

Legislative Assembly of Alberta

Title: **Thursday, March 21, 1991**

2:30 p.m.

Date: 91/03/21

[Mr. Speaker in the Chair]

head: **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: **Notices of Motions**

MS M. LAING: Mr. Speaker, I rise today under the provision of Standing Order 40 to give notice that at the conclusion of Oral Question Period I will seek the unanimous consent of this Assembly to consider the following motion:

Be it resolved that the Legislative Assembly today commemorates the United Nations International Day for the Elimination of Racial Discrimination and that each member of the Assembly today renews her/his commitment to work to eradicate racism and promote equality in all areas of endeavour in his/her personal and public life.

I have copies for all members.

head: **Tabling Returns and Reports**

MR. SPARROW: Mr. Speaker, it gives me great pleasure to table the 1989-90 annual report for the Department of Tourism.

MR. GOGO: Mr. Speaker, I wish to table the 1988-89 annual report for Athabasca University and the 1989-90 annual financial report for the University of Lethbridge.

MR. McINNIS: Mr. Speaker, I wish to file copies of the Al-Pac Scientific Review Panel: Response and Analysis, of today's date, by Dr. Jim Plambeck of the University of Alberta and Mitch Bronaugh, a private citizen of Edmonton.

head: **Ministerial Statements**

International Day for the Elimination of Racial Discrimination

MR. MAIN: Mr. Speaker, today is the International Day for the Elimination of Racial Discrimination. The Hon. Elaine McCoy, the minister responsible for the Human Rights Commission, and Steve Zarusky, the MLA for Redwater-Andrew and chairman of the Alberta Multiculturalism Commission, join the Premier and myself in inviting all members of the Assembly to recognize and support this important occasion.

We're fortunate in Alberta to have a magnificent diversity of customs and cultures. We have in this province a communal fabric that is wonderfully vibrant and alive and a society which is free and in fact encouraged to hold different beliefs, speak a multitude of languages, and celebrate each their own unique traditions. Our government's position has always been clear: intolerance and prejudice due to colour, race, or creed is not acceptable.

Through various departments, government agencies, our multiculturalism and human rights commissions and other agencies, we're working in partnership with a wide range of organizations in Alberta and across the country to eliminate

racial discrimination. Whether native-born or a newly arrived Canadian, to be an Albertan is to recognize and to appreciate that our diversity in custom, culture, language, and religion enriches our everyday lives.

MR. SPEAKER: Excuse me, hon. minister.

Order in the whole House, please. If you'd like to chat, there's a room out in the back.

MR. MAIN: Unfortunately, Mr. Speaker, there are a few individuals who fear people who are different from them. Our native community, visible minorities, and certain religious groups have been particularly hurt by the ignorance of a few individuals, and we must continue our ongoing work with all Albertans to improve this situation.

We know that the vast majority of Albertans are offended by the actions of those few and seek, through their own actions and by their support of the initiatives of this government, to erase all vestiges of racism and bigotry. The Alberta Multiculturalism Commission, for example, has recently announced an action plan which will assist businesses, schools, industry, community, youth, and other organizations and individuals to appreciate the province's rich, diverse human resource. Among the projects under way is the Alberta People project, which will develop multimedia resources for educational purposes. The project will be undertaken in co-operation with my colleague the Hon. Jim Dinning, the Minister of Education, and will be available to public and secondary schoolchildren across Alberta. Today my colleague Mr. Steve Zarusky, the chairman of the commission, is in Stony Plain at this moment talking with elementary students about cultural diversity and racial harmony.

The Human Rights Commission has continued to take strong stands against racism and for understanding. Commissioners and staff members of both the Human Rights Commission and the Multiculturalism Commission continue to promote human rights practices and principles throughout the province. The Alberta government believes, Mr. Speaker, the same options and opportunities should exist for every citizen in our society, whether a fourth- or fifth-generation Canadian or a brand-new immigrant, and we will continue to strive to meet that objective. Completely eliminating racial and cultural discrimination may seem like a tall order, but then Albertans are used to filling tall orders. It's what makes us unique, like no other place on earth. It's what makes Alberta great.

Mr. Speaker, I would ask all members of this Assembly to join with me on this special day to reaffirm our respect for and commitment to a culturally and racially diverse province. We are a stronger and better province when all Albertans treat each other with respect and with dignity.

MR. SPEAKER: The Leader of the Opposition.

MR. MARTIN: Thank you, Mr. Speaker. We in the Official Opposition are very happy that the minister has proclaimed this day. We are mindful of the history of this day and its roots in the commemoration of the Sharpeville massacre of peaceful demonstrators against apartheid in South Africa. A lot has changed in South Africa since that day in 1966, but much remains to be done before South Africa is a nation of true equality. We wish the people of South Africa the very best in their struggle to end racial discrimination, and we express our solidarity with them.

Let's look a little closer to home, here in Alberta. There are serious problems of racial discrimination in this province, and

proclamations are not going to eliminate those problems. On Tuesday the head of the Canadian Human Rights Commission pointed to some very shameful examples of racism which have taken place in Alberta: sales of racist pins and posters, white supremacy rallies. I point out to the minister that the Alberta Human Rights Commission was very slow to act on both of these incidents, and that slowness cannot be tolerated again. If the minister or the government needs to change the Act to improve the ability of the commission to respond, then she should.

Racism complaints are frequent to the Alberta Human Rights Commission. There have already been 23 complaints in the first two months of this year. Many of these are in the area of employment, pointing to the need for employment equity legislation. Children and adults who don't speak English are denied the opportunity to learn and work to their full potential. Human services aren't available in languages other than English. The services of community health units especially need to be available to new Canadians. There are thousands of aboriginal peoples in this province living in communities stripped of economic viability, with high rates of unemployment and lacking appropriate services.

Mr. Speaker, I point out to the minister that immigration levels in Alberta are expected to increase. We'll have 220,000 new Canadians arriving this year and 250,000 every year for the next four years after that. Unless this government takes action now, these people will come to a province rife with racial discrimination and with little hope for improvement.

I challenge the government and the ministers to take concrete action to eliminate racial discrimination in Alberta. As legislators we can lead with progressive laws, and as public figures we can lead by example.

Thank you, Mr. Speaker.

head:

Oral Question Period

Calgary General Hospital

MR. MARTIN: Mr. Speaker, to the Minister of Health. Yesterday I pointed out to the House that over 1,000 hospital beds and almost 500 health care jobs had been eliminated by this government since 1987. Members will also recall that I predicted that more slashing is on the way. Well, it took less than one day for that prediction to come true in a very big way. Late yesterday Calgarians learned that the Calgary General hospital has been forced to slash over 300 jobs because of a huge cash crunch that this government has forced on hospitals all over this province. This must be the innovative approach to health care that the Minister of Health mentioned yesterday. The old Conservative slash and burn strategy: cruel and heartless. My question to the minister is this. I wonder if the minister would skip the bureaucratic jargon that we're so used to hearing from her and tell us straight how she justifies this destruction of the Calgary General hospital and devastation to 300 Calgarians who are about to lose their jobs.

2:40

MS BETKOWSKI: Mr. Speaker, I don't intend to quote anyone but the board of the Calgary General hospital. It has assured me and the people of this province that they will be able to balance their budget in '90-91 without any impact on patient services or patient programs. My first commitment and my first responsibility to Albertans is to ensure their reasonable access to health care, and the board is acting responsibly in order to

ensure that we can continue to provide that kind of health care in this province.

MR. MARTIN: That's absolute and total nonsense. You cut 10 percent of the people there; you say that's not going to affect health care. What about those people? What a cruel answer to them. I say to this minister that it's a lack of funding that's causing this right across this province, Mr. Speaker. And then for her to stand up and say that services won't be cut.

I ask this minister this: even at this late date would this minister immediately make funds available to the Calgary General so that the Calgary health care workers can keep their jobs and so that hospital can maintain its level of patient care? Yes or no?

MS BETKOWSKI: As I indicated, the first purpose of the health system is to ensure the reasonable access of Albertans to health services. I don't know where the Leader of the Opposition has been in the past little while when we've been starting to talk about the need to look at how we're using our inpatient beds. One of the things that's going on at the Calgary General hospital is that they are looking at the patient services that were traditionally provided on an inpatient basis and are providing them on an outpatient basis. I happen to think that's a very progressive move in the health system, Mr. Speaker. Obviously the Leader of the Opposition does not.

MR. MARTIN: Unbelievable. Three hundred people losing their jobs, and that's progressive. Yeah, it's Progressive Conservative; that's what it is.

We've got millions for NovAtel, we've got more cabinet ministers than we need, but we don't have money for health care in this province, Mr. Speaker. I want to ask this minister, who should know better: is this minister not embarrassed to stand in this House and mouth platitudes while the policies of her government systematically destroy people's livelihoods and the health care system in Alberta? Is she not embarrassed and ashamed? If not, she should be.

MS BETKOWSKI: Mr. Speaker, the Leader of the Opposition is patently wrong when he says that there's no money for health care in this province, because we have increased our health care budget, as I indicated yesterday, by an additional \$292 million this year, bringing the total to about \$3.6 billion.

I believe the work that's going on throughout the health care system, the work that's showing hospitals a way to get the best value out of their resources – a model project of the acute care funding plan, built by our own hospitals in this province, is being looked at by other provinces – is a tribute to their commitment to the sustainability of our health care system, even if the New Democrats aren't committed to its sustainability.

MR. MARTIN: I would expect that from some of the backbenchers, Mr. Speaker, but that sort of attitude I find very wrong coming from this minister. The people of Alberta will be glad to know that.

NovAtel Communications Ltd.

MR. MARTIN: Let me look over there, I guess to the Provincial Treasurer. We seem to have all sorts of money, millions and millions of dollars; not for health care, though. I'd like to ask the Treasurer this, because he must have been involved in the priorities committee and know what's going on with NovAtel.

The other two aren't responsible, so maybe he is. A search at the corporate registry has turned up something I think a little strange. The same chief executive officer, John Burrows, who was fired from his position in November over this fiasco is still a director not only of NovAtel but also of Telus. Another interesting fact, Mr. Speaker, is that Neil Webber is also a director. I'm sure that's just a coincidence. Now, my question to the Treasurer, who must know about this, is simply this: will the Treasurer confirm that Mr. Burrows is still a director of NovAtel and Telus Corporation?

MR. JOHNSTON: Mr. Speaker, obviously I can't confirm that. The Minister of Technology, Research and Telecommunications is not here today. I'm sure either he could answer that or it could be put on the Order Paper for us to check, but I can't add additional information.

MR. MARTIN: I can assure the Treasurer that he should know, because I take it he's on the priorities committee and has some idea of what's going on. Yesterday the Premier didn't know. This minister never shows up to answer questions, so we have to ask you. [interjections]

MR. SPEAKER: Order, hon. member.

MR. MARTIN: I assure him that this is the case.

Will the Treasurer, as a member of the priorities committee, explain why one of the people that the government held responsible for NovAtel's problems – in fact, he was fired from his day-to-day job at NovAtel – is deemed now responsible enough to set policy for the very same company as a director?

MR. JOHNSTON: Well, Mr. Speaker, again, the member is asking for a question of fact. It appears that when the gentleman that he referred to did resign, he would no longer be associated with NovAtel, but I can't give you any specific information on that. Presumably, as the member has just pointed out, he checked the registry, but there is a lag in the notification with respect to change in directorship in particular.

MR. MARTIN: Well, is this what the minister is now saying has happened, that there's a lag there? He said he didn't know anything about it before.

I would remind the Treasurer that the Alberta Business Corporations Act requires by law that a change in directorship must be filed within 15 days of the change. How does he justify that?

MR. JOHNSTON: Again, Mr. Speaker, the member is asking for a legal opinion, and I'm not able to express that view. I can only say that it is my understanding that that gentleman had severed his connection with NovAtel.

Housing Subsidies

MR. DECORE: Mr. Speaker, my questions are to the minister responsible for housing. Evidence is now pretty clear that Edmonton is moving towards a serious problem in the area of subsidized housing. Recently the Ghermezian family sold West Edmonton Village to the Alberta government for \$1. Of the 1,176 rental units in that complex, some 558 are part of the component of subsidized housing. It is our information that the management of the village is now indicating that there will no longer be a continuation of that subsidized component. My first

question to the minister is this: given that there are growing waiting lists with respect to subsidized housing in Edmonton, will the minister confirm that he will redirect the management of that village to keep that subsidized component of 558 units available for subsidized housing?

MR. R. SPEAKER: Mr. Speaker, I certainly appreciate the question and the concern of the hon. leader of the Liberal Party. The responsibility for dealing with some 415 various CHIP and MAP programs now rests with a new body that we've established called Mortgage Properties Inc. The basic function of that body will be to look at the 415 mortgages and determine whether they should continue as private mortgages or whether we as a government should look at putting the mortgages in the proper economic position at this time and, as well, look at dispensing with some of those mortgages to the private sector. That thrust is starting at the present time.

One of the first mortgages that we have been dealing with is with regards to West Edmonton Village and the responsibility of the people that hold the mortgage. In that particular case, half of the units in the original agreement were at a subsidized rate or at an interest rate in terms of the mortgage of 8 and three-quarters percent, which relates itself to the rent level. It is our intention to continue those kinds of rent levels where possible. Where the government is now in ownership of the mortgage and the property, we are looking at some instances where we will change those rents over to what we call the rent supplement program, so a different vehicle will be used to provide a rent ceiling for those that are in need here in the city of Edmonton and in other places across the province.

2:50

MR. DECORE: That was really my second question, Mr. Speaker. CHIP is dying out. The 15-year life of that program is coming to an end this year and next year. Is this, then, the substitute for the entire CHIP program and all of the area of subsidized housing, this new initiative of moving or reverting to the supplement program?

