25-year, 20-year group, I think it is, that may be impinged upon negatively by this change. I'm not absolutely positive of that, and whenever I try to talk on a specific – and I've brought a couple of specifics up – I get a lot of dancing around. As a matter of fact, after investigating a lot of these things, I reached the conclusion that there may be more lawyers than farmers in the Pool, but I'm not sure. The fact of the matter is that I'm having a little trouble with that area.

In conclusion, I think it is worth while to harmonize our co-op/consumer affairs area, and it might be worth while for the government to put a committee to work. I know we all have plenty of work to do, and if something's operating, you don't like to monkey with it too much, but this might be an idea to see whether we could knit and put together one Act that covers all these situations.

MR. SPEAKER: Cypress-Redcliff, concluding comments.

MR. HYLAND: Thank you, Mr. Speaker. There have been questions, I'm sure, expressed to all MLAs about the Wheat Pool Bill. Nevertheless, those are questions that were shared between MLAs and the Wheat Pool, attempting to get answers for the people who called in. Indeed, I suppose any organization can talk to the government about a difference and request a different designation under a Bill or under the co-op Act, et cetera. The Alberta Wheat Pool is probably the most democratically run organization in the province of Alberta, with almost as many elected delegates as we have in this Assembly. I think they have 60-some in their delegate body. To the best of my knowledge, those delegates have passed on two occasions, by greater than a three-fifths majority, the request for this private Bill. The way I've answered many of my constituents is that if you have a problem with what the Pool is doing, it's your responsibility to get your name on that delegate body, get status and become a delegate, and change internally rather than externally. As that delegate body and the board of directors have requested this private Bill, Mr. Speaker, I would urge all members to support it.

Thank you.

[Motion carried; Bill Pr. 6 read a second time]

Bill Pr. 7
St. Therese Hospital (Grey Nuns)
of St. Paul Amendment Act, 1990

MR. DROBOT: I move for second reading Bill Pr. 7, the St. Therese Hospital (Grey Nuns) of St. Paul Amendment Act, 1990.

[Motion carried; Bill Pr. 7 read a second time]

Bill Pr. 9
Young Men's Christian Association
Tax Exemption Amendment Act, 1990

MR. SPEAKER: Clover Bar.

MR. GESELL: Thank you, Mr. Speaker. I would like to move Bill Pr. 9, the Young Men's Christian Association Tax Exemption Amendment Act, 1990, for second reading.

Mr. Speaker, I would like to make some comments on this particular Bill related to some questions that were asked in

committee, I believe, by the Member for Edmonton-Gold Bar. The objective of the YMCA is one that has been in place since 1907 and was enshrined in chapter 40 of an Act respecting the Young Men's Christian Association on March 15, 1907. That objective still remains. It is a worldwide fellowship dedicated to the growth of persons in spirit, mind, body, and in a sense responsibility to each other and to the human community. They undertake a variety of programs in fitness and health, employment initiatives, child care, community service, and so on. They provide a very beneficial service to the city and the region.

At the present time the YMCA in the city of Edmonton owns a central downtown Edmonton site which is also tax exempt. It also leases from the city of Edmonton the west Edmonton lands. The YMCA owns the building but the lands are leased from the city, and that property is also tax exempt. What the Bill proposes, Mr. Speaker, is to delete the exemption of the southside lands and buildings that are presently included and transfer that exemption to the Jamie Platz property. That exemption would apply to assessment and taxation.

The concern raised by the Member for Edmonton-Gold Bar was related to removal of that responsibility from the city of Edmonton, which has the authority to tax. I would like to just briefly outline the negotiations that have occurred between the city and the YMCA to allay some of the concerns that were raised related to the existing exemptions for the existing properties in the city. The exemptions also exist in other locations in Alberta, in Fort McMurray, Red Deer, Lethbridge, Medicine Hat, and Calgary as well as in Edmonton. The city of Edmonton has taken particular actions by removing the municipal reserve designation from the Jamie Platz property by bylaw to accommodate this particular development. The city has taken further action in rezoning that site by bylaw for the use designation suitable for the YMCA proposal, and the sale of that Jamie Platz site from the city to the YMCA has taken place for one dollar. In addition to that, Mr. Speaker, a condition of that sale agreement requires that if the property is no longer used by the YMCA for their purposes, the property will revert back to the city for one dollar. In addition, all the improvements that would be on the site would also be reverting to the city of Edmonton for one dollar. Those improvements are valued to be some \$6 million. So, Mr. Speaker, there's adequate protection for the city of Edmonton in this particular tax exemption.

I would urge all members to vote for second reading of this Bill.

[Motion carried; Bill Pr. 9 read a second time]

Bill Pr. 11

Campbell McLaurin Foundation for Hearing Deficiencies Amendment Act, 1990

MRS. BLACK: Mr. Speaker, I'm pleased to move second reading of Bill Pr. 11, the Campbell McLaurin Foundation for Hearing Deficiencies Amendment Act, 1990.

Bill Pr. 11 amends and clarifies the objectives of the Campbell McLaurin Foundation and the application of their funds. Specifically, the proposed amendment allows the trustees the discretion to provide assistance to residents of Alberta with hearing deficiencies, whereas the current Act limits the provision of assistance to residents of Calgary. The proposed amendment also permits the income of the foundation not required for

assistance to persons with hearing deficiencies to be used for other projects consistent with the object of the foundation.

Thank you.

[Motion carried; Bill Pr. 11 read a second time]

head: Government Bills and Orders Third Reading

MR. STEWART: Mr. Speaker, pursuant to Standing Order 21, I move that debate on the motion for third reading of Bill 37, Alberta Government Telephones Reorganization Act, be not further adjourned.

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

SOME HON. MEMBERS: Aye.

MR. SPEAKER: Opposed, please say no.

SOME HON. MEMBERS: No.

MR. SPEAKER: The motion carries.

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

MR. SPEAKER: The issue before the House is a procedural motion as moved by the Deputy Government House Leader, that the debate not be further adjourned – no, I've got the wrong words – be not further adjourned. Is that the right word? Anyway . . .

MR. FOX: Whatever it is, we're agin it.

MR. SPEAKER: Whatever it is, you're agin it.

Anyway it has ramifications under Standing Order 21, and it's with regard to Bill 37.