MR. R. SPEAKER: Mr. Speaker, the hon. member is very correct; that is, our intent is to move towards the rent supplement program. One of the values of that program is that we can work with both the private sector and the public sector and rent supplement a unit for up to a period of 35 years. We can maintain social housing in an environment where the government doesn't own the capital or the building or the mortgage as such but is able to move and allow the private sector to provide new and upgraded and adequate facilities for those that are in need of a rent supplement.

MR. DECORE: Mr. Speaker, my last question is this. My understanding from the Edmonton Housing Authority is that they no longer have any units available. There is a waiting list. A recent study done in Edmonton also shows that there is a need for up to 800 new subsidized units. When will we know, Mr. Minister, whether you've got this matter under control and that this reversion to this new program has been successful and that all the needs have been met?

MR. R. SPEAKER: Mr. Speaker, over the past two years as the minister responsible for housing in the province, we've been negotiating with the federal government, who are partners in the rent supplement program. We go into a 70-30 partnership with regards to that rent support program.

I have made the case to the federal government that we should have our share of rent supplement equal to our percentage of population in Canada. That is around the 9 percent mark. I believe at the present time our allocation is between 6 and 7 percent. So I've been working on that. The former minister of housing Mr. Redway has noted our concern and our need and has been trying to supply it.

I wanted to say this, though, Mr. Speaker: as a province, we have been able to take advantage of that program in a greater way than other provinces of Canada, because other provinces have not been able to meet the 30 percent portion of this partnership. We've been able to do it, and as the fiscal year has ended, we've been able to capitalize on that and use it to the advantage of our citizens.

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

Calgary General Hospital (continued)

MR. NELSON: Thank you. Mr. Speaker, nobody is more concerned about the circumstances at the Bow Valley and Peter Lougheed hospitals than the Member for Calgary-McCall, I can assure you. As has been indicated, yesterday there were some 330 positions, including some 100 nursing jobs, removed from the Bow Valley and Peter Lougheed hospitals. Of course, this includes the closure of a 32-bed nursing ward in each hospital. The issue that keeps being stated is that the government continues to cut funding to hospitals and health care, whereas there is considerable waste visible to employees and no action being taken by the various boards. Could the minister indicate what decreases or increases in funding the General hospital is talking about when they state that there are funding cuts, and why is it deemed necessary to close beds in these two hospitals that have been fraught with controversy over the last three to four years?

MS BETKOWSKI: Mr. Speaker, there has been no decrease. In response to the question that was earlier asked today in the Legislative Assembly, I repeat: there's been no decrease in support for health this year in the province. In fact, there's been a \$292 million increase. The acute care budget, which is a budget which flows to all acute care hospitals in the province, has increased by over 8 percent.

Certainly there is a reallocation going on within the health sector in order to be a fairer funding system, to deal with the issue of equity with the health dollars already allocated. The Calgary General hospital has certainly been impacted by that, but as the board has properly recognized, the carrying of a deficit of \$6 million is something that sees health dollars going into debt servicing costs as opposed to providing health support for Albertans. I believe the board is moving responsibly, particularly when they assure this province and this government that they will do their adjustments without affecting patient care and patient programs, which is in fact the first purpose of the health system.

MR. NELSON: Well, Mr. Speaker, over the last number of years I've been concerned about and a proponent of examining why we need so many boards and what have you. I'm just wondering if the minister will give consideration to examining the role of hospital boards in the province in the overall picture of health care with a view to strengthening the manner in which

hospitals can operate more efficiently using a private-sector mode yet maintaining the very high level of service Albertans have asked for.

MS BETKOWSKI: Well, Mr. Speaker, I have no intention of reducing the number of boards in this province that deal with health care. In fact, I think one of the strengths of the Canadian health care system is that it is publicly administered, and it is also administered by boards that are locally appointed. It ensures that we don't have a system that is centrally run and centrally organized but rather one that is run with local input. I think that's in fact a very solid strength in terms of our health care system.

To the credit of boards across this province, they are dealing with the reality of limited resources and infinite demand in terms of health services. I believe virtually all of the health care sector is committed to ensuring that we have a health care system that's sustainable and one that we can pass on to future generations. That's the goal of this government. That's what we're working hard to do. Frankly, we've got the support of health systems around this province, and I'm very proud of their support.

Alberta-Pacific Pulp Mill

MR. McINNIS: Mr. Speaker, the government waited a few days after the Legislature rose last December to announce that they will license the largest single-line bleached kraft chlorine pulp mill in the world near the town of Athabasca. In so doing, they took the politically and legally dangerous course of setting aside an environmental assessment and substituting their own judgment. With the rationale of this three-member panel, we have three men and a minister who override the rest of the world. Today in Edmonton this report has been seriously challenged by a university chemistry professor and a private citizen in Edmonton. They point out that if all goes well, some seven metric tonnes of toxic-contaminated chlorine sludge goes into that river every day headed straight downstream to the city of Fort McMurray. Now, we all know who wants to build this mill. I'd like to ask the minister: whose side are you on when you point a loaded effluent pipe at the city of Fort McMurray?

MR. KLEIN: Well, first of all, Mr. Speaker, I've had a good meeting with the city council of Fort McMurray, and they seem to be far less concerned than the hon. member, because they know that we're going to do the right thing and involve the people of Fort McMurray in the overall monitoring of the Al-Pac pulp mill at Athabasca.

I suspect that this Dr. Plambeck, who is the author of the report, is a friend of the NDP. I get that feeling because he gave the report to everyone except the minister. I have not yet received the report, but I'm sure he trotted over and gave it to the hon. Member for Edmonton-Jasper Place right away.

MR. DECORE: Read the newspaper.

MR. KLEIN: I am. As a matter of fact, this is my only source of information.

MR. SPEAKER: Thank you. [interjections] Thank you.
Supplementary, Edmonton-Jasper Place.

MR. McINNIS: This is not a question of friends and enemies; it's a question of lives and health and safety. And it's not just Fort McMurray; it's Fort Chipewyan, Fort MacKay, and all of

the communities downstream in the Northwest Territories. Alberta has forced its neighbours in the Northwest Territories into the courts to make their point, which is that not everybody can live upstream from these pulp mills. In view of the minister's statement that he's going to shut down the mills if they can't operate safely, my question is: with Procter & Gamble and Weldwood and all we know to date, why should we believe you now when you say that?

3:00

MR. KLEIN: Well, you know, with all the concern this hon. member professes to demonstrate, if he's that concerned, I would have thought that he would have given me the report, at least to examine.

Mr. Speaker, because I think that this is important, first of all, I'd like to point out that both Dr. Plambeck and Mitch Bronaugh, who is also named in the newspaper article, were intervenors in the original Al-Pac review panel. As a matter of fact, both received in excess of \$3,000 in intervenor funding.

To set the record straight, the Al-Pac permit to construct regulates the company's discharge to 436 kilograms of absorbable organic halides per day, or .29 kilograms of absorbable organic halides per tonne of pulp. This is what the permit allows; this is what the permit says. Read the permit, if you're capable of doing so. The permit also disallows any chlorine use in the bleaching process. The environmental standards for the Alberta-Pacific pulp mill are indeed the most stringent in the world.

MR. SPEAKER: Edmonton-Gold Bar.

Health Care System

MRS. HEWES: Thank you, Mr. Speaker. Yesterday we had layoffs in public health. Today all parties have expressed alarm about the layoffs at the Calgary General hospital, another illustration that health care workers are becoming an endangered species in this province. The minister tells us that waiting lists aren't a bad thing and don't mean a restriction on access. I think that's a highly insensitive and somewhat irresponsible remark from the Minister of Health. She speaks to us about reallocation of resources. Well, if we're going to reallocate the resources, there has to be a system in place to ensure that Albertans released early or treated as outpatients aren't at risk. My question to the minister is: when will the minister be expanding the eligibility criteria for home care, as was promised about a year ago?

MS BETKOWSKI: Mr. Speaker, I'm not prepared to answer that question at this point. I can certainly indicate to the hon. member that I am a strong advocate, as is this government, for seeing that the rate of growth on the community side is greater than the growth rate on the acute care side. I look to what has happened in community health this year over last, where we see an increase of 11.6 percent in the community health sector and an increase of about 8 percent in the acute care sector. I think that's an important statement of priority, and it's an important statement of direction which we intend to continue to follow as a government.

MRS. HEWES: Mr. Speaker, if Albertans are going to have quality health care, these rates have got to come out even.

Will the minister tell us if the minister first ensured that there was an adequate level of community services available in

Calgary, particularly home care, before the bed closures occurred?

MS BETKOWSKI: Well, Mr. Speaker, if there was any misunderstanding on the part of the hon. member, the statement is one of priority in terms of growth towards the community sector, a very important directional statement, particularly in light of the Rainbow Report. As well, the hon. member doesn't quite understand that it is not just the community sector that does services outside the in-hospital service sector. One of the important things that's going on at the Calgary General hospital – in fact, it's going on throughout this province – is a reallocation of services to an outpatient sector rather than the inpatient sector. I fully acknowledge that that means that sometimes it's perhaps a little less convenient, but I also believe it's directing our health dollars where they need to go, which is to provide reasonable access to health services for Albertans when they need it. I look forward to further discussions on health in this Assembly as we work through the budget process.

Municipal Grants

MRS. MIROSH: Mr. Speaker, the city of Calgary has recently been making requests that the government set a policy allowing more flexibility in the use of provincial grants and particularly relating to unconditional grants. An example: if the minister of transportation gave the money for roads and they decide they don't want potholes filled, could they then transfer these dollars to social service needs? I'd like to ask if the Minister of Municipal Affairs could indicate to the Assembly whether or not he's considering the flexibility of provincial grants to municipalities throughout the province of Alberta.

MR. R. SPEAKER: To the hon. member, the answer is yes. We certainly are always looking for areas whereby we can provide grants to local government. I would make one comment with regards to the transportation grants. There must be two reasons, as I have assessed the matter, as to why Calgary wants to reallocate some of their transportation grants for other purposes. One is that there is an adequate supply of those grants to have met the needs of Calgarians over the last few years. Secondly, when the former mayor was there, he spent a lot of time filling potholes. They don't need that job done at the present time.

In a more serious manner, I think we should note, Mr. Speaker, that in this province we transfer to municipalities over \$600 million in conditional and unconditional grants; 30 percent of those, over \$220 million, are unconditional. Those grants can be spent in any way. If you look at the city of Calgary on a per capita basis, that would be over \$60 million that the city has to use in a very flexible and responsible way.

MRS. MIROSH: I'd like to forward my supplementary to the Minister of Family and Social Services with regard to the document released on social service needs and transferring these grants from municipalities to the needs that the city has outlined with regard to social services. Could he indicate how these grants from his department are released to the city of Calgary?

MR. OLDRING: As a department and as a government we are in partnership with the city of Calgary directly and with community agencies throughout the city of Calgary in a number of ways. I would point out to the Member for Calgary-Glenmore that through our family and community support services program

we provide the city of Calgary with close to \$9 million that they are able to spend on an unconditional basis and are able to establish priorities on. Further to that, as a department, Mr. Speaker, we are spending in excess of \$50 million in contracting community services throughout the city. I would also want to point out to the member that I have made contact with the mayor's office and that I intend to sit down and discuss further with the mayor the report that he's just recently had handed over to him.

MR. SPEAKER: Calgary-Mountain View, followed by Calgary-North West.

Calgary General Hospital
(continued)

MR. HAWKESWORTH: Thank you, Mr. Speaker. Three hundred Calgarians who work at the Calgary General hospital are going to be losing jobs because of funding cuts from this Health minister. I'm told that the cuts are being made in part to hand money over to the Foothills hospital to help them with their projected \$7 million deficit. She talks about balanced budgets. The Foothills is a Crown provincial hospital. Will she now admit that these Calgarians are being punished to pay the bills at a hospital she is directly responsible for?

MS BETKOWSKI: No, Mr. Speaker.

MR. HAWKESWORTH: Mr. Speaker, part of the plan at the Calgary General hospital is to privatize housekeeping services. These people are valued employees. Many are women, single parents; lots of them are immigrants who've worked at these jobs since they've come to Canada. Now this minister is going to throw them in the street to fend for themselves and their families at whatever jobs they can get, whether it be for \$5, \$6, or \$7 an hour. Will this minister admit that she's sacrificing the lives and the people and the families who are least able to protect themselves in her obsession with balanced budgets and contracting out of services?

3:10

MS BETKOWSKI: Well, Mr. Speaker, it certainly is a better obsession than the protection of the status quo, which is obviously the way the New Democrats, despite all their wonderful rhetoric, feel about the future of the health care system in this province and in this nation.

I will repeat that at no time do I feel that anyone's loss of a job is something that we should be lauding or feeling good about in any way, shape, or form. However, I would repeat that the first purpose of the health system, the first purpose why Albertans dedicate \$3.6 billion to this incredible system of health, is to provide reasonable access to health services for Albertans. That is its first purpose. I believe that the Calgary General hospital board, in assuring Albertans that there will not be a reduction in patient care, is recognizing that that has to be their first priority, however difficult a management decision that is to make.

MR. SPEAKER: Calgary-North West.

NovAtel Communications Ltd.
(continued)

MR. BRUSEKER: Thank you, Mr. Speaker. My question today is to the hon. Premier. This government is developing

quite a record and reputation for developing a terrific patronage system. We know now that good Tories don't die; they just get good, cushy government jobs. The taxpayers of Alberta really want assurances that when millions of dollars are at stake, as in NovAtel, which is what my question is leading to, hon. Premier, the best person is at the helm of the company, or in this case NovAtel. Could the Premier please tell me what rationale there was for putting in someone like the hon. Neil Webber, who does not have expertise in a high-tech industry, as chairman of the board of Telus, which was responsible for NovAtel until the end of 1990?