[Eight minutes having elapsed, the House divided]

For the motion:

Ady	Fischer	McClellan
Anderson	Fowler	Moore
Black	Gesell	Orman
Bogle	Horsman	Osterman
Bradley	Hyland	Payne
Brassard	Isley	Schumacher
Calahasen	Johnston	Severtson
Cardinal	Jonson	Stewart
Clegg	Klein	Thurber
Day	Kowalski	Trynchy
Drobot	Lund	West
Elzinga	Main	Zarusky

Against the motion:

Barrett	Gibeault	Mjolsness
Bruseker	Hewes	Pashak
Chumir	Laing, M.	Sigurdson
Doyle	Martin	Taylor
Ewasiuk	McEachern	Woloshyn
Fox		

Totals:	Ayes	–	36	Noes –	16
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[Motion carried]

Bill 37
Alberta Government Telephones
Reorganization Act

[Adjourned debate June 27: Mr. Ady]

MR. ADY: Mr. Speaker, it's indeed a privilege for me to stand before the Assembly and support Bill 37. This takes me back to my first days in the political arena, in 1986, when I went out to do my campaigning. One of the first substantive issues I was faced with was a constituent coming to me complaining that he was in the electronics communication equipment business and he was finding himself competing with the giant AGT, who were backed by taxpayers' money, and as a private enterpriser could not compete. He wanted to know that day what my position would be if I were elected pertaining to Alberta Government Telephones being allowed to continue in that advantaged position. He asked me in what way I thought he could compete, how it was fair. As I stood there on the street that day, I had to admit to him that I could not think of a way that it was fair, and that in our society today and our system it was not fair for the taxpayers of Alberta to be subsidizing a business to compete against the private enterprisers who did not have that kind of capital or backing to help them in their competitive situation. So I committed at that time that if I were elected and came to Edmonton, certainly I would be taking the position that Alberta Government Telephones should not be competing with the private sector.

[Mr. Schumacher in the Chair]

So today we have Bill 37 being debated again. We have a circumstance where the Alberta Government Telephones Reorganization Act is a vote of confidence in AGT, because there's no question they have been a very successful company and they have served our province well. It's well respected as a corporation for its services, for its employees, and for the management it has shown throughout the years. It has performed well and will continue to perform well to serve all Albertans in the future, but in a different form.

Let me begin, Mr. Speaker, by talking about why this decision is the right decision at the right time. All around us today we have a revolution in telecommunications. It's taking place wherever we might want to look. Technology is advancing at an incredible pace. Competition from new telecommunications services is hitting the international marketplace almost daily, and there is a worldwide move towards the privatization of telecommunication service companies. AGT already faces competition in about 20 percent of its business, and it expects that percentage to grow to about 70 percent over the next five years. In order for AGT to compete in this new era of competition and high technology, it must make significant investments in new products and marketing, as much as \$2 billion over the next five years. This government strongly believes that investments of this magnitude should come from the private sector and not from Alberta taxpayers.

Now, the opposition would rather have the government wait on this issue because it is philosophically opposed to privatization of anything, any sector, regardless of the logic that might prevail. But, Mr. Speaker, the province cannot afford to wait for the opposition's approval in this matter, because that approval will never come. The longer we postpone this Bill, the greater

chance we have of losing ground in the global telecommunications marketplace. We need to cut the apron strings from AGT. It's through its adolescence as a company and is now emerging as a young adult company ready to stand on its own out in the private-sector place. Indeed, everywhere we look we see that other governments, despite their political persuasions, are moving towards the privatization of telecommunications companies in order that those companies have the capital and flexibility to move in a very dynamic industry.

The opposition has complained that the government is bullying this legislation through the Legislature, but let's consider that for just a moment. We've had many hours of debate – I'm here to tell you I have endured them – by the opposition. During the 71 days this House has been in session, this Bill has been called before the Legislature 12 of those days. Almost 20 percent of the days we've been here this Bill has been before us. We have many pages in *Hansard* of debates on this Bill, coming from some 30 speakers. However, as the hon. Minister of Technology, Research and Telecommunications pointed out when he introduced this Bill, Bill 37 has been examined for many years by this government, and finally the decision has been made. The government has analyzed and reanalyzed the best options for the future of AGT, and it is confident Bill 37 is the answer.

It is also clear, Mr. Speaker, that Albertans share our view. In fact, I have in my hand a news release from the Calgary Chamber of Commerce, just released today, which commends the government's initiative in introducing this legislation. It reads, and I quote:

In the best interests of all Albertans, the chamber encourages the government to move quickly to bring the Bill into effect before the nay-sayers derail its passage.

Mr. Speaker, I look around and wonder where the naysayers are. I think they're in the opposition ranks, because I personally have not received one letter in opposition to Bill 37. I have not received a petition. I haven't received any calls. I've polled my colleagues here on this bench; not one of them has received any. So I'm not sure where all of this is coming from.

I'd also like to address some of the attacks made by the opposition regarding the selling of shares. They contend that the government is giving the shares to as few as 20 individuals. Now, it's easy to see how they do the arithmetic, having to do with: no one can own more than 5 percent, and 5 percent would allow 20 shareholders. But that really is complete nonsense, because it will make it possible for thousands of average Albertans, families and individuals, to participate in this initiative. We want to make these shares as accessible as possible, and we'll be giving Albertans the option of purchasing shares through an installment plan. The opposition has lost their issue. Ordinary Albertans will have an opportunity perhaps similar to that given to previous issues that the government has made. I have to think back to the time that Alberta Gas Trunk Line was offered to Albertans. There was a scurry across this province for ordinary Albertans to go out and buy that stock. We all know the success story of that, and if I could, with the indulgence of the Assembly, I would like to give you one small example.

I think back to the time that those shares were issued and I encouraged my mother, a widow at the time, to buy some Alberta Gas Trunk Line stock. You recall that 20 shares was the maximum that was available at the time, but being very conservative and not a sophisticated stock purchaser, she thought that she perhaps should buy 10 shares, and she put \$50 into that stock. That was in 1955, I believe. Well, in 1982 I was executor of her estate, and when I got into her safety deposit box, I found her Alberta Gas Trunk Line stock still there. Her

\$50 investment was worth \$1,080, and during that 17 years she had received a dividend almost annually from Alberta Gas Trunk Line, some 21 times on her investment.

Now, what is to say that Alberta Government Telephones is not going to be a similar opportunity for Albertans? Hopefully, the stage is set right and away we go to allow Albertans to participate in a very good opportunity. AGT employees will also be given special deals to own shares in the company that they helped to build and to grow. Banks and institutions will be handling the sale of shares. That's done in an effort to help people like my mother who don't deal at brokerage houses or are only comfortable at their banks or their trust companies or their credit unions. Every effort is being made to make this issue available to ordinary Albertans that we see every day in our constituencies.

Mr. Speaker, it's becoming more and more clear that the only group opposed to this Bill in the entire province is the New Democrats, but really it's only the New Democrat politicians, not even the people who used to support them. Even the media won't write about the misleading rhetoric that they have endeavoured to put out on Alberta Government Telephones. I wonder where the headlines are.

Mr. Speaker, I call on the members of this Assembly to support Bill 37 because it gives AGT a head start in the international world of telecommunications while at the same time gives all Albertans the opportunity to invest in a competitive, dynamic company.

MR. DEPUTY SPEAKER: The hon. Member for Calgary-North West.

MR. BRUSEKER: Thank you, Mr. Speaker. I am pleased to be able to enter the debate on Bill 37, the Alberta Government Telephones Reorganization Act. It's an interesting euphemism, but nonetheless I do welcome the opportunity to speak to this particular Bill.

Now, as I think has been mentioned before and as we've shown in votes in the past, the Liberal Party does support this particular initiative of the government. There are ways of improving it, and I'm sure that perhaps in a year's time down the road the government and the Minister for Technology, Research and Telecommunications will probably be revisiting this Act to look at it again, to reconsider, re-evaluate, and decide how this can be improved upon, because we do have some concerns. The concept is a good one. There are some positive aspects to privatization; I think the minister has spoken of those particular concepts. I would just like to touch on them briefly, although of course with any particular positive initiative there are always some negative aspects.

One of the positive aspects and one of the biggest arguments in favour of privatization, of course, Mr. Speaker, is to make a company more efficient, and on the face of it, to make a company more efficient sounds like a very worthwhile thing to do. The question that has to be asked, of course, is: more efficient for whom? Now, what will end up happening in selling off this particular company, of course, is that presumably the rates are going to be changed. In fact, I received a little brochure this morning at my residence here in Edmonton telling me how the rates are going to be dropping and this will be better for all Albertans, and of course that really has nothing to do with privatization. When we look at the drop in the long-distance rates, Mr. Speaker, if we're going to make the company more efficient and if we're going to have a reduction in the rates, we have to wonder if it's going to have an impact some-

where else, and the impact has to be potentially a reduction in the number of staff that AGT carries. So "more efficient" probably will mean attrition of staff members from this particular company. Now, again, attrition of members of a company that is quite large, as is AGT, some 11,000 employees, in itself may not be bad. The question is – and we've asked the question and not really had a response, because the written question was denied from the government – how do they plan to deal with attrition? Clearly from our research that we have done, the government seems to have a company here that has an excess of employees when compared to other telecom companies.

So the question really is: how is this company going to be made more efficient? That doesn't seem to be dealt with in any of the mission statements that we had from the government or from the Premier when he made the ministerial statement, nor does it seem to be dealt with anywhere in the legislation as to how it is that this particular company shall be made more efficient. While there clearly is the strong argument to make the company more efficient, to deliver better service at lower cost, and it seems we're getting the lower cost, the question is: how is it going to be done? So I guess I'm disappointed that we haven't had more information presented to us either by way of ministerial statement from this minister or from the Premier or clear indication in the legislation, but we haven't seen that happening as well.

Profit orientation, of course, for the shareholders as an investor. Those people that invest in this company are going to look toward having a dividend paid. The previous speaker referred to Alberta Gas Trunk and his mother having received dividends. Of course, anyone who invests in whatever company hopes to get dividends in one form or another, either direct dividends paid to that individual or to simply have the share go up in value and ultimately be sold at a higher value than what it was purchased at.

The question again that we've asked and that my hon. colleague from Westlock-Sturgeon expressed the concerns regarding: if a company becomes so strongly profit oriented, what potentially could happen to rural subscribers? Particularly I think of certain areas down in the southern part of the province where you get farms that are operating at quite a distance from their neighbours. It becomes quite cost-ineffective to put a line in there to those areas, so long-distance calls have become the norm for people in rural areas. For people in urban areas, they may end up getting a break on their phone rates. So the question really is on profit orientation. I hope that AGT, once it is privatized, does not lose the service orientation that was really the foundation upon which this company was created.

Competition, long-distance competition, is certainly on the road, on the horizon. We've had a proposal by Unitel, formerly CNCP Telecommunications, to go into competition with AGT. I think that clearly competition is coming whether we like it or not, and AGT is going to have to be in a position whereby it can compete. Hopefully, by privatization we're going to see the ability of that company to compete against interlopers, I suppose, if you want to call them that, who are going to come into the province and look to compete with AGT. Yet while we're looking at making a company more competitive, Mr. Speaker, there are some interesting pieces of the legislation. Section 27(2) says that AGT can't compete elsewhere. So even though we want them to be leaner and meaner and be able to compete against those coming in here, it seems that this government is saying, "Well, we don't want them to be able to compete anywhere else, just here in Alberta." That seems like

kind of a contradictory message that we're receiving from the government in this particular regard. So I'm not sure that that particular aspect has been clarified, at least not to my satisfaction. I'm a little bit concerned about that. We want AGT to provide service first and foremost to Albertans, whether it's publicly owned or privately owned. That's the role of AGT; that's why it was created. So clearly there's a concern there.

The minister has made a number of references in the past about the capital which needs to be raised by AGT. I think from that standpoint the fact that now, as a privately owned company through a share offering, that money will be raised in the private sector rather than the public sector is indeed the correct way to go, and for that I think the government needs to be applauded, Mr. Speaker. The government is finding themselves continually assaulted, if you can use that word, by different people wanting money for this, money for that. The unfortunate reality, of course, in this time is that the government simply does not have the dollars they did in the past and must draw the line somewhere. The minister has made reference to \$2 billion or perhaps \$3 billion worth of additional investment being required by this company to really get it to where it needs to be to compete in the 21st century. I think putting the brakes on and saying no, this needs to be raised in the private sector rather than in the public sector through perhaps the Lottery Fund, the Heritage Savings Trust Fund, or who knows where – I think looking at it as a private venture is the right way to go.