MR. GETTY: Mr. Speaker, I guess it's the same judgment that is made for every appointment that a government is required to make: you look, and you find the person best capable of doing the job.

MR. SPEAKER: Supplementary, Calgary-North West.

MR. BRUSEKER: Thank you, Mr. Speaker. The Minister of Technology, Research and Telecommunications has seen fit to blame the auditors, the underwriters, and everyone who gave him advice. My question to the Premier is simply this: the government of course is accountable, but is it not also a requirement that the chairman and the board of Telus, that was responsible for NovAtel, must ultimately also be held accountable for the failure of NovAtel and the loss of \$204 million in 1990?

MR. GETTY: Mr. Speaker, the minister responsible for NovAtel and Telus has already dealt with that matter in the House several times.

MR. SPEAKER: Calgary-Foothills.

Constitutional Reform

MRS. BLACK: Thank you, Mr. Speaker. My question is to the Minister of Federal and Intergovernmental Affairs. I'd like to know: has the minister been involved in any discussions which could lead to a change in the Constitution of Canada to permit individual provincial jurisdictions to unilaterally withdraw from the Canadian Confederation?

MR. HORSMAN: Mr. Speaker, the short answer to the question is no, but I think it's important to underline the fact that the Canadian Constitution as accepted and repatriated to Canada in 1982 contains no provision for the exit, if you will, of any part of Canada to anywhere else. There is nothing established in the Constitution of Canada today or in our constitutional tradition for deleting from the country. There are provisions for adding. That of course is my hope: that eventually we will see provincial status for the territories and so on. But there is no such provision now. Quite frankly, our government has not been engaged in any such discussions, nor do we regard it as being productive at this time in Canada's history to start or participate in that type of conversation either with other governments or in any other way.

MR. SPEAKER: Calgary-Foothills.

MRS. BLACK: Thank you, Mr. Speaker. In view of the fact that there isn't a constitutional vehicle, has the minister received

the proposals from the province of Quebec as to their strategy and methodology for sovereignty association?

MR. HORSMAN: Well, Mr. Speaker, that process is still being developed, I gather, within Quebec. But I want to underline very clearly our position; that is, there is no mandate on the part of the federal government to negotiate the constitutional future of Canada solely with one of the other partners, namely the province of Quebec. It's a fundamental principle that all provinces must be part of any future constitutional discussions. We have made that abundantly clear, and I underline it again today. It is totally unacceptable for any province or the federal government to think that they can, just between two partners, establish the future of this country. I want to make that very, very clear and understandable to all members of the House and to all Albertans and Canadians.

MR. SPEAKER: Edmonton-Avonmore.

Employment Equity

MS M. LAING: Thank you, Mr. Speaker. My questions are to the Minister of Labour. The purpose of employment equity legislation is to ensure that women, aboriginal people, disabled persons, and members of visible minorities are not denied employment opportunities or benefits for reasons unrelated to ability. The Minister of Labour is on record as being opposed to employment equity legislation for Alberta. My question is: given that the recently released report by the Alberta Advisory Council on Women's Issues, for which this minister is responsible, indicates that voluntary programs do not work, will the minister now reconsider her position and bring in employment equity laws?

MS McCOY: Mr. Speaker, let us be very clear. We already have a law on the books – it's in the Individual's Rights Protection Act – that makes it absolutely illegal to make hiring or promotion decisions on the base of race or gender or country of origin or physical disabilities or mental disabilities and a number of related grounds. We've already got the law that says you cannot discriminate on those grounds. What employment equity is about is going one step further, and the one step further is being proactive about identifying and eliminating discrimination or barriers to hiring and promotions that are unconscious, by and large.

Now, I was on a phone-in show this morning here in Edmonton, and we put the question to the people of Alberta: do you think we should have mandatory legislation? Of the callers who phoned in, two said yes, three were undecided, and four said no. [interjections]

MR. SPEAKER: Order please. This is not a phone-in show.

MS M. LAING: Well, Mr. Speaker, it appears that the minister is disregarding the recommendations, after study, of her own advisory council.

If the minister is unwilling to advocate employment equity legislation, Mr. Speaker, will she at least heed the recommendation of the advisory council calling for a contract compliance policy which would require all contractors supplying goods and services to the government worth \$100,000 or more to implement employment equity?

MS McCOY: Mr. Speaker, I have not rejected the recommendations of the council. They are under review. I am sharing them and seeking input from my colleagues. I am also asking the people of Alberta to tell me what they think, and that is what one part of the process was this morning.

Also, understand that I am very much in support of employment equity principles. We are today in a transition to a new economy, the information age. Knowledge will be the new capital, information a commodity. What we need in Alberta are workers who are knowledgeable, skilled, flexible, and eager to work. What I am saying is that employers will find that employment equity principles in fact aid their bottom line if they hire going for merit and quality, not caring what kind of package that knowledge and information and skill and flexibility comes in.

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

Foster Child Abuse

MS MJOLSNESS: Thank you, Mr. Speaker. I continually hear about many serious concerns within child welfare. One of them is that sometimes children in care of the Department of Family and Social Services and in foster homes are subjected to abuse. When the minister spoke to the foster parent conference last November, he minimized the department's responsibility for the safety and security of these children by dismissing the tragedy involving two-year-old Jason Carpenter as just an isolated incident. In view of the fact that many foster parents and child welfare workers are concerned about many aspects of the child welfare system, can the minister outline the specific investigative procedure of the department when abuse is alleged in a foster home and indicate when he will table in this Assembly the investigation report in the Jason Carpenter case?

MR. OLDRING: Let me begin by saying that we never minimize the tragedy of abuse, whether it involves children in our care or children out of our care. What I was saying at the Alberta Foster Parent Association conference, which the member referenced, was that we have a tremendous number of dedicated, caring Albertans that are providing foster care to children in need in this province.

Mr. Speaker, as it relates to a specific case that the member has raised, the member knows that it is under investigation, and not only by our department, because when we see a situation as serious as this particular case, we quickly call in the police, which we did in this instance. They take over the investigation, and they take the necessary and appropriate steps.

3:20

MS MJOLSNESS: Mr. Speaker, this terrible incident happened over six months ago, and many people have concerns about the system. They have a right to know what's in the report.

There's no question that the department has ultimate responsibility for children in its care. I'd ask the minister: can the minister explain the specific measures he is taking to ensure that foster homes that are approved are in fact safe, especially if the foster parents have been subjects of prior investigations of abuse?

MR. OLDRING: Well, again, Mr. Speaker, we take exhaustive steps to make sure that foster homes are safe and appropriate

and healthy environments for the children that we entrust into their care. We do criminal checks. We do personal home visits. We do personal references on all foster parents. For the most part, as I say, through that process we have been able to provide homes, which we think is important. We think it's very important to keep children in a home environment, if that's possible. Obviously, the first priority is to keep them in their own home, but when that can't be done, we take every precaution possible to make sure that we do find a healthy and an appropriate placement in a good home for children that need it.

MR. SPEAKER: Edmonton-Whitemud.

Rural Economy

MR. WICKMAN: Thank you, Mr. Speaker. We have seen the preliminary stages of relocation of provincial departments or arms of the provincial government, the most bizarre being the lottery marketing division being moved to the riding of Stettler. To the Provincial Treasurer. A senior official within government Treasury has informed me that a general cost analysis on the relocation of single employees and employees with families has been undertaken. Is the Provincial Treasurer prepared to table this cost analysis in this Assembly?

MR. JOHNSTON: Mr. Speaker, these kinds of question, of course, are appropriate to the Order Paper. The member knows that. He can't expect us to provide this kind of data. As a matter of fact, internal information is clearly handled by *Beauchesne*; I don't have to remind the members of that. [interjections]

MR. SPEAKER: Order please, hon. members. If I hear more of it, the Chair will not recognize the next speaker, who is at this moment Edmonton-Whitemud. Thank you.

Please continue.

MR. WICKMAN: Mr. Speaker, so much for freedom of information.

MR. SPEAKER: Hon. member, to the question.

MR. WICKMAN: To the Provincial Treasurer: is the Provincial Treasurer prepared to give us assurances that no further relocation of provincial employees will take place until such a cost analysis is completed so we can at least be assured that there are some efficiencies or economics to his way of thinking?

MR. GETTY: Mr. Speaker, I want to respond to the hon. member in several ways. First, I want him and the people of Alberta to know absolutely clearly that balanced growth throughout this province is a policy of government, and we're going to pursue it aggressively. One only has to look at the report of our Select Special Committee on Electoral Boundaries, who made a recommendation, unanimously supported by the way, that "the Legislative Assembly should reaffirm its commitment to balanced growth throughout the Province" and that "this may be achieved, where appropriate, by decentralizing government services . . ."

MR. DECORE: Answer the question.

MR. SPEAKER: Order.

MR. GETTY: ". . . and working with the private sector on diversification strategies." Now, that was reaffirmed in this Assembly, and it was completely supported unanimously.

I just want to say one more thing, Mr. Speaker; please indulge me. There has been a disgraceful put-down by the Liberals and the NDP of the people in rural Alberta. [interjections]

MR. SPEAKER: Order. [interjections] Order.

The time for question period has expired. Might we revert to Introduction of Special Guests?

HON. MEMBERS: Agreed.

MR. SPEAKER: Opposed?

The Minister of the Environment.

head: Introduction of Special Guests

MR. KLEIN: Thank you, Mr. Speaker. It is my pleasure today to introduce to you and to Members of the Legislative Assembly my federal counterpart, the Hon. Robert de Cotret, Minister of the Environment with the government of Canada. At 4 o'clock this afternoon Mr. de Cotret and I will be signing a \$23 million, five-year agreement to clean up contaminated orphan sites . . .

MR. SPEAKER: Excuse me, hon. minister. I'm sure all the members of the House know their manners and will be quiet. Please continue.

MR. KLEIN: Thank you, Mr. Speaker. [interjections]

MR. SPEAKER: Order please, hon. member.

MR. McINNIS: Point of order.

Speaker's Ruling Interrupting a Member

MR. SPEAKER: Just park it.

What is occurring is an introduction of a guest. [interjections] If you'd be good enough to read some of your own introductions, hon. member. Thank you. [interjection] Order, Leader of the Opposition. [interjection] Order.

Perhaps now the minister will kindly bring to a conclusion his remarks.

MR. KLEIN: Thank you very much, Mr. Speaker, and thank you other Members of the Legislative Assembly.

MR. SPEAKER: Just do it, please, hon. minister.

head: Introduction of Special Guests (continued)

MR. KLEIN: Thank you. At 4 o'clock this afternoon, to repeat what I was attempting to say earlier, Mr. de Cotret and I will be signing a \$23 million, five-year agreement to clean up contaminated orphan sites in Alberta. Under this agreement, Mr. Speaker, the governments of Alberta and Canada will each contribute . . . [interjections]

Speaker's Ruling Introduction of Guests

MR. SPEAKER: No, hon. minister. The Chair has taken enough flak trying to let you complete this statement. Would

the hon. Mr. de Cotret please stand in the gallery and be recognized by the House.

Point of Order

Introduction of Guests

MR. SPEAKER: The point of order.

MR. McINNIS: The point of order, section 7 of our Standing Orders deals with the routine. If the minister wanted us to revert to Ministerial Statements, we would have granted that authority.

MR. SPEAKER: Thank you, hon. member. We've already dealt with that.

The Member for Westlock-Sturgeon.

Point of Order

Allegations against a Member

MR. TAYLOR: Yes, Mr. Speaker. Yesterday in a fit of high dudgeon at one of the more ridiculous remarks made by the minister of career development, I shouted across the floor, "You're crazy." I'd like to withdraw that, but I don't want him to think that in any way proves that he's sane.

MR. WEISS: Well, Mr. Speaker, I certainly appreciate the generosity of the remarks expressed by the hon. member. I would not have wanted it to have gone to a vote of the Assembly, because I wasn't sure which direction it would go.

head: **Motions under Standing Order 40**

MR. SPEAKER: We have a request under Standing Order 40. The Member for Edmonton-Avonmore.

MS M. LAING: Yes, Mr. Speaker. I would ask that the Assembly give unanimous consent to consider my motion.

Mr. Speaker, it is very important that we endorse this motion on the anniversary of the Sharpeville massacre, which demonstrates the violence writ large that is inherent in racism. There is racism both blatant and subtle in Alberta today, and we must become conscious and articulate that racism, and voice and act upon our opposition to racism both in our public and in our private lives.

MR. SPEAKER: There's a request from the hon. Member for Edmonton-Avonmore to proceed under Standing Order 40. All those in favour of proceeding, please say aye.

HON. MEMBERS: Aye.

MR. SPEAKER: Opposed, please say no.

Please speak to the motion. We have unanimous consent.

International Day for the Elimination of Racial Discrimination

Moved by Ms M. Laing:

Be it resolved that the Legislative Assembly today commemorates the United Nations International Day for the Elimination of Racial Discrimination and that each member of the Assembly today renews her/his commitment to work to eradicate racism and promote equality in all areas of endeavour in his/her personal and public life.

3:30

MS M. LAING: Thank you, Mr. Speaker. As I have said, we know and we have heard reports from the Human Rights Commission and we have seen it: examples of racism in Alberta. We know that adults and children who don't speak English are denied adequate English as a Second Language training and thus are marginalized. This is a form of racism inasmuch as it holds that their needs are not important. We have had many complaints to the Alberta Human Rights Commission in the field of employment, and I would suggest that we need not only reactive but proactive legislation.

It has been noted by the head of the Canadian Human Rights Commission, Mr. Yalden, that hard times and economic difficulties are a breeding ground for racial prejudice. In addition, we must raise our concern about the lack of response to the many Aryan Nations demonstrations.