There are, I think, some very commendable things within the legislation, Mr. Speaker. The concerns of foreign ownership are dealt with very handily with the pro rata weighting that's referred to in terms of voting. When you have an annual meeting, if the shareholders show up that hold the 10 percent possible foreign-owned shares, they can't have more than a 10 percent vote at that meeting, even though at that particular meeting they may conceivably represent 50 percent of the voting shares. There is a provision for that in the legislation, so I believe that's a very judicious measure being taken by the government. I think that really protects the rights of Albertans. Again, I think that's a reasonable sort of approach to take, Mr. Speaker, and I certainly support that.

I think, although saying tax is positive maybe sounds kind of as much of an oxymoron as Progressive Conservative, it's interesting to note that with a privatized company now, this company will in fact be required to pay provincial income tax. So now instead of being a drain upon the provincial coffers, in fact once this thing starts making some money in the private sector, it will have to pay into the provincial income tax coffers. From that standpoint I think it may have a positive impact in terms of being able to hold down the personal income tax that the Treasurer loves to speak about so much. Certainly no one wants to pay more income tax than they need to. So if this thing in fact starts generating income for the province rather than being a drain from the province, I think it could be a positive step.

Finally, in terms of some of the positives, and then I'll get onto some of my concerns on the negative side, I think the fact that there's an indication from the government that the revenue generated by this sale is going to go back to the Heritage Savings Trust Fund and then from there, of course, will be able to generate some interest revenue again is a positive step for us here in Alberta. We'll have decreased an expenditure, we'll have increased our revenue, and so in the long term I think that could be a benefit for the province.

So those are, I think, some very important and some very key positive points of this initiative, and those, in hindsight, have

been the reason why the Liberal caucus has chosen to support this particular initiative. That's not to say that we don't have concerns, and I want to address some of those right now, Mr. Speaker.

I talked about provincial income tax being paid. Well, the corollary, of course, is that federal income tax will also have to be paid. The net result, and it's a very negative net result, depending upon which figures you use, is that we've come up with a figure that some \$70 million of federal income tax will have to be paid by AGT once it's privatized. Now, the negative side of that, Mr. Speaker, is simply this. I mean, \$70 million of Albertans' money is going to be leaving the province, and that is a major concern for me. I think it's a major concern for all Albertans. When we look at the problems that this province has had with respect to getting transfer payments from the federal government and look at what we've paid to the federal government, I don't think anyone in Alberta is happy at the concept of sending more money to Ottawa. So I think that is a major concern.

Mr. Speaker, in the Bill there are two references. Here we have a government who speaks very strongly about the ideology of privatization and letting the market determine the direction that it should go and that the market should be the holy god before which we should all bow. Yet in the legislation in two different places we see a section that says, "The registered and head office of the Corporation must be in the City of Edmonton." Well, I'm not sure whether the city of Edmonton is the right place or the wrong place for it to be. If we are advocating that in fact it is the marketplace and this corporation which should be directing as to what are the best business decisions, then we should leave those decisions to the corporation. The question I have to ask is: why is the government really advocating that it must be in the city of Edmonton?

If we are going to allow this corporation a free hand to become competitive, to really operate and compete against others, then this seems to me to be an unnecessary restriction. The corporation may well feel that this is the right thing to do. They may well feel that another location might be better. They may choose Grande Prairie; they may choose Red Deer; they may choose Calgary – I don't know. What I'm suggesting, Mr. Speaker, is that the decision should be left up to the corporation. Where the head office should be should not be a decision of government. If they firmly believe in this, if they're ideologically committed to privatization, then they should let it go ahead and let the company decide instead of this bastardized version where we've got half of each. [interjections] I believe that's parliamentary.

There is a concern in here, Mr. Speaker. What we see in here is the special share being retained by the government. Again it's curious. We have a government that stands up and promotes privatization, says what a wonderful thing this is for Alberta, for Albertans; they can all buy in. They're not going to tell us what we're buying into, but we can all buy into it nonetheless. Yet the government continues with the special share. There are quite a number of references to it and quite a number of references in the legislation to ministerial orders and to what the minister may and may not do, and so on and so forth.

So, on the one hand, it's curious. The government advocates privatization, advocates making the sale available to all individuals, yet we don't really see that happening. We see the government keeping a hand in. Now, granted, there is a clause right at the end that says that the special share shall be repealed five years hence, from proclamation of this Act. Really what that says is that for five years this government is going to

privatize but not really privatize this particular company. So it seems to me that if the government really is concerned about privatization, they should let privatization occur. If they want to have a publicly owned company, they should have a publicly owned company, but it seems that there is a little bit of confusion here as to whether we're really going to have a privatized company or not. So I'm not really clear on that, and I hope that if the minister gets around to making some concluding comments, he in fact clarifies that.

Now, one of the concerns that has been raised by the Liberal opposition a number of times, of course, is debt reduction and a need for this government to reduce its spending. I am concerned that what we have in this particular piece of legislation, Mr. Speaker, is a section wherein the government is going to underwrite for those individuals who can afford to take the risk, perhaps – if you feel it's a risk – to subsidize those individuals who wish to purchase shares in the company. Again, you know, it's curious. We say on one hand that the market should determine everything that's going on, and yet the government is saying, "If you put 50 percent down, we'll put 50 percent up in an interest free loan, and you can buy more shares in the company." Well, I have some concerns about that.

If we want all Albertans to buy into it, then all Albertans should buy into it. If an individual chooses to underwrite a loan himself at his or her banking institution, whatever institution he may use, then that's fine and dandy and he can go ahead and do so. But why on earth is this government underwriting interest free loans that may amount to the tune of \$250 million? Mr. Speaker, the interest on \$250 million is an additional \$25 million in a year at least; that's assuming 10 percent interest. So why are we supporting the concept of losing, in fact, \$25 million worth of interest by privatizing this company? If people want to buy the shares, and we've been assured by many speakers from the government side of the House that people are beating at the doors to buy these shares, then really there's probably not a need to waste and fritter away an extra \$25 million. Why not get that money in from those individuals that want to buy it? If they want to buy it, let 'em go ahead. We know that the government has committed itself to this, and so it's only a matter of time before this in fact is passed and proclaimed and comes into force. If the government feels so strongly about it, then clearly I think there should be a move to put the shares on the market once this procedure is completed and allow it to proceed as best it will.