Mr. Speaker, racism often immobilizes us as we attempt to meet prejudice on a ground of rationality, yet prejudice does not always yield to reasonable dialogue. We need strong laws, we need strong political will, and we need to send a strong political message to the people of Alberta that we will stand up for their rights. I would hope that by endorsing this motion, that message is being given.

Thank you.

MR. SPEAKER: Calgary-Buffalo.

MR. CHUMIR: Thank you, Mr. Speaker. The Alberta Liberal caucus supports this motion. I am pleased to say a few words in support thereof.

This is a very important day and a fundamentally significant issue to the world. The history of our planet all too often seems to be a never-ending stream of racial intolerance and strife, and it is a great challenge to all of humankind to work to overcome and establish the human values of acceptance, understanding, and equal treatment for all regardless of race or colour or, indeed, religion. This, of course, should be our goal in our daily lives, but it is fitting to have a special day as a reminder of the common cause that we share with like-minded people throughout the world, and that is the role which is filled by this very significant day.

It is important that we recall that we're not speaking just of other places throughout the world, because we have a history of intolerance and racism in our past here in this country and in this province which we must never forget. By way of example, we go back to the 1912 riots against Sikhs in British Columbia. In the 1920s in Saskatchewan a statute made it unlawful for an Oriental man to hire an Occidental woman in a laundry or in a restaurant. We found special immigration taxes against Orientals. There were quotas restricting numbers of Jews in medical schools and law schools. We recall the internment of the Japanese in World War II. Of course, those of Ukrainian extraction and other groups indeed remember a time when they were all vilified, and not the least of our problems has been the racism which continues today with respect to our native Indians.

Now, we have improved, but the best indication of what is likely to happen in the future is what has happened in the past. Accordingly, we have to be very concerned about signs of growing intolerance within our society which take the form not only of extremist groups such as the Aryan Nations, the skin-heads, and the Keegstras, but far more troubling is the rather more widespread support that we see with respect to the racists: the minority pins, the discrimination against Sikhs emanating

from the RCMP issue. Many of our citizens were well motivated in that regard, having concerns about the costume, but a great deal of the concern was racist motivated. I can certainly say that from some of the vilification that I received in the form of mail because of the support of myself and the members of the Alberta Liberal caucus of the Sikh community on that issue. Again let me emphasize the concern with respect to the native Indians.

Now, we are, I believe, a very decent society, but we all too often fall short of taking the steps which I believe we should in order to combat the virulent racism that threatens our society once again. So as John Donne once wrote: "No man is an island . . . [look not] for whom the bell tolls; it tolls for thee." In that spirit of recognition I hope that we in this House will all use this occasion to reflect on the issue of racial discrimination generally and to resolve collectively and individually to do what we can to battle it so that all persons will be treated with respect and dignity and equality, here and throughout the world, regardless of their race, colour, religion.

MR. HORSMAN: Mr. Speaker, the motion is well intended. We support it. The ministerial statement today by the Minister of Culture and Multiculturalism expressed the views not only of members of the government but, I'm sure, of members of all parties within this Assembly and the vast, vast majority of Albertans.

I think that the comments which have been made are important and useful for us to observe. I'd remind hon. members that the first two pieces of legislation which were introduced by the current government were the Alberta Bill of Rights and the Individual's Rights Protection Act, and they have been reviewed and amended from time to time as attitudes have changed and are changing. I think it is important and incumbent on all of us to recognize the individual worth of each and every citizen of this province regardless of their background, regardless of their religious beliefs or lack of same or unwillingness to adopt religious belief. I think that it is extremely important for us to bring this message home time and time again, but it is most important for us as individuals to bring the message to our children, in our families, around the kitchen tables of this province, in our schools, in our churches, in our workplace, and in every way possible, because every person in this province is entitled to equal rights and protection under the law.

That is a commitment that has been made time and time again by this Legislature, unanimously endorsed, and I urge that it be done again today.

MR. SPEAKER: Question? Is there a call for the question?

HON. MEMBERS: Question.

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

HON. MEMBERS: Aye.

MR. SPEAKER: Opposed, please say no. Let the record show the motion carried unanimously.

head:

Orders of the Day

Written Questions

MR. GOGO: Mr. Speaker, I move that the written questions appearing on today's Order Paper stand and retain their places on the Order Paper except for the following: 145, 146, 147, 149,

160, 164, 165, 166, 167, 169, 170, 171, 172, 176, 179, 180, 224, 225, and 226.

[Motion carried]

Federal Building

145. Mr. Decore asked the government the following question: What is the projected per square foot cost on an annual basis of the federal building at 98th Avenue and 107th Street, Edmonton, compared to the cost of the space the government now occupies in the Olympia & York development at 101st Avenue and 102nd Street, Edmonton?

MR. GOGO: Reject that, Mr. Speaker.

Federal Building

146. Mr. Decore asked the government the following question:

- (1) On what date did the government take possession of the old federal building at 98th Avenue and 107th Street, Edmonton,
- (2) when does the government intend to begin to occupy the space in the federal building,
- (3) what is the cost of maintaining the federal building from the time of possession to date,
- (4) how much will it cost to make the federal building ready for occupation, and
- (5) has the government undertaken a study to determine whether the federal building contains any asbestos, and if so, what is the estimated cost of the removal of any asbestos found?

MR. GOGO: Reject that, Mr. Speaker.

Federal Building

147. Mr. Decore asked the government the following question: Is the government renting any private-sector space in downtown Edmonton which costs more than the projected cost of the renovated federal building on a per square foot basis?

MR. GOGO: Reject that, Mr. Speaker.

Child Welfare Workers

149. Mrs. Hewes asked the government the following question: How many child welfare workers employed by the Department of Family and Social Services are registered social workers?

MR. GOGO: Reject that, Mr. Speaker.

Kananaskis Country Golf Course

160. Mr. Chumir asked the government the following question:

- (1) What was the revenue received by the government for the leasing of Kananaskis Country Golf Course for each fiscal year from the original date it was leased to the present, and how was it calculated;
- (2) what was the cost of development of the Kananaskis Country Golf Course to the province; and
- (3) what expense, if any, was incurred by the government with respect to the Kananaskis Country Golf Course

for the years ended March 31, 1983, to March 31, 1990, inclusive?

MR. GOGO: Reject that, Mr. Speaker.

3:40

Lottery Funds

164. Mr. Chumir asked the government the following question: What is the amount of the lottery funds proceeds held by the Western Canada Lottery, Alberta Division, as of December 31, 1990?

MR. GOGO: I reject that, Mr. Speaker.

Employee Separation Settlements

165. Mr. Wickman asked the government the following question:

- (1) Is it the policy of the Department of Public Works, Supply and Services to negotiate employee separation settlements with those government employees who leave of their own volition, and
- (2) What is the government's policy regarding the negotiation of employee separation settlements with those employees who leave on their own volition, and in particular, under what circumstances is the government willing to negotiate such settlements, and what are the guidelines regarding such negotiations?

MR. GOGO: The government accepts that, Mr. Speaker.

Westcan Malting Ltd.

166. Mr. Taylor asked the government the following question: With respect to the \$9 million financing package by the Agricultural Development Corporation for Westcan Malting Ltd., Calgary,

- (1) were there any personal or corporate guarantees other than that of Westcan given for the loans portion of the package, and
- (2) what were the terms of the preferred share issue granted as to
 - (a) the dividend rate and how it is tied to profits,
 - (b) the redemption plan, if any, and
 - (c) the conversion privilege to common shares and debentures, if any?

MR. GOGO: Reject, Mr. Speaker.

Expropriation Settlement

167. Mr. Bruseker asked the government the following question: How much did the government pay Merran Leeds, Janet Younie, Helen Clark, and Ruth Drew in its out-of-court settlement concerning the expropriation of their land in the west end of the city of Edmonton?

MR. GOGO: Reject, Mr. Speaker.

Farm Safety Publication

169. Mr. Bruseker asked the government the following question:

- (1) What was the total cost of producing the 1988-89 edition of Alberta Agriculture's A Child's Guide to Farm Safety and the related materials,
- (2) what was the total amount of the financial support received by the government from TransAlta Utilities

Corporation and Alberta Power Limited for the 1989 edition of Alberta Agriculture's A Child's Guide to Farm Safety,

- (3) how many copies of the safety guide were produced, and
- (4) how many copies of the two puzzles included with the safety guide were produced?

MR. GOGO: Reject, Mr. Speaker.

Oldman River Dam

170. Mr. Taylor asked the government the following question: What is the government's best estimate of the cost of diverting irrigation water stored by the Oldman River dam, and released into the river below the dam, around the Peigan reserve?

MR. GOGO: Reject, Mr. Speaker.

Canola Seed Purchases

171. Mr. Taylor asked the government the following question:

- (1) How many tonnes of canola seed has Alberta Terminals Canola Crushers Ltd. purchased for delivery between February and April 1991 from south of a line running east-west through Athabasca, and
- (2) what proportion was this of the total amount of seed purchased for delivery during that period?

MR. GOGO: The government accepts that, Mr. Speaker.

Farm Debt

172. Mr. Taylor asked the government the following question:

- (1) How many cases of unpaid farm debt has the Alberta Agricultural Development Corporation reviewed each year since it was established in 1980, and
- (2) in each year
 - (a) what proportion of the cases reviewed resulted in foreclosure,
 - (b) what proportion was restructured to permit the producer to remain the owner, and
 - (c) what proportion was restructured to allow the producer to continue as a renter?

MR. GOGO: Reject, Mr. Speaker.

Parking Subsidized by Government

176. Mr. Mitchell asked the government the following question: How much does the government spend on subsidized parking and how many parking spaces are subsidized in the downtown area of Edmonton; i.e., the area approximately defined between the north bank of the North Saskatchewan River and 104th Avenue and between 97th Street and 114th Street?

MR. GOGO: Reject, Mr. Speaker.

Health Care Premium Arrears

179. Mrs. Hewes asked the government the following question: With respect to the private agency hired by the government to collect unpaid Alberta health care premiums, from October 1989 to March 1990

- (1) what is the total amount of dollars collected,
- (2) how much is paid to the collection agency, and
- (3) what is the breakdown in terms of income for the individuals who have been turned over to the collection agency for payment?

MR. GOGO: Reject, Mr. Speaker.

Alberta Terminals Ltd. and Lamb Processors Co-op Ltd.

180. Mr. Taylor asked the government the following question:
- (1) Were any commissions, fees, or other moneys paid to individuals or corporations other than those under contract or in the employment of the buyers of the company or the Alberta government concerning the sale of
 - (a) Alberta Terminals Ltd. and
 - (b) Lamb Processors Co-op Ltd., and
 - (2) if any commissions, fees, or moneys were paid, to whom were they paid, and what amounts were paid?

MR. GOGO: The government will accept that, Mr. Speaker.

Recycling of Plastic Bottles

224. Mr. McInnis asked the government the following question:
- (1) How many tonnes of plastic bottles were collected by the beverage container system during the fiscal year 1989-90, and
 - (2) how much of this material was shipped to processing facilities for recycling, and how much of the material was landfilled?

MR. GOGO: Accept, Mr. Speaker.

Recycling of Aluminum Cans

225. Mr. McInnis asked the government the following question:
- (1) How many tonnes of aluminum cans were collected by the beverage container system during the fiscal year 1989-90, and
 - (2) how much of this material was shipped to processing facilities for recycling, and how much of the material was landfilled?

MR. GOGO: Accept, Mr. Speaker.

Recycling of Glass

226. Mr. McInnis asked the government the following question:
- (1) How many tonnes of glass were collected by the beverage container system during the fiscal year 1989-90, and
 - (2) how much of this material was shipped to processing facilities for recycling, and how much of the material was landfilled?

MR. GOGO: The government will accept that, Mr. Speaker.

head: Motions for Returns

MR. GOGO: Mr. Speaker, I move that the motions for returns appearing on today's Order Paper stand and retain their places on the Order Place except for 220.

[Motion carried]

Alberta Terminals Canola Crushers Ltd.

220. Mr. Taylor moved that an order of the Assembly do issue for a return showing the terms of reference for the board of directors of Alberta Terminals Canola Crushers Ltd.

[Motion carried]

head: Motions Other than Government Motions

Public Consultation on Legislation

202. Moved by Mrs. Mirosh:
Be it resolved that the Legislative Assembly urge the government to review its process of public consultation with a view to facilitating the maximum level of participation from Alberta citizens during the drafting of key government legislative initiatives.

MRS. MIROSH: The reason for this Motion 202 is to discuss the review process of public participation and public consultation to ensure that citizens of Alberta are totally involved with the drafting of key government legislation, and, most importantly, listening to what they have to say. Each Member of this Legislative Assembly has their own unique method of communicating legislative changes. Some of them work, and some of them don't. My own experience: I've had a number of town hall meetings; at times people show up and participate; other times it's a great protest; other times people get involved and feel that they've had input but not enough.

The main thrust of my motion is to attempt to deal with steps that outline principles in allowing public participation. We are experiencing an information revolution, to use just one phrase. Our level of communications and our ability to utilize data continue to accelerate very rapidly. In fact, if we are to sum up the most significant feature of contemporary social changes, it would have to be that more people have enormous information and more and more information than ever before. The positive side of these changes is that it gives more people wider options and more capability to live how they choose to live and that people can become more knowledgeable and more informed about issues faster than ever before. I think a good example is even the Spicer report announcement today: people do want more representation and want to be heard and also the legislation set down by what they say and the direction that people do give.

The direct spin-off from these changes is heightened public demand for involvement in making government policy and making changes. It is a legitimate demand, and one that will only increase as time passes. I'm proud to be part of a government that has recognized that society is changing rapidly and has worked hard to adapt itself to ever changing demands of the people.

Mr. Speaker, the commitment was reiterated in last Thursday's Speech from the Throne. If I can quote again, the Speech from the Throne says:

We live in interesting times. Everywhere we are surrounded by change. As we begin this session, my government recognizes these changes pose immense challenges for Albertans and Canadians as we approach the beginning of a new century. In facing these [changes], in finding solutions that will allow us to continue to prosper as a province and a people, my government and Albertans must communicate and co-operate better than ever before.

Mr. Speaker, it is with exactly these thoughts that I am sponsoring this motion. What this motion is all about: it gives govern-

ment cause, as the Honourable Lieutenant Governor stated, "to make a difference in a different and changing world."

As legislators we are constantly forced to address the tensions between direct democracy and representation in government. We realize that the simplest definition of democracy and rule by people is nearly impossible to take to its logical conclusion. Even if technology were ever to enable us to consult the people on every issue, it would still be an unworkable system because the choices are so complex and the answer to each choice involves a whole series of policies and programs that are interrelated and must come out of a limited fund of resources. There would also be a danger of factional groups dominating the policy-making process, concerned only with their own special interests and needs and not necessarily addressing the overall well-being of the total population.

Instead of absolute direct rule we have party leaders come forward at every election with a coherent program and with an approach to these matters and a readiness to take responsibility for their overall decisions. The voters ultimately, of course, will judge the government's performance at every election and at the next election. Representative government places the responsibility on this Legislative Assembly to make policy decisions in an effective and efficient manner. Our dilemma and the dilemma of all democratic societies is to find the proper balance and the right balance between vesting enough power in the legislators to govern while still enabling the government to exercise effective involvement in the process of governing. This challenge is especially critical in these times of rapid change. Mr. Speaker, I believe that this government has been extremely successful in finding that right balance between effective decision-making and public consultation.

[Mr. Jonson in the Chair]

I'd like to elaborate on some of these successes, Mr. Speaker, because it is from these examples of public participation that my motion draws its basis. Probably a good example is the environmental protection and enhancement Act. The first example of policy formulation with maximum public involvement is the environmental protection and enhancement Act, and the hon. Member for Banff-Cochrane hopefully will be able to speak on this issue with regards to the public participation that took place in formulating this piece of legislation that will soon be introduced in this House. In January 1990, it started out with Alberta's Environment: Toward the 21st Century. The document explained the government's commitment to achieve the protection, to improve a wider use of our environment and has 10 environmental principles and 37 policy statements. An example of the way this has been done is by distributing a mission statement and receiving input from many people throughout Alberta, the stakeholders and everyone who has an interest in our environment. Of course, the public's responses to the policy document were reviewed and analyzed and laid down for draft legislation. I strongly believe that the final draft of any type of legislation, most importantly the environmental protection Act, will be the most effective environmental legislation in this country, and it resulted from extensive public participation.

3:50

Environment is a policy field in which public participation is taken so very seriously. Take, for instance, the Minister of the Environment's response to a concern raised in the House just

this week regarding amendments to the 60-year-old Water Resources Act. I quote:

Basically, the rewrite of Water Resources Act won't occur until probably the spring or fall of 1992, and basically it won't be rewritten until there is a full public consultation with Albertans. In other words, Albertans will have every opportunity to advise and assist the government in the rewrite of this particular Act.

Another example of public participation was in 1989 when the Legislature amended the electoral boundaries Act to provide for the appointment of a select special committee to review the entire electoral boundary process and to recommend an updated basis for the representation of Albertans in the Legislative Assembly. To help fulfill the requirements of the committee's mandate, a series of public hearings were arranged across Alberta. As well, an information document was mailed out to over 10,000 Albertans explaining the present situation with respect to electoral boundaries. Members of various boards, agencies, community groups, and individuals attended the meetings and made submissions to this committee. By the end the committee had received input from 164 individuals, 194 municipal councils, 21 school boards, 39 political organizations, 22 hospital boards, and 77 other public groups. That, Mr. Speaker, is public participation.

After the public hearing process was completed, the committee deliberated over the input made by Albertans on the issue and produced a report with recommendations for consideration by this Assembly this last sitting, in December. The process of public consultation used by the committee allowed interested Albertans to participate in the drafting of a report that dealt with some very complex and involved issues. Mr. Speaker, not only did the public participate, but the committee listened to what the people were saying, thus the legislation.

Another very important example that I feel I should discuss is the Task Force on Recognition of Foreign Credentials that I've been personally involved with. This task force on the recognition of foreign qualifications was established by the government, the Hon. Elaine McCoy, in December '88. This task force was to gather information about problems experienced by individuals who received their professional training outside of Canada and make recommendations to the government concerning these problems. This task force is still putting together their report, but just to give an idea of what is happening, the task force has received submissions from probably over 100 ethnic and immigration organizations and, so far, over 150 individuals who have experienced difficulties in receiving recognition of their foreign qualifications. The task force has solicited input from representatives of professional associations, educational institutions, federal and provincial departments, and employers from across the continent. Just at the moment the task force is putting together all of this data and information, and hopefully a recommendation will be made very shortly. I've had the opportunity myself as chairman of the Professions and Occupations Bureau to participate in discussing these very issues with various groups in the city of Calgary and also throughout the province. It is a very important document that we will be putting together.

Another very important issue of public participation is the constitutional task force. Only a few months ago, Mr. Speaker, we all experienced the discussion of Meech Lake and Canada's Constitution, which was placed on the country's highest agenda. Canadians found themselves in a debate on not only what the changes in the Constitution should be but how Canadians should be involved. A consensus was not reached, and the accord failed. A lot of people felt that the accord failed because there

wasn't enough public participation. Canadians complained bitterly that they were not being listened to and that there was not enough time or even access for public participation.

Mr. Speaker, this province, this government has put forward a task force led by the hon. Deputy Premier, Mr. Jim Horsman, the Member for Medicine Hat, who has only just recently released a discussion paper, *Alberta in a New Canada*. This task force will travel throughout the province in the next month or so to seek input and views and participation from the people. In the first phase of this broad public consultation process 13 constitutional experts were invited to present their opinions and alternatives to the task force. From these round table meetings the discussion paper I already alluded to, *Alberta in a New Canada*, entered. That has been published and distributed. The discussion paper contains no recommendations or policy direction; it merely intended to raise awareness and stimulate public involvement in the constitutional debate. The next step is public meetings by an all-party committee in communities throughout the province, and every single Albertan will be given the opportunity to contribute to the formulation of a provincial position to this very important constitutional reform.

Mr. Speaker, the positive steps that the government has taken towards involving the public in the formulation of key government initiatives have one weak spot: the process is done on an ad hoc basis. Currently each time a minister initiates a major legislative initiative, a great amount of administrative time and money is put into developing a process by which the public can get involved. When that process is finally decided on, more time and money are spent in explaining and promoting the process.

My proposal, Mr. Speaker, is a five-stage public participation process which would be automatically implemented and followed by all departments for major government initiatives. As I said earlier, this process draws from the best of our tried and true methods, and it would be used for every piece of legislation that was deemed by the sponsoring minister as significant and major enough to warrant a formal process of public involvement.

Let me briefly elaborate on this proposal. The first stage would begin with a departmental mission statement. This statement will outline the current legislative situation which exists around the policy area to be changed and carefully explain the various issues that affect it. The mission statement will be circulated to the broadest possible range of people for their review for a period of no less than three months.

The second stage, Mr. Speaker, will take place after the public's responses to the government mission statement have been received. These responses will be sorted, analyzed, and summarized into a brief public document by the department.

The third stage would involve the tabling in the Legislative Assembly of a draft Bill based on the comments and views of the mission statement.

The fourth stage will begin with the establishment of a government task force to receive submissions and comments on the draft legislation. The size of the task force and the length of its mandate will be left to the discretion of the minister as these factors will depend on the type of legislation being initiated and the availability, of course, of financial resources.

The fifth stage will be the final draft legislation. This version will be based on the meetings held by the task force. Once this draft has been tabled, it will then proceed through the normal legislative process.

Mr. Speaker, some will argue that this motion does not go far enough in getting the public involved in the policy process, but I strongly believe that this five-stage public participation process

is the right balance we're looking for. Everybody will then be made aware of the public participation.

4:00

Let us not forget that as MLAs we each have a personal responsibility to solicit the views of our constituents on an ongoing basis. I know that I and my government colleagues continually gauge the mood and views of the people we serve through town hall meetings, MLA drop-ins, neighbourhood get-togethers, and so on. Our doors are always open. We are only as far away as a telephone to our constituents, but as I stated before, it is too costly and too ineffective to have massive, massive public involvement for every single piece of legislation that is tabled in this Assembly. Quite frankly, Mr. Speaker, I don't think Albertans want to be consulted on every single issue. After all, all of us here are elected to manage the business of government, but there are key government initiatives that are strengthened by a formal public participation process.

This motion puts into place a framework for that process, a framework that could be implemented quickly and effectively by the minister, a framework that treats citizen involvement in policy formulation seriously and definitely, and a framework that Albertans can become familiar with and rely upon for results.

Thank you.

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

MS MJOLSNESS: Thank you, Mr. Speaker. I rise to respond to Motion 202 sponsored by the Member for Calgary-Glenmore.

When I first looked at this motion, I think I felt that it was a good motion in that it's asking the government to review the process of public consultation, which I think this government needs to do; that's for sure. But also, Mr. Speaker, my first reaction when I read it was: what public consultation? Very seldom do I feel that the government actually goes out and seeks public consultation. [interjection] I'll explain that in a minute for the Member for Red Deer-North.

Mr. Speaker, surely public consultation should be part of any government's agenda. It should be common practice as far as I'm concerned, but I think this sounds too much like democracy in Alberta, because first of all it means that you have to go out and you have to listen to the public; it means you have to get input from the public. I also feel that as a result of this kind of activity, the legislation that will be passed in this Assembly will be much superior if we seek that input. It would be more realistic and more meaningful, and it would be more effective.

So what about democracy in Alberta in this Legislature with this government? We have had this Conservative government bring in closure in this Legislature. It has stopped debate on issues very important to the people of this province. It has stopped the debate of the Official Opposition, who represent Albertans in this Legislature. This government brought in closure on the labour Bills in 1987, the lottery slush fund, farm diversification Act, AGT. Mr. Speaker, this is very undemocratic. If we're talking about public consultation, we can't even get proper debate in the Legislature let alone ask this government to go out and seek public input.

Never once do I recall the sponsor of this motion standing up and voting against the government when they brought in closure on debate in this very Assembly. I really believe that if the sponsor of this motion, the Member for Calgary-Glenmore, was really concerned about public input and consultation, she would at least support full debate in this Legislature on very important

issues that we are confronted with in this Legislature, Mr. Speaker. [interjections] I'm glad the members are listening because they need to hear, and I'll get to you in a minute, Member for Red Deer-North.

It's quite evident that this government operates in secrecy and does a lot of its business behind closed doors. We've seen over the years in this Assembly that this has become the norm of this government. There are many examples of the government not sharing information with the Assembly with contracts that are signed and where taxpayers' money has been spent, so I really feel that the government has a lot of steps to take before they would initiate or support this motion that the member is sponsoring.

Mr. Speaker, let's look at recent major legislation that has been introduced in this Legislature. I must say, though, that the government has been consulting in some broad policy issues, and the member sponsoring the motion mentioned the environmental protection and enhancement Act. That's one example where they have consulted to a certain degree. Another example would be the clean air strategy, the Water Resources Act, but with respect to specific issues, they are not consulting fairly. We can name a number of them, and I've named some they've brought closure on. Game ranching, the Al-Pac pulp mill: no public hearings. The import of toxic waste: no public hearings. [interjections] Well, after the fact; it's always after the fact. It's never before important decisions are made, and that's shameful.

SOME HON. MEMBERS: Shame.

MR. ACTING DEPUTY SPEAKER: Order. Order please.

MS MJOLSNESS: Mr. Speaker, I could name other examples . . . [interjections]

MR. ACTING DEPUTY SPEAKER: Order please.
Please proceed.

MS MJOLSNESS: Thank you.

Mr. Speaker, we had a number of initiatives being introduced in this Assembly, and there were absolutely no public hearings on them. One would be the day care initiative that the Minister of Family and Social Services brought in. They say, oh, they consult; they phone up people. You know, that's their consultation process. Well, Mr. Speaker, on these major initiatives there should be public hearings, period. I know the Minister of Family and Social Services said he heard from all kinds of groups, et cetera, and I do know that he did meet with some. Granted. They have concerns about what went in the final report, mind you, but again no public hearings were held.

Another example that directly affects my critic area was the social reform package that was announced in the fall. Now, something as crucial as this, this major initiative on the part of the government – they took months and months and months to announce it. They had no public hearings on it, and I just cannot understand this way of acting. How do they expect a program like this to be effective and meet the needs of the people that are accessing these programs when they do not go to the people and ask them what they need to see in these programs? It doesn't make any sense, Mr. Speaker. How do they expect programs to be effective when they don't reach out and solicit responses from the public? It just doesn't make sense. Last fall I put a written question on the Order Paper asking the government to list the names of individuals, organiza-

tions, and agencies they met with. My question was rejected, and that only leaves me to believe that they did not consult with organizations, individuals, and advocates directly being affected by those programs.

When it comes to public hearings their track record is very poor, Mr. Speaker. We have been calling for public hearings with the heritage trust fund for years. We had a surplus in the heritage trust fund for a number of years. When the budget came in in '86-87 – we had a serious deficit beginning in those years – it was very important at that time that we go out to the public and have public hearings so that people could respond to what was happening with the heritage trust fund. To date there have been no public hearings in that area.