I have some concerns, Mr. Speaker, about the process which has been followed here. I recall shortly after the minister introducing this Bill that this company, AGT, sent around to all Albertans a sealed letter. It was just a Dear Homeowner kind of letter, but in that letter it said that this "will" occur, that this "will" be the way it's going to happen, and these shares "will" be available. Well, Mr. Speaker, that suggests to me that there's hardly a respect by this government for the democratic process. What we're talking about here is that there should be the opportunity for all individuals to speak to this particular piece of legislation. I object to the closure motion. I object to the process that they have forced upon us whereby they're saying: "This is going to happen. We really don't care what the New Democrat opposition has to say. We really don't care what the Liberal opposition has to say. This is going to happen, you can bet your boots on it, and it's only a matter of time." I think that's an inappropriate technique, it's an inappropriate tactic of this government, and I think it should not be repeated in the future.

Finally, Mr. Speaker, just a few questions that I do have with respect to this. We've had a number of comments made by different individuals regarding ideologies and so forth. Privatization and profit seem to be a couple of words that affect the two parties in here other than the Liberal Party very much. On one hand, the Progressive Conservatives, whenever they see privatization and profit, get all excited and think: "Great, great. We can get some money in the coffers, and everything's going to be wonderful and dandy." The NDP, on the other hand, seems to say: "Well, privatization and profit, that's horrible. We shouldn't allow that to happen, and we should stop that." Well, the Liberal ideology, Mr. Speaker, is more pragmatic. We look at a decision like this in terms of need.

I would just like to mention – I don't believe it's been mentioned – that this company has been around for 84 years. That's a tribute to Alberta; it's a tribute to Albertans. I think it's also a tribute to the government that put this in in 1906, and I might remind all hon. members that it was a Liberal government at that time which created AGT in the first place. I think the fact that AGT has been around for 84 years is really a tribute to those very farsighted individuals.

But the times have changed, Mr. Speaker. A monopoly situation is no longer the case within the province. We see competition coming in. The social policy aspect is no longer necessary. The government, through their special funding from the Heritage Savings Trust Fund, has received money for the ILS program. That is a good initiative. I think most rural people that I've spoken to have been in favour of that and applaud that. What we see today, of course, is a different situation than what we had in 1906 when this company was formed. In 1906 the private sector was really not interested in providing the kind of service that Albertans wanted and, in fact, needed and need today. But now we do see a change in that happening. The need for AGT as a tool of economic and social policy is not there in the same way that it was before. What we're seeing is a change in Alberta, a change in our social situation, a change in what's happening.

In conclusion, the acid test, what we looked at . . . There is no longer a regulatory vacuum. It's only a matter of time before the CRTC does, in fact, take over the regulation of AGT, and we can only be hopeful that they will be fair. But clearly the decisions that are made regarding regulation and pricing and so forth will be made in comparison to other jurisdictions. Clearly, that is being taken into account.

The private investors. I have had some contacts in my office. There are people that are waiting to buy into it. That was not the case in the past, and it is now. That's an indication of support for this government, for this company, and for the purchase of the shares.

The minister has made a commitment that the individual line service program is going to be completed for all rural Albertans by 1991. I've already spoken to that, Mr. Speaker. That is a good initiative and should be completed. I'm pleased that that is, in fact, going to be happening.

There are a couple of questions that I would like to address, though, finally. One is the employees' three shares for the price of two. Mr. Speaker, again in terms of privatization, if we have so many people waiting to buy into this company and just chomping at the bit to purchase shares, it seems that this giveaway, which in effect is again going to cost us – and it's only pure speculation at this point as to how much it may cost us, but it will cost us, certainly, some lost revenue. In a government where we're talking of a potential deficit this year of three-

quarters of a billion dollars, the government should be looking for every nickel and dime that it can scrape together. If the purpose of privatization is to help this government work towards balancing its budget, it seems that there's kind of an oversight there in that provision.

Finally, one oversight – I've mentioned it in the past, and it's been mentioned before – this Legislature does not have any conflict of interest legislation. There are some guidelines that have been in place for a number of years. There has been a report tabled recently in this Legislature. But I'm concerned, Mr. Speaker, about MLAs purchasing AGT shares, not because I think it will be a bad investment, not because it may be a money loser, but because I'm concerned about the possible conflict of interest that can be displayed by that. I'm disappointed that there's nothing in the legislation to deal with that. I'm disappointed that it's not dealt with either in conflict of interest legislation nor is it dealt with in this particular piece.

Now, I'm not suggesting that any member in here is prone to unscrupulous activity by buying shares and then trying to manipulate the minister or the government, but it is a concern, Mr. Speaker. Let's suppose for a moment that the minister won the lottery and suddenly had a pot full of money and decided he was going to invest in AGT. Now, I'm sure that he would be most pleased to do so, and I'm not suggesting at all that the minister is an unscrupulous fellow, but were he to be involved as the minister and also own a large block of shares, clearly there would be a conflict of interest in that particular area. Despite the eagerness to make some money, I would urge all MLAs not to purchase AGT shares, not as an indictment against this sale, not as an indictment against the privatization, but simply to show our commitment to operating aboveboard, to be role models for others to see, and to eliminate any concerns that anyone, either in the media or in the public, may have regarding where it is the members of this Legislature stand. I think we should all support the privatization initiative, but I don't believe that we should be supporting it with our dollars, Mr. Speaker.

Finally, there are a couple of sections that do have some concerns with me, and unfortunately the only response we can get from this government and from this minister is, "Trust me, trust me." When I look towards the latter part of the Bill – it's always curious – there are a whole series of legislation and guidelines and restrictions and so on as to who can do what and where and how and why and so on and so forth. Then we get to the end and see that one word that jumps off the page, and it says "notwithstanding." Basically what that implies is that notwithstanding anything we've written in here, we can do whatever we want to because we've added that clause in there. We can sell it, we can change its name, we can move the head office. All these things that we said it can or cannot do: we change all that just through an order in council. Mr. Speaker, that seems like kind of a contradictory message again that is being sent by this government. On the one hand, they're saying that this company and the wisdom of the marketplace shall determine the future success of the company, yet notwithstanding the previous sections this government can do pretty well anything they want to.

So on the whole I think the Bill is a positive step. I think it will be a positive step for Alberta and for Albertans, but there are a number of concerns that I believe this minister and this government should be addressing in terms of the future development of this company. The notwithstanding clauses, I believe, provide a tremendous amount of discretionary power. Clearly, ministers need to have some discretionary power in this regard when they're looking after a particular area, but when we see

those notwithstanding clauses and the broad scope that is provided to a minister either directly or through cabinet in an order in council, it leaves some real concerns.