Mr. Speaker, it's not a difficult task to go out and seek public input. It's very effective. Just recently in the Legislature we heard one of the government members ridiculing our efforts to go out and solicit responses to what are serious concerns that Albertans have in relation to children and children's issues. Although we would have liked to have gone to every town in Alberta, we just couldn't due to budget restraints. But we did go to the major centres. We had a number of written responses from the public, and this, I can assure you, was very, very valuable information to receive. For the government to ridicule this kind of effort, especially when we heard from very excellent organizations – and I wouldn't want to ever start naming them all. We had overwhelming response in every community we went into. When I hear the government members ridiculing these kinds of activities, these kinds of initiatives that we're taking to seek public input, it just tells me how they undervalue what people have to say, especially organizations that are involved in the day-to-day services of these programs.

4:10

Mr. Speaker, we do know that the government has initiated a committee to go out and study the Constitution, and certainly I think this is a good effort. We have yet to see what will be the outcome of that particular committee, but these kinds of initiatives I think are very important. I think the more the government can respond and reach out to the public, the better all policies, all legislation will be in this province. Again, though, it's very evident that the government runs a closed, secretive ship, and certainly any step would help in creating better legislation, more effective legislation.

I would submit that a lot of their initiatives could start right here in the Legislature by allowing proper debate to take place when it comes to major government initiatives. That certainly would be a beginning, because when all is said and done, Mr. Speaker, action speaks louder than words. We need this government to start respecting the public and what they have to say, especially when government policy is directly affecting the lives of many Albertans.

Thank you.

MR. ACTING DEPUTY SPEAKER: The Member for Banff-Cochrane.

MR. EVANS: Thank you very much, Mr. Speaker. I am very pleased to have the opportunity to rise today and speak to Motion 202 from my colleague from Calgary-Glenmore: an extremely thorough and thoughtful review of an important part of democracy today. But before I move on to discussion of her very important motion, I must make a comment about the presentation by the hon. Member for Edmonton-Calder.

[Mr. Payne in the Chair]

We hear constantly from the opposition members, Mr. Speaker, that we in government are not doing things right. We never get any suggestions about how to do things better. When we get a motion like we have today that is being debated, that sets out a clear, concise, and positive response to give people in this province an opportunity to input into government legislation, what do we get from the opposition? We get nothing. We don't even get a comment on these worthy proposals. Instead we get griping and bickering and moaning. It's a constant theme of the opposition. I think they are doing themselves a terrible disservice in not addressing positive initiatives such as are in this motion.

Mr. Speaker and colleagues, I want to talk about some of the very positive things that are suggested in this motion. Quite frankly, the five-stage process that is contemplated appears to be a mirror of the process I was very privileged to be a part of that was initiated by this government and implemented by the Department of the Environment when we had the opportunity to review the proposed environmental legislation that will be brought forward in this spring session of the Legislature: the environmental protection and enhancement Act. We went throughout this great province in the months of October and November of 1990, heard representations from Albertans in rural and urban settings, and gave them the opportunity to have a real say in what is going to happen in this province. That is what participatory democracy is all about, Mr. Speaker. Today we live in a world that is instantaneous. We know exactly what is happening on the border of Kuwait and Iraq; we know what is happening in southern parts of the United States; we know what is happening in South America and Asia. People are demanding that government respond immediately and give the people who are in our environment the opportunity to respond. We must do that, and clearly this government is responding to that challenge by a very novel process: don't stand up and tell people what's going to happen; give them an opportunity to participate. That's precisely what this hon. member's motion is all about: making sure that we do give that opportunity to participate and indeed that the ability to do so is legislated so that there will be some consistency.

[Mr. Jonson in the Chair]

I don't want to give hon. members the sense that I'm completely on side with the five recommendations from the hon. member, because I think there's still room for improvement. In point of fact, the process that is being followed now by the Department of the Environment with respect to the regulations under the environmental protection and enhancement Act and the review of the Water Resources Act does just that: it improves the process. It ensures that people will have an opportunity to listen to people from the department who have a certain amount of expertise on an individual issue. They will go out at the earliest possible date to give people, through an information session, an opportunity just to sit and listen, to participate through an information-gathering process, and then to go on to the next phase, which will be that information-gathering phase where people will have an opportunity to make a presentation to a panel, for example.

Now, as beneficial as the panel was that I was pleased to chair, I think there was a certain amount of intimidation, and that, Mr. Speaker, is the result of people sitting behind desks. Regardless of how you attempt to make the presenters feel

comfortable, it is an intimidating situation. I think what's being done in the Department of the Environment and a suggested process would be that albeit you would have a panel of people who have expertise in the issue at hand and represent various interest groups from around the province, we would have a situation where people would break off into smaller groups, have an opportunity to debate issues, and then come back and make their presentation to the panel. I believe the hon. Member for Calgary-Glenmore has done just that with some of the problems she's had in her own constituency. I shouldn't say problems; they are opportunities and challenges. Certainly the hon. member has led the way in that process. Another member who has done the same thing and whom I've been able to participate with in this is the Member for Calgary-Bow.

I think this process will give Albertans more of a sense that they are part and parcel of the decision-making process. This government is dealing with major policy issues in the way that is suggested by the member's motion, and to say that the process can be improved, I think, is only recognizing that as our technology improves and as people's ability to participate improves and grows stronger in desire, we have to be open to changes in that process.

It was very interesting during our review process, Mr. Speaker, that we heard from a number of people who, although they wanted to participate, were quite critical of the fact that there were so many initiatives ongoing that gave them the opportunity to become involved: just the opposite of what we were hearing from the opposition. These are people who said, "We need more time to deal with these important policy issues." I'll just state a couple of examples: the clean air strategy, which of course is an initiative of this government; the wetlands policy, another initiative of our government; the federal green plan on environmental legislation. Of course, there will be new and modern and forward-thinking initiatives that come in the future that will undergo that same kind of process. But people were saying, "We want to be involved from the very beginning, but can you slow down the process?"

4:20

Well, with all due respect, Mr. Speaker, I don't think we can slow down the process. We live in a very complex and ever changing world, and people are going to have to make that commitment and recognize that there will be at any given time a number of different initiatives ongoing that they will have an opportunity to participate in and must find the time to participate in. That's what participatory democracy is all about. We are in a pendulum swing today which is going towards more and more involvement by the public. I think that's extremely healthy. I would not be surprised, however, if at some time in the future the public – not the government but the public – decide that they don't want to have quite as much involvement.

In that vein I applaud again the member for suggesting that we wouldn't have this process undertaken by all departments and all ministries on every matter. The matters that should be reviewed in a five-stage process or an expansion of that process, as suggested by the hon. member, would be major policy initiatives. I think if we stress that and we leave that decision ultimately to the minister who is responsible for the ministry to make that decision and to take into account the amount of money in his or her budget to deal with such issues, then we will have a process which is effective and will give people more than adequate opportunity for involvement.

With those brief comments, Mr. Speaker, I again would just like to state that I am very much in favour of this motion by

the hon. member. I think it's very positive. It is reflective of government position and policy, and I think there is a great deal of merit in considering that it should be legislated to make sure that we do move forward and that we have a framework which is precise and concise and that all departments can look to in developing their future policy.

Thank you.

MR. ACTING DEPUTY SPEAKER: The Member for Westlock-Sturgeon.

MR. TAYLOR: Thank you, Mr. Speaker. I wanted to rise to say a few words on it. It's a very complex subject, and in just a couple of minutes I'll just try to cover a couple of corners on it.

The hon. Member for Banff-Cochrane made a statement that in his travels around he had encountered a great thirst, you might say, from the people to be more involved. I'm sure he's right. I'd also like to take a moment to congratulate the hon. Member for Calgary-Glenmore, whose seat I tried to win very many years ago with her help. I think she's on the right track.

What I wanted to take a moment to say is that I didn't agree with the Member for Banff-Cochrane in that things are moving too fast. I think part of the problem is the way we design our whole Legislature sittings. It isn't possible for us to get back into the community as issues come up and then come back to the Legislature enough. What we have is a very crowded agenda: meeting five days a week, three nights a week, jamming it all into the early part of the year. Personally, I think MLA is a full-time job, and to try to kid yourself into working like the dickens from March through to July and then again five days a week and three nights a week again in the fall, I think breaks down . . .

AN HON. MEMBER: It drives some people crazy.

MR. TAYLOR: Like I say, I'm ready to sign your slip anytime to prove you're sane, if you think it will get you anywhere.

But the fact of the matter is that the public like town hall meetings. They like to be consulted. But where do you get time under the present sitting system to use the town hall meeting? You can use town hall meetings in the summer, but the summer months are when a lot of the people are moving around and not that interested in the political issues.

If we went to full-time sittings – I'm suggesting something like three days a week, eight or 10 months a year – I think then you would find that the MLAs would be much more available to their constituents and to the public, and the public could have a great deal more input. What it is now is a frantic race to get through a couple of hundred Bills, which doesn't give you a chance to consult with the public and the public doesn't get a chance to consult with us. I think it may be a mistake, and this I'd lay at the feet of the government. I hope that when we're the government, we're tolerant enough to change it, but the present government, and past governments for that matter, have used the old idea that if you keep the horses so busy eating the hay, they're not going to have a chance to go running around the corral at all. The whole idea is that once you get in power you meet night and day when the session gets under way, shove the Bills at them, put \$10 billion or \$12 billion through in a few weeks of debating, and then get back again. Well, that's a deliberate effort to try to see that there is very little discussion, and it's designed primarily for the benefit of the cabinet, the front row. It doesn't do anything for those that are not in

the cabinet, either in the government or in the opposition, Mr. Speaker.

I think one of the first places that I would like to see the two people, Banff-Cochrane and Calgary-Glenmore, start is on their own caucus and their own cabinet: spread out the sittings. What are they afraid of? Why do we have to be sitting five days a week, three nights a week when we're going? Spread it out. We've got a little time. That old law practice or farm can get by without you. This whole idea that you're running in here to work like hell for a short while and then go back to make money isn't at it. The amount of money that's paid to MLAs now for both salaries and traveling is enough for a full-time job. It may be a lot more than most of us are worth, but the point is that it is a full-time salary. So why don't we work at it full-time rather than a short burst in spring and another one in the fall and then sit back and talk pious platitudes about the public not being involved? Well, you can't involve the public unless you get home Thursdays and Fridays and start talking to them. Do your legislating Monday, Tuesday, and Wednesday.

Thank you.

MR. ACTING DEPUTY SPEAKER: The Member for Edmonton-Jasper Place.

MR. McINNIS: Thank you, Mr. Speaker. Perhaps a few words on the initiative by the Member for Calgary-Glenmore to seek consultation with Albertans on important matters of legislation and policy.

I was a little taken aback by the statement by the Member for Banff-Cochrane, who obviously doesn't spend his time around here very well, when he accused the opposition members of being negative and not presenting any alternatives. We see on the Order Paper dozens upon dozens of private member's Bills that present detailed and specific suggestions for government policy. We see on the Order Paper many, many resolutions. Two days ago I submitted a lengthy policy paper on forestry policy in the province of Alberta, the result of hundreds of hours of consultation and meetings. All of this evidently falls on deaf ears as far as some of the government members are concerned. I think perhaps we all have a tendency in life to only notice the work we do ourselves, but if the member looked outside his own party and caucus and the people he talks to, he might get a few ideas every now and then.

There's an old saying, Mr. Speaker: those who think alike don't think very much. I think that tends to describe this government caucus and why they perhaps need to have a sabbatical from the duties of government. It also indicates one of the submottos of the Conservative Party in this province, Red Deer-North and Banff-Cochrane. There is no shirt too young to stuff in that party, Mr. Speaker.

I think a point should be made about the Al-Pac project because the members here were a little bit exercised when a colleague of mine said that there was a lack of public consultation on the issue. It's not because the government didn't hold hearings; it's because they didn't listen. It's one thing to hold hearings, and it's quite another thing to listen. Banff-Cochrane should know that this job is done more with the ears than with the mouth, and if he did that, perhaps he would learn some things during his brief sojourn in this Legislative Assembly. When you have hearings, when you have an environmental impact assessment especially and it comes back and says that the project should not be built, then it should not be built. But the government then goes the next step and manipulates things in such a way that no means yes, and they go ahead and build the

mill. Now, that cannot be considered public consultation. That's the dialogue of the deaf.

MR. ACTING DEPUTY SPEAKER: Order please. Standing Orders require that we move to the next order of business.

Speaker's Ruling Decorum

MR. ACTING DEPUTY SPEAKER: The Chair would like to just make one remark before proceeding. The Chair has noted that a number of members, which if necessary I could list off, are very anxious to return to their seats and attend to their business in the Assembly and, therefore, unfortunately have neglected to make the customary courtesy bow towards the Chair. I think these are important things to the tradition of the Assembly, and I would just respectfully remind you of that.

head: **Public Bills and Orders Other than**
head: **Government Bills and Orders**
head: **Second Reading**

4:30 Bill 201
Financial Accountability Act

MR. HAWKESWORTH: Thank you, Mr. Speaker. I'm pleased to be able to introduce today for debate at second reading Bill 201, the Financial Accountability Act. I've been waiting any day now for the Government House Leader to move in this Assembly that it be adopted as a government Bill. I think he'd be well advised to do so, and perhaps after my debate this afternoon he'll be convinced of the necessity and urgency for doing that.

Mr. Speaker, this government stumbles from one misadventure to another. Since 1984-85, the mid-80s, we have had high deficits, and they seem to be growing out of control, we have huge pension liabilities, and we have an unending list of companies that seem to be going under and bankrupt with the help of government funding, all of which has been compounded by refusal of this government to take responsibility for actions and decisions that are clearly under their control. They have insisted on secrecy. They've insisted on keeping our financial arrangements in this province hidden. They've refused to give information, and in some cases they've refused to give information that would be required to be given to shareholders in a private company.

Well, Mr. Speaker, there are lots of problems, lots of incidents in the past few years where this government has failed to show, in my humble submission, due financial prudence in the operations of the taxpayers' corporations, departments, and financial affairs. I'll give you a couple of examples. For example, the Auditor General in this province has no financial responsibility as the auditor of corporations in which the government has given one share to its lawyer and set up a company; under a loophole in the Act it means that the Auditor General is no longer "the" Auditor General for that organization. Under such companies they've disposed of the assets of the failed North West Trust. They've set up a similar arrangement now to dispose of the assets acquired after the failure of Associated Investors corporation and First Investors Corporation in the Principal fiasco. My understanding is that they've set up a fourth such entity to dispose of the properties of Alberta Mortgage and Housing Corporation.

The Heritage Savings Trust Fund: another example, Mr. Speaker. All the crucial decisions over that fund are taken in cabinet. It has resulted in the virtual total neutering of the

Legislature's and the standing committee's ability to review the general direction, thrust, and individual decisions of that fund.

The pension plan's investments, Mr. Speaker, are not reported through the public accounts. We have financial statements, but we don't have any indication of where the investments of the pension plans are made and what kind of performance they've done in comparison to private-sector or other public pension plans. We further have no actuarial assumptions and funding policies revealed or discussed or reported under the Act. In the public the Act doesn't require that this crucial information be revealed or discussed publicly either.

As Albertans we've had lots of deals announced with great fanfare by various ministers only to find later that there were all kinds of risks and costs to the public purse when those deals went bad. It's happened far too often in this province, Mr. Speaker. I will name a small list of some of the more visible failures, the more spectacular failures that have occurred in this province. Myrias Research Corporation, for example, estimated loss \$20 million; Climate Master, \$7.6 million; General Systems Research, \$31 million; the Gainers and Peter Pocklington deal, so far as we can guess, \$90 million. Telus and NovAtel: when we made up the list, it was a \$21 million loss, but in the last week we've had to estimate that upwards; it's now closer to \$200 million. BioTechnica Canada, Clarepine Industries, Nanton Spring Water, Meunier Forest Products, White Wood Industries, Ski-Free Marine, Alert Disaster Control Inc., Oil Patch Industries, Teknica Resource Development, and Norstar Recreation Products are just a sample of the numbers of recent business failures in this province that resulted in significant losses to the public Treasury.

On top of these examples, Mr. Speaker, there's a whole category of spending which can only be described as a ministerial slush fund. I'm talking about the interprovincial lottery fund which this government, when the debate occurred in this Legislature, brought in closure on to stop the opposition criticism of this Bill, which removes any legislative review or votes over the operations of that fund.

So the question is, Mr. Speaker: how do we turn this whole matter around? I heard not too many moments ago the hon. Member for Banff-Cochrane saying that we want positive alternatives from the opposition. I submit that Bill 201, the Financial Accountability Act, is full of all kinds of positive alternatives that will change the kind of standards for financial management that we've grown accustomed to in this province.

I would also point out that along with other motions that appear on the Order Paper, regarding the Heritage Savings Trust Fund and the operations of the public accounts that have also been submitted by other hon. colleagues from the Official Opposition, this package of positive alternatives would go a long ways to improving the financial management and operation of the government of Alberta.

Positive recommendation number one, Mr. Speaker: that we make the Auditor General responsible for the auditing of all Crown entities, including those with over 50 percent ownership held by the province itself. In my view, it would close the loophole that I pointed out earlier about how the assets of failed financial companies and others have been sold off at significant losses to the public purse but are not fully reviewed and reported in the Auditor General's report, as I believe they ought to be.

The whole question of timely reporting, Mr. Speaker. We still don't have the public accounts, as an example, for the year beginning in 1989. It is, as I speak, March 21, 1991. It will be almost two years since that financial year began, and we still

have not had the Provincial Treasurer make public the audited financial statements for the government of Alberta for that fiscal year. I think that is totally unacceptable, and what it's doing is leaving a message to Albertans that this government does have something to hide.

I'm led to believe that the financial reports for NovAtel for the most recent financial year are about to be signed off. Given that this government bought that company as of December 31, 1990, as far as I can tell, there's no requirement now for them to report that publicly until the public accounts for the current fiscal year are released. Given the track record of the Provincial Treasurer, we might not see those financial reports for another year from now, even though they are about to be signed off for the most recent quarter.

4:40

Mr. Speaker, positive suggestion number two: that public accounts be tabled and made public within seven months of the end of the fiscal year; in other words, by the end of October for the year in which they're to be reported. The federal government can do it, I think, if my memory serves me correctly, by November. They have an operation something in the order of 10 times that of the province of Alberta. I don't see any reason why we can't do a far better job than we have so far.

Another positive alternative: to require the Provincial Treasurer to give quarterly updates on the status of the province's revenues and expenditures as we go throughout the fiscal year. I mean, the Provincial Treasurer has them prepared, I'm sure, for his own private consumption anyway. They are published for the Heritage Savings Trust Fund on a quarterly basis. I would say that it would be prudent and of good assistance for the Provincial Treasurer to do the same with the public funds of the people of this province. After all, with any publicly listed company, that's a common practice, to give quarterly updates of the affairs of the company for their shareholders. I think it's the least we could do for the taxpayers of this province. It would certainly prevent the abuse that occurred prior to the last provincial election when the Provincial Treasurer undertook to make a so-called financial statement in December prior to the February election. After the election we found out that his so-called update proved to be quite clearly uninformative to the point of even misleading about the true financial affairs of Alberta. The amendments in Bill 201 would help to prevent such abuses.

Mr. Speaker, positive alternative number three: give the Auditor General the authority to do value-for-money audits that he himself can initiate, carry out, and report publicly as part of his overall mandate. If the Auditor General could find 1 percent efficiency in the operations of the provincial government, that would be somewhere in the order of \$112 million to \$120 million per year, a positive alternative.

Another positive alternative that fits in this category. The deficit is not only caused by spending more money than you take in – that's what this government talks about; therefore, the solution that they propose is to cut spending in hospitals, advanced education, health care, and schools – but the deficit, Mr. Speaker, is also caused by government choosing not to collect tax money it's entitled to. This is commonly referred to as tax expenditures. Bill 201 would require that the Provincial Treasurer report, as part of the budget estimates and public accounts, the tax expenditures of the province. For example, this Provincial Treasurer didn't collect something in the order of \$40 million as a result of tax expenditures granted to Albertans through the Alberta stock savings plan, in particular for Alber-

tans who bought shares through a closed-end fund of U.S. companies like Pepsi-Cola. They allowed those purchases to be written off their Alberta taxes owing. If memory is serving me as best it can – it may be that I stand to be corrected – the figure that remains in my mind is something in the order of \$40 million in that particular instance. When we don't have enough money for hospitals, I believe it's incumbent on the government to at least explain why it's not collecting tax money in order to allow other Albertans to purchase shares in Pepsi-Cola. So positive recommendation number four: tax expenditures be reported to the Legislature and the public. Just as a matter of information, Mr. Speaker, this initiative was undertaken by the New Democratic government in Manitoba some years ago.

Mr. Speaker, the giving of loan guarantees, indemnities, and who knows what all by this government has reached epidemic proportions. Every time you turn around, there seems to be another company on the list. If you pick up the public accounts from year to year, you see the list growing and growing and growing. Bill 201 would require the government to make available more information about those sorts of arrangements so that the details cannot be so easily hidden by government. This is a preventative measure, in my view. If the Provincial Treasurer, or the economic development minister or the Premier or whoever, knew that this information were to be made public, then they might be less likely to get into questionable business dealings that they have no business being in, or at least they would do more of their homework to ensure that they knew what the risks were and had taken precautions to avoid them.

Positive alternative number six, Mr. Speaker, is to restore accountability to the provincial Treasury Branches. Now, the Bill spends a great deal of time outlining the details of establishing a board of directors. Let's not get caught up in the details but recognize the concept that Treasury Branches need a board of directors to keep the financial decisions at arm's length from potential abuse by politicians. I'd like to know who authorized the hundreds of millions of dollars in loans to Kipnes and Rollinger's failed North West Trust. Those loans from the Treasury Branch were made in the period just before the company collapsed and had the effect of helping to put the Treasury Branches deep into the red. Who authorized those decisions, Mr. Speaker?

Who authorized the loan guarantee from the Treasury Branches to Peter Pocklington regarding Gainers? You know, when we heard this announcement that the government had made a \$55 million loan guarantee and a \$12 million loan to Gainers, we thought this was the first time the provincial government had been involved. In actual fact, what had happened was that the Treasury Branches were assigning their guarantee to the Alberta government. Who made the decision? Who told the Treasury Branches to make that loan guarantee months before anything publicly was announced? Who told the Treasury Branches last July – that was a year ago, 1990 – not to trigger an irrevocable letter of guarantee which the Treasury Branches held, an irrevocable letter of guarantee from the Oilers and Palm Dairies which helped to indemnify the Treasury Branches for potential losses at Gainers? When that letter came due in July, the Treasury Branches did not trigger that irrevocable letter of guarantee, which would have allowed them to make a \$2 million claim against the Oilers and Palm Dairies for losses at Gainers. Who told the Treasury Branches not to trigger that irrevocable letter of guarantee? If you look at the Act, Mr. Speaker, it says that the minister is responsible. However, the minister responsible, the Provincial Treasurer, has on numbers of occasions over the years previously refused to be

held accountable for his actions, the actions of the Premier, or of the cabinet in regards to the operations of the Treasury Branches.

I believe the misuse of the Treasury Branches to redirect its mandate to serve the political ends of the government has to stop. By delineating clearly the responsibility for the day-to-day management to the superintendent of the Treasury Branches and to a board of directors, it would make the Treasury Branches operate at arm's length and restore it to its original mandate, and that was to act as a financial institution for the people, small businesses, and isolated communities of this province who did not have any other access to credit. That is what its original mandate was, and I believe it's a mandate that needs to be restored to the Treasury Branches.

I also believe a limit needs to be placed in legislation on the amount of money that can be committed to any one borrower or connected entity of borrowers. You know, the Treasury Branches became badly overcommitted to a handful of government friends, which has resulted in losses at the Treasury Branches at great expense to Albertans. I believe that must not be allowed to happen again, and I believe legislation in the Treasury Branches Act spelling out that limitation is what's required.

4:50

I'd like to move to the provisions of the Bill that deal with the Heritage Savings Trust Fund. It's a fundamental principle with me, Mr. Speaker, that responsibility for the Heritage Savings Trust Fund must rest in this Assembly, not in cabinet. That's the whole principle of financial management in the British parliamentary democratic system, but it is another one of the principles that has been abused for a long time by this government. In fact, this principle that I'm advocating in Bill 201 today has been advocated by New Democrats since the late Grant Notley served in this Chamber.

Now, the correction can be accomplished in two ways; first of all, by requiring all investments to be brought to the Assembly for its approval as part of the overall budget estimates debate that occurs when the Provincial Treasurer tables his budget in the spring session. At the moment the only review given by this Assembly is for the capital projects division. As well, there is a practice that has been adopted in recent years whereby the money for Crown corporations is debated in the Assembly but only as a resolution. It's not brought forward as a vote in the Assembly and part of the overall budget votes brought to the Assembly.

The second provision that I would suggest will restore the supremacy of the Legislature in regards to the management of the Heritage Savings Trust Fund is to require the Provincial Treasurer each year, as part of his budget papers, to lay out his strategy for investments of the Heritage Savings Trust Fund. He should be required to state such things as: how much will we borrow from the fund in a given year, what interest rates will the General Revenue Fund pay to the Heritage Savings Trust Fund for the money that it's borrowing, does he intend to sell the Alberta Mortgage and Housing Corporation mortgages, of which the debentures are held by the trust fund? That's what he did last year, but he never brought that forward as part of his budget strategy to the Assembly. How will he finance \$600 million in those debentures that he now owes to the trust fund as a result of those sales? Does he intend to privatize AGT? How would these proceeds be handled? All of these are crucial questions that were not addressed in last year's budget but did have a direct bearing on the operations of the Heritage Savings Trust

Fund and the provincial budget. None of them were brought to this forum, where they should have been brought.

Positive alternative number eight, Mr. Speaker, and that's to restore greater accountability of the operations of the pension fund for both the taxpayer and the potential recipients of that fund, the people who serve Albertans through their careers as employees for the government of Alberta, local authorities, and special forces, to name a number of them. The provisions of Bill 201 would require that an investment review committee be established that would review the investment performance of those pension funds and make their reports public. It would also review the overall management of the funds to ensure that they're being handled actuarially correctly. As a result of their review there would be a requirement that their reports be made public as well, again to restore accountability in the operations and management of the trust funds of this province.

Mr. Speaker, all of these issues I have highlighted this afternoon are public policy issues. They're important public policy issues that will affect the well-being of all Albertans for many years to come. Because they're public policy issues, they ought to be debated in the people's Chamber, that being this place. When they fail to be brought to this Chamber, we deny both the Assembly, the elected representatives, and all Albertans the opportunity to thoroughly examine, debate, and review crucial decisions which government is taking.

With people being laid off in this province – we've had 500 or 600 of them announced within the last week – when people's lives and careers are being sacrificed by government and government agencies, what it says to them is that they are expendable as part of this government's fiscal priorities. They and all Albertans want to know why they are being sacrificed, why they are expendable. They want to know who is responsible for these policies, for these decisions, and how it is that we got into this mess in the first place.

I believe, Mr. Speaker, they have the right to know, but those rights to know, those rights to answers are being denied to them. Bill 201 restores to the people of Alberta those rights to know fully the financial affairs of this government, of this province. It restores to them the right to have a true input through their elected representatives in determining those crucial decisions.

I would ask the support of all members of the Assembly for the passage of Bill 201.

MR. ACTING DEPUTY SPEAKER: The Member for Calgary-Foothills.

MRS. BLACK: Thank you, Mr. Speaker. Bill 201, Financial Accountability Act. After listening to the explanation from the hon. member, I really began to wonder who he was accountable to. Certainly not the taxpayers of this province. In any event, he started off with a bunch of rhetoric, as usual, and I suppose that's the role of the opposition. Then he got into the purpose of his Bill. I have to admit he had some good points, but let's look at the points.