One of the concerns that I have in that area, of course, is what's going to happen with all of the employees, their assets, and so on. I'm concerned that we may see a substantial change in the basic makeup of this particular company, and although we have no other indication from this minister other than, "Gee, we're working in your best interests," I hope that the minister keeps those comments in mind so that when the company gets to the point where they're considering changes, those company changes that are proposed by the company are given as much latitude as necessary in order to make this the best company for Albertans, so that in fact we can see this move ahead and bring us into the 21st century.

Thank you, Mr. Speaker.

MR. DEPUTY SPEAKER: The hon. Member for Edmonton-Mill Woods.

MR. GIBEAULT: Thank you, Mr. Speaker. I only have a few minutes this afternoon to make . . . I sort of feel like I'm at the Last Supper here. We have the last opportunity, the last stand, if you like – the Alamo, perhaps – to try to keep Alberta Government Telephones as a public enterprise that serves the people of Alberta. It's an important obligation. I only wish that we did have more time to fully debate all of the important implications of this piece of legislation for the people of Alberta. I know many of my colleagues in the New Democrat caucus would want to have further debate of this and put their concerns on the record, but we now have this closure provision bearing down upon us. It's now becoming common for this government to use closure whenever it's inconvenient. Whenever they're in a hurry to get out on the golf course, then just bring in closure. It's totally undemocratic, and it seems to be, I regret to say, a very common provision. They did it on the labour legislation, they're doing it on AGT – it's shameful, Mr. Speaker – the lottery Bills, and we could go on. It's something that's not done in the Parliament of Canada or the other Legislatures of this country . . .

MR. DEPUTY SPEAKER: The hon. Member for Red Deer-North is rising on a point of order.

MR. DAY: Citing 23(i) of Standing Orders, Mr. Speaker. There is a constant reference to the fact of members of the government preferring to be engaged in areas of recreation rather than dealing with the matters of hand. That's imputing a motive which is entirely untrue. Actually, if we come down to true motives for wanting to debate, we have to question the opposition following the ridiculous, time-wasting procedure of having a division and therefore for 15 minutes at a time robbing all of us of debate. The other night, for instance, they did it for approximately two hours. They wasted approximately two . . . [interjections]

MR. DEPUTY SPEAKER: Order please. [interjections] Order please. The hon. Member for Edmonton-Belmont was asking what the point of order was. The Chair thought he heard the hon. Member for Red Deer-North saying that he was objecting to the hon. Member for Edmonton-Mill Woods imputing false motives against the other members of the Assembly.

MR. DAY: Thank you, Mr. Speaker.

As I was saying, all of us want to engage in profitable debating time here in the Legislature, when, as an example, the division bells are continually rung, wasting about 15 minutes a time. We were robbed of two hours the other night. I would suggest and ask the Member for Edmonton-Mill Woods opposite to cease and desist from imputing false motives. If he's got something positive to say about the legislation at hand, for goodness' sake do it, but stop wasting our time and money.

MR. GIBEAULT: Mr. Speaker, I just hope we're not interrupted again with this kind of frivolous nonsense from the Member for Red Deer-North, because I do have several important points that I want to get on the record here now.

Mr. Speaker, I guess I can't call Bill 37 a piece of trash – that was ruled out of order – but I guess I can call it a bastardized piece of legislation, because you didn't rule that out of order earlier this afternoon. That would also be my feeling about this particular Bill. That's what it is. It's a sellout, it's a betrayal of a vision that our forefathers and foremothers have had before us in the years of the province of Alberta. It's really quite interesting that we have the Liberal Party talking about how they started AGT. We've had over the years Conservative governments and administrations of the province of Alberta trying to develop Alberta Government Telephones, and now we've got an alliance between the Conservatives and the Liberals to turn that over, sell it off to whoever can afford to buy it. It's, I would suggest on both sides of the Liberal and Conservative fence there, a shameful betrayal of that vision of those who preceded us in this province.

Now, I want to say that I have to be very concerned about comments made by the Member for Cardston this afternoon, despite the fact that the Member for Cardston has seen the wisdom of moving to Edmonton-Mill Woods. But aside from that, he made some references to a constituent of his who was complaining that he couldn't compete with Alberta Government Telephones. Well, I wonder if the Member for Cardston would be sympathetic to someone who didn't like the operation of this Legislative Assembly and decided they were going to set up their own, or didn't like the operation of the hospital in Cardston and were going to set up their own, and didn't like the way the schools were being run there and decided they wanted to compete there and run their own. I suggest that the Member for Cardston and many of the backbenchers of the Conservative caucus simply do not understand when there is a legitimate role for a public monopoly. I mean, I'm sure there is somebody in Cardston and some of these other constituencies, some of those right-wingers, who would probably like to have their own private roadways. I mean, that's what exists in many other jurisdictions. There used to be in Quebec; I don't know if they still have them. But in many of the American states they've got toll bridges and toll roads, and that's exactly the kind of thing we're talking about here in Bill 37. It's a situation where private interests have got in where they don't entirely belong, where they have got involved in restricting access to public facilities, whether it's roads or bridges. We could even talk about the privatized hospital service in the United States where you only get in if you can afford it. That is the kind of mentality that the Member for Cardston and the backbenchers of this Conservative government are trying to foist upon us with AGT. It's just totally unreasonable to anyone who is prepared to look at the situation.

Telecommunications is an area that is a natural monopoly just like roads or many other important public services that are

provided. It's got to be provided by the public sector in the interests of having general access by all the citizens of the province. We cannot have people saying, "Give me a piece of this so that I can try and make as much money out of it as possible just for my own greedy private interests." So I have to say I'm not sympathetic to the Member for Cardston's problem with his constituent there who wants to grab a piece of the action for himself.

Having said that, there's also another concern about this whole share offering with Alberta Government Telephones, I would submit, Mr. Speaker, and that is that to anyone who troubles himself to review the economic inequities in our society, it's got to be clear that we have a problem in that regard. It's perhaps not as extreme in our province and in our country as it is in some other societies, but the fact of the matter is that a very small percentage of people – and let's talk about the province of Alberta here in respect of AGT – own a very large, disproportionate share of the wealth. I would suggest that's the kind of actions that we're proposing here with AGT, to sell it off to those who can afford it. Now, I am sure if we put this share offering on the market, Peter Pocklington will be right up there, one of the first persons to sign up a huge share. Ron Southern and I bet Don Cormie will want a few shares and all those pals of this government. We've seen how they've made contributions. They're going to have big shares of the share offering, I'm sure.

But I want to tell you, Mr. Speaker. The Member for Cardston said he didn't have any calls from his constituents complaining about this particular Bill. Now, I want to tell the Member for Cardston that I haven't had a single call, a single letter, a single contact from any of my constituents, and that includes him now, talking about people who want to know how they can get shares in AGT – not one, not a single one. Nobody has been calling about that because the people of my constituency are not people who want to buy something that they already own. They're proud of the fact that we own AGT collectively and that it works on behalf of all of us. In fact, I want to, especially for the benefit of the Member for Cardston who's now coming to Edmonton, and we are glad to have him in the capital city here . . . There are many people who would promote this share offering, many of those of the Conservative persuasion, but as I said, I haven't had a single call or letter about that. I have had calls about this government's mismanagement on workers' compensation, social services, education policy, health policy. I could go on at length about the calls that I've had with all the government departments that have been creating problems of one sort or another, but nobody has been complaining to me, not one, about problems with telecommunications service.

Now, we recognize that in Edmonton telecommunications services are provided by Edmonton Telephones. But I want to tell you, Mr. Speaker, that as an urban MLA and someone whose constituents are not served directly by Alberta Government Telephones, it was still something that I was glad to endorse when the provincial government came out with this proposal to provide taxpayers' dollars for individual line service. Now, let's be frank about it. Individual line service in rural areas is simply not as economic as it is in urban areas where we have, naturally, the customer base to make it much more economical. But I was proud as an urban Member of the Legislative Assembly to support that initiative because I felt it was one that spoke to the question of fundamental justice. We have a Crown corporation that is owned by the people of Alberta, and as such it has a responsibility to provide equitable service to all Albertans, not just those who live in the urban areas.

To the extent that millions of dollars were provided through votes of this Assembly, public taxpayers' dollars went for that individual line service. It didn't benefit any of my constituents in Edmonton-Mill Woods, but I supported it because I believe, and I believe most of my constituents would support this, that we are glad to take a responsibility as urban citizens of this province to ensure that all of our brothers and sisters around the province have access to the good quality telecommunications service that we do in Edmonton. I was proud to support that, but now we've got this government coming before the Assembly asking for the right to sell it off to the Pocklington of this province and all those folks who frankly don't give a darn about providing individual line service to rural communities and the constituencies that are represented by many of these Conservatives here and who are not prepared to speak up on their behalf, sad to say. I was proud to be able to support that initiative, and I am troubled that the Conservative MLAs of this Assembly are now so twisted and hell-bent to get this thing passed through and sold off.

What they are doing is saying that it is acceptable that this Assembly has poured millions of dollars into providing such good service, the individual line service, to the people of Alberta, and now we are going to allow all of that public investment to be sold off to the highest bidder. Mr. Speaker, that is not fair, and the taxpayers of Edmonton-Mill Woods resent this government using the Crown corporation of AGT, after we've put millions of tax dollars of my constituents into this, and selling it off to private persons who are going to use it for their own private gain. That's not fair. It is absolutely not fair, and my constituents resent that.

Mr. Speaker, I'm sure it hasn't escaped your notice and the members for the government side that in the provincial capital, Edmonton, the majority of the seats are now represented by New Democrats. We speak up for our constituents. We did that for Edmonton Telephones, and we're glad to do that again for Alberta Government Telephones, because the Tories obviously are not prepared to do it.

[Mr. Speaker in the Chair]

Now, Mr. Speaker, let's talk about some of those other provisions of the Bill that concern us. The foreign ownership provision: 10 percent. We're starting off that we're going to sell 10 percent to foreigners. Now, there's two things about that. We will remember that it was these Conservative MLAs and their kissing cousins in Ottawa that rammed through the free trade agreement. Now, the free trade agreement, if we just go back and reflect a little bit about that, called for equal treatment for foreign companies and Canadian enterprises. So what's going to happen there? That provision limiting foreign access to 10 percent sure as I'm standing here is going to be ruled a restriction, an unfair limitation of trade between the two countries and, I would be willing to bet, within months of this Bill 37 having been passed by the Legislative Assembly. So then we will have 10 percent off and it'd be wide open to whoever can buy it. You can be sure that the enterprises like AT&T, Sprint, and all the rest of them south of the border would just love to have their hands on Alberta Government Telephones. I mean, it's obvious to anyone that it's one of the best telecommunication companies in North America, and I can just see them lusting after it. They get 10 percent right off the bat and then the rest of it as soon as they go before a free trade panel to get rid of that 10 percent provision.

Now, Mr. Speaker, we ought to reflect a little bit about what happens when our telecommunications sector and our leading companies there like AGT might come under foreign control. I would remind the members of the House here, especially those Conservatives whose history might be a little bit incomplete, that AT&T, for example, an American enterprise, has got controlling interest and significant interest in telecommunication companies throughout the world. We might just remember that AT&T was one of the companies that was involved in subverting a democratically elected government in Chile in 1973.

AN HON. MEMBER: What's that got to do with the Bill?

MR. GIBEAULT: We are talking about the foreign ownership of AGT. I would respectfully submit that if it's 10 percent now, and it can go to 100 percent within months, we want to be very concerned about who's going to be calling the shots here with AGT. I mean, our economy is already largely controlled, thanks to the Conservatives, by a foreign interest, largely the Americans. I am puzzled why Conservative backbenchers and front-benchers here are so determined to aggravate that particular problem of foreign ownership of our economy. I would have expected to see a little bit more pride in a public enterprise that has been built and developed by Albertans to serve Albertans over the years.

There are so many things to be said about this piece of legislation that we probably won't have the time to get into all of it. One of the other problems of a private ownership telecommunications company is that, of course . . . I mean, this is only the nature of the beast, so it's not difficult to understand. But once you get an enterprise whose main function is to make a profit or to make as much profit as they can for their shareholders, then of course all decisions are judged by that criterion. Then no decision is made unless it contributes to a fatter bottom line on behalf of the shareholders. Now, I would suggest to you that as I mentioned before, if that takes place with Alberta Government Telephones, we can just forget about individual line service. Now, I know the government is giving us some indication that they think it will continue, but I really have my doubts, Mr. Speaker, because it just doesn't contribute to the bottom line.