As I say, I think he had some good points, but I do feel that when you look at the role of, in particular, the Auditor General, you have to realize that the Auditor General reviews all of the financial records of the government for the public. The Auditor General makes a statement of disclosure and opinion at the start and the end of each year as to the financial accounting of the government. It's a statement that's made to the public. Granted, there are some financial statements that we receive. You know, today I received, I think, three sets of financial statements. If any members were interested in a particular

institution, I'm sure they could pick up the financial statements and read them and have an idea as to what those financial statements represent and what is happening in that institution. Now, possibly one of the problems is that they don't know how to read a financial statement. Maybe what's missing is that we need to provide a basic accounting 201 course to the opposition so they can read the financial statements, because the picture is right here if you pick it up and look at it. I've got a pile of these things in my office, and I get them every session. They come in every day. Read them and they'll tell you what's going on. In fact, if you look at the front of them, they're signed off by the Auditor General. [interjections] Surprising. Read the statements and you'll find out what's going on.

In addition to that, we look at the public accounts. The hon. member is a member of the Public Accounts Committee.

5:00

MR. McEACHERN: Where? What public accounts?

MRS. BLACK: The hon. member throwing his hands up . . .

MR. ACTING DEPUTY SPEAKER: Order please. Order, Edmonton-Kingsway.

MR. McEACHERN: Well, she said, "Look at the public accounts." There aren't any.

MR. ACTING DEPUTY SPEAKER: Order please. Thank you.

Please proceed.

MRS. BLACK: Mr. Speaker, on the previous motion the hon. Member for Edmonton-Calder asked that we have debate in the House. I wouldn't mind having debate, but some of the hon. members are throwing their arms up – and it's nice to see the Liberals come back so we could have some debate. I think one of the things that is important is that we do in fact have debate.

As the hon. Member for Calgary-Mountain View is perfectly aware as a member of the Public Accounts Committee, we sit on Wednesday mornings for two hours, and we start off with the Auditor General. We go through his report and recommendations in detail, and the onus is on the individual members of that committee to make sure that they ask appropriate questions. Now, there's no point in the Auditor General coming to Public Accounts if hon. members aren't asking the appropriate questions. He is obliged to answer your questions, and I think in all fairness to him, he has done that quite well.

Following that, we have a succession of meetings on Wednesday mornings when the ministers come in with their departments and talk – and some of them bring all of their department heads and the Crown corporations that report through to them – to the Public Accounts Committee. We are allowed to ask questions and have the ministers respond. I've been on that committee now for two years, Mr. Speaker, and I've had many a time when the minister hasn't had the information at his fingertips and has forwarded it and written to the members of that committee at a subsequent time and sent us the information we have requested.

I think one of the things that I heard the hon. member say is that statements should be filed seven months after the year-end. Well, the statements are traditionally filed when we're back in the House. There is a period of time, quite often, when we're not in the House and those statements are not filed, but we're

getting statements already from last year. As I say, I got three today. So I don't know what he's complaining about.

He talked about the Treasury Branches. That kind of amazed me, that he'd bring that up. The Treasury Branches have been very successful in this province. They report through to the Provincial Treasurer, who is an elected representative in this Assembly; he's elected by the people. There's a superintendent who has the responsibility to keep the Provincial Treasurer abreast of what's happening in the Treasury Branches. Now, what the hon. member has suggested is that we add a board to the Treasury Branches. Well, who would the board report to, the Provincial Treasurer? Who would monitor the board? You've got to have some form of accountability, and the accountability rests on the members in this Assembly, not on an outside board somewhere. It's got to come back through here. You cannot tie up the hands of the treasury boards, not to have the authority to go out and do their business. He also suggested that the board would have different powers, or powers could be removed or changed with the treasury boards, or changes in locations of treasury boards could be made without the approval of the Provincial Treasurer. Who is this treasury board going to be accountable to unless it's accountable to the Provincial Treasurer, who is the elected representative and responsible to the people and responsible to the government? I find this absolutely amazing, that he could come up with such a half-baked idea as to have another board come in to govern the Treasury Board.

AN HON. MEMBER: That's socialists.

MRS. BLACK: Well, of course it is.

Then we get into the changes that he was looking at in the pensions Act. Now, the Pension Fund Act currently has a managing board which works in conjunction with the Provincial Treasurer. An additional superboard structure, again, to oversee these managing boards, would create duplication of services and cause confusion for subscribers to these pensions. Again, you don't define the relationship between the superboard on the pension boards with the Provincial Treasurer, the one that is responsible to the Assembly and to the people of the province. The Bill did state that the board and not the minister is to receive the inquiries from the beneficiaries of the plans and that the board may discretionarily refer inquiries "to the Provincial Treasurer, who shall respond in writing to the board." It would seem from this that again the opposition is proposing another unaccountable structure where a board takes over the control of the financial occurrences within the Assembly, which is the responsibility of the Provincial Treasurer, not a superboard, and again another burden on the taxpayers of this province. Who is going to be in charge, the elected representatives or these boards that are coming all over the place?

I think it's also very difficult when you look at a Bill such as this to talk about the investments of the heritage trust fund. That was the one that kind of slayed me. Surely you don't think that in a fund that has \$12 billion in liquid assets and \$3 billion in deemed assets, in the liquid assets the Treasurer is going to come into this Assembly or anywhere else and say that the government of Alberta through the Heritage Savings Trust Fund is going to invest so many billions of dollars in this form of security or that. What do you think it would do to the marketplace if the province all of a sudden laid its cards on the table before it made the investment? Have you given any thought to what that could do to the marketplace? I think they used to term that somewhat of a manipulation of the market. You

know, I know it's difficult on investment because maybe you haven't been involved in investments, but how do you expect to have an advantage on an investment if you announce your plans five months before you make them? You lose all your advantage. It's an impossible situation. It's not rational. It's not logical. You couldn't possibly do that, and I find that odd from the hon. member, because I think you've got a better background than that. I just can't believe you would even suggest that.

The heritage trust fund. You know, I also sit on that committee. There's a select standing committee that sits for weeks on end and goes over the Heritage Savings Trust Fund, and every year we hear members of the opposition – and I suppose that's because they're in the opposition; they have to do this – say how terrible the Heritage Savings Trust Fund is, what a terrible fund it is. It had an 11 percent return on investment last year, when the country is going through recessionary times, and you're complaining. There wasn't a better investment out there than the Heritage Savings Trust Fund investments. You know, you have to look at the market. The market said the return should have been lower. We had an 11.1 percent, to be exact, return on investment on the Heritage Savings Trust Fund.

MR. McEACHERN: That's a false number.

MRS. BLACK: Now, the hon. member is saying "false." Are you questioning the Auditor General's statement? Are you questioning his signing of that report, sir? I would think that you would not do that, because the Auditor General is a chartered accountant. He would not sign a statement, a disclosure on the front of that statement, that was wrong. I would suggest, sir, that you take that up with the Auditor General, because you are right out to lunch on it.

I think the biggest problem on this Bill is really that the opposition have absolutely no financial background. I have watched them in Public Accounts, and I have watched them in heritage trust fund. Their intentions are well meaning – they truly are – but they just don't have a background in it. I would really suggest that possibly when we're not in session, the Provincial Treasurer could run a basic bookkeeping course that would give them a background on how to read the statements and see the performance level that actually has been experienced through the various funds. I would like to see the Provincial Treasurer do that.

In any event, I think the Bill is unfortunate in that it is so loose, because I think the hon. member's intentions were honourable. It is very poorly done. It is very cumbersome. It goes all over the map, from every kind of Act that you could possibly look at. Again, it doesn't have specifics. He talks about Treasury Branches having limits on what they can loan. What's the limit? Again, there isn't a number. There isn't an absolute within the Act, and I think it's so typical of the opposition. I mean, you phone their office, and they say, "Official Opposition," so they just oppose everything officially. I feel very sorry for them because it's unfortunate that they couldn't get specific, they couldn't get into the details of what they were trying to accomplish. Maybe they were trying to accomplish too much, because they've gone all over the map on this Act. They've pulled in everything they could think of, and they've really come up with nothing.

Thank you.

5:10

MR. ACTING DEPUTY SPEAKER: The Member for Calgary-Buffalo.

MR. CHUMIR: Thank you, Mr. Speaker.

AN HON. MEMBER: Why don't you just say "me too" and sit down?

MR. CHUMIR: Not on that one.

I'd like to congratulate the Member for Calgary-Mountain View on presenting an excellent piece of legislation in Bill 201. Now, I must say there are a few areas that I have some question about. In fact, there were a few more areas that I had some question about till I heard the Member for Calgary-Foothills speak. You know, a lot of those areas of doubt were dispelled when I heard her comments and criticisms, which were more in the nature of grasping at straws. In fact, the objections seem to be so trivial that I'm surprised the government caucus hasn't carried or piggybacked the Member for Calgary-Mountain View out of the Assembly here in congratulating him.

This legislation is a potpourri, a veritable smorgasbord, of good ideas, I must say many of which our caucus has been pushing in one form or another and which the Provincial Treasurer would do well to pay heed to because, if implemented, they would certainly help to improve the decision-making process in this province. It would help reduce the financial problems in the administration of this province and result in better financial decisions and greater responsibility to members of the public.

The Auditor General: it's obvious that his role can be improved. The Member for Calgary-Foothills referred to the heritage fund and has proven that half the caucus have turned into jokers and kibitzers by trying to lead this House to believe that the 11.1 percent reported return is in fact a true number just because the Auditor General had to put his name to the report. The fact is that the Auditor General is provided with rules that as an auditor he follows in respect of the trust fund. But if one wants to find out what a fairly "objective" observer's concern is, perhaps one might return to an article by several individuals at the University of Alberta last year – one of the individuals bears the same name and might be related to a former Minister of Social Services here – who pointed out that the manner in which the accounts of the heritage trust fund are reported are totally distorted and not reflective of the true return and the value of that particular fund. If the member would like, I'd be happy to provide her with a copy of that very instructive article, not something that we wrote but competent critics.

Now, in terms of the Auditor General, one assesses the role of the Auditor General in the context of an increasingly complex role for the government in the affairs of this province. There's obviously a need for greater checks and balances. It is very difficult for members of this House to provide those checks and balances adequately because we don't have the staff, we don't have the information, we don't have the time, and we don't have the expertise to make a lot of the financial evaluations that are necessary. But the Auditor General is perfectly poised. No, we don't need the Provincial Treasurer; we've got far too much input from the Provincial Treasurer. What we need is a watchdog. We're talking about public policy here: not what's

good for the government but what's good for the people. The Auditor General is perfectly poised to fill that function. We should be asking ourselves not how can the Auditor General's role be minimized, not how can we put the Auditor General on a leash, but how can we make the Auditor General more effective in criticizing and improving what we're doing? That's what the government should be doing, because a good and effective Auditor General, a better and effective Auditor General, made better and more effective by better legislation, would make this government better. [interjection] It would be difficult.

MR. JOHNSTON: Where did you get that tie, Sheldon?

MR. CHUMIR: Oh, did I get another one? My ties are very popular this week, Mr. Speaker.

I'm supportive of the initiatives which are being proposed with respect to the role of the Auditor General. Indeed, there are other initiatives which we have proposed with respect to expanding the mandate of the Auditor General to be able to do value-for-money audits that I think would serve this province well. We might not be happy; the government might not be happy. If we were in government, we might not be happy with specific instances of criticism, but that's beside the point. The fact is we need that criticism. There's no other place that it can come from with the kind of qualifications that one finds in the Auditor General's position.

Tax expenditures have been noted. It's time for me to get my oar in the water once again on the Alberta stock savings plan. The Member for Calgary-Mountain View referred to \$40 million. I think he was probably referring to \$40 million on one deal alone, the one company that's been investing in the blue-chip stocks and bonds not just from other parts of Canada but from the United States, and that cost \$40 million alone. My rough calculation – and unfortunately it's a rough calculation because we don't know; we haven't had those formal figures – indicates \$80 million has gone down the drain in expenditures which have provided little or no benefit to the economy of this province after three years of the program that we warned about right in the beginning. So we need to have this type of expenditure, other tax expenditures, noted in the accounts. Other governments in Canada – the federal government reports these, I think, for better understanding, for clarity of information, for better decision-making. Those should be set out very specifically and clearly; this is a good initiative.

Another initiative relates to the publication of a summary of guarantees, indemnities, loans, and so on in the public accounts. I'm not sure whether the member is merely affirming the process now where the bare outline, the fact that there has been a guarantee and an amount, is published, or whether he intends that the description go further, to indicate full and complete terms upon which the guarantees and loans are given. Certainly those are needed, and if that is not intended, then perhaps an improvement might be made in this legislation. Of course, there's no substitute for looking at the agreement to know what the exact nature of the deal is, how our money is used, whether Mr. Pocklington has or has not given a guarantee on the bucks that we have given him. If that type of information had to be given, if those agreements had to be disclosed, we would see an end to disgraceful deals like the financial assistance given to Mr. Pocklington, which certainly serves no public interest and is of such embarrassment that the agreements are being hidden, first as confidential, private information, and then secondly, when we move on to litigation, as being matters before the court. Well,

of course, one knows full well the government will never allow these matters to see the light of day in court and to require members of the government to get in there and testify with respect to what is a disgraceful chapter in the economic management of this province.

5:20

The public accounts. Where are the public accounts? Has anybody seen the public accounts? Where are they? Well, of course we need a time limit. One would hope that it would not be necessary, but unfortunately we've seen that without a specified time, the public accounts are not presented on a timely basis in this province.

The Treasury Branch is another rather strange creature insofar as the manner in which it operates