What about other services? Well, we've seen what private enterprises in telecommunications in other jurisdictions have done when it comes to local rates. Now, the minister would use words like "rate rebalancing" and "cross-subsidization" and that's how we've got to deal with these so-called problems. But, Mr. Speaker, part of the idea of having a telecommunications company which is publicly owned is to ensure that access is available to all Albertans, because there is hardly anything in our society that is more essential, surely, than access to the rest of the world through your telephone. Whether it's for emergencies, for community development, for socializing, for maintaining all kinds of important relations and transactions in the community, we need our phone service. When this goes under private ownership, there is no incentive, no reason for local rates to be kept at a lower level. Let me make this prediction, because it's happened elsewhere: we are probably going to see long-distance rates decrease somewhat and local rates go up considerably. That's exactly what's happened elsewhere.

Why should we want to do that to our citizens here in Alberta? Why do we want to change a relationship which now is significantly fairer than what the government is proposing here? Surely it is in the interests of all Albertans to have those who use telecommunication services extensively — and we're

talking mainly about the large corporate entities of the country and also governments. Why should they not be taking some degree of social responsibility, paying perhaps slightly higher long-distance rates than they might otherwise have to ensure that everybody has a chance to participate and have access to the telecommunications network? In our minds, Mr. Speaker, that's an important element of fairness in overall social policy, and telecommunications has got to be a certain component of not only economic policy but social policy. That's my fear: that once we sell off this jewel that we have created here with Alberta Government Telephones, there will be no social considerations left, that the only consideration will be how we make a buck. That, I would suggest, is not in keeping with the tradition that has been established by those who have gone before us here in developing Alberta Government Telephones.

Now, if this government were really interested in getting the sense of the public pulse on this issue, they would have had public hearings on this matter. That's the normal way that things are done in provinces where democratic governments reign. Maybe we can't call ourselves democratic since we haven't had this kind of process. But that's nothing new for Conservatives in this province, Mr. Speaker; they didn't bother to have public hearings on Meech Lake and many other important public policy discussions where there should have been. So we're having the members of the Conservative caucus just ram this through regardless of the implications and without bothering to hear out those who may have had concerns about this, and there are many: community organizations, seniors, and all kinds of groups who depend on good access to particularly the local telephone network of their community. They're not big wheelers and dealers who make deals for stocks over the phone with Toronto and New York and so on. They're concerned more about having important local access so they can be in touch with their school, with their local government office, their church, maybe even their MLA. Who knows? It's important that they have that reasonably priced local access to the telecommunication service.

We didn't have any of those public hearings, Mr. Speaker. No. What did we get though? If you take a look at the newspapers, the dailies and the weeklies around the province, we got all these propaganda ads saying how great it's going to be when we sell off AGT. That's all it is; it's propaganda. It doesn't allow for dialogue with the people of Alberta. I have to express my profound disappointment with the government for taking such an undemocratic approach to what I'm sure has got to be admitted by even the government members as a major piece of legislation, a very major initiative, and one that is going to have some profound consequences for Albertans over the coming years.

One of the other problems, of course, with Bill 37 is that it's going to be aggravating the problem that we have in Canada, in Alberta already of having an inappropriate or inadequate level of research and development. There have been some areas where the provincial government, to its credit, has made some initiatives. We've got the Alberta Telecommunications Research Centre and the laser centre and a number of other initiatives, and I commend the government for making some efforts in those regards. But I can just see, Mr. Speaker, that once we get rid of AGT, next year we'll come back and want to be selling off all of these other endeavours that have been established, sell them off to some foreign enterprise south of the border, and once again we'll be losing the good-quality, high-paying, high-tech jobs that we need so much in this province if we're going to get beyond dependence on the resource economy.

So, Mr. Speaker, I am concerned about the impact on research and development that this sale is going to have on us here in Alberta. Now, one of the other problems we're going to have with an Alberta Government Telephones entity that falls into private hands: as I said, it's going to be dominated by that all-important goal of making as much profit as you can. Now, one of the ways that's going to happen, of course, is that we're going to adopt, like they've done in the U.K. and in New York and in other jurisdictions, the idea of local measured service. For those of you who have not had an opportunity to be affected by local measured service, the idea is that you pay for every single phone call you make, no matter to whom or how far it is, depending on how long you're on the line. So basically it makes your phone rack up a bill, just like it does for long-distance calls.

So it doesn't matter if you have to make an emergency call or if you have to call the school to see how your children are doing or if you have to get in touch with your local pastor of the church to discuss some event that's being planned for the congregation. You see, it just doesn't matter what the purpose of it is; you've got to pay every single time you use it. So we can just see that some people who are leaders in our communities, who are involved in the service clubs, Kiwanis and Lions and so on, those who are involved in women's organizations, those who are involved in peace groups, all the range of community nonprofit groups that we might have in this province: they're going to have a very chilling impact on their activities because they're going to look at having to pay every single time they make a call. Now, that will be, I'm sure, glad tidings for Conservatives who have got stocks in the sold-off AGT. They'll be able to count their dividends and deposit them in the bank and see the interest pile up on them. But what's that going to do to the volunteer sector of this province, which we have to acknowledge is one of the best and one of the most dynamic and vibrant in North America? Well, it's going to have a very negative impact on it.

We see that the nonprofit sector and public-interest groups of the province already have a very difficult time trying to encourage volunteer participation and fund-raising for community purposes and so on. This kind of decline in local service where we have to pay every time we make a phone call is only going to aggravate that, and it's going to mean that some people are not . . .

[Mr. Gibeault's speaking time expired]

MR. SPEAKER: Thank you, hon. member.

Consequent upon the previous procedural motion, the Chair puts the question for third reading for Bill 37. Those in favour, please say aye.

SOME HON. MEMBERS: Aye.

MR. SPEAKER: Opposed, please say no.

SOME HON. MEMBERS: No.

MR. SPEAKER: The motion carries.

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

[Eight minutes having elapsed, the House divided]

For the motion:

Adair	Drobot	Moore
Ady	Elzinga	Osterman
Anderson	Fowler	Payne
Betkowski	Gesell	Schumacher
Bogle	Hewes	Severtson
Bradley	Hyland	Sparrow
Bruseker	Isley	Speaker, R.
Calahasen	Johnston	Stewart
Cardinal	Jonson	Thurber
Clegg	Kowalski	West
Day	Lund	Zarusky

Against the motion:

Barrett	Laing, M.	Roberts
Doyle	Martin	Sigurdson
Fox	McEachern	Woloshyn
Gibeault	Mjolsness	

Totals: Ayes – 33 Noes – 11

[Motion carried; Bill 37 read a third time]

[At 5:40 p.m. the House adjourned to Thursday at 2:30 p.m.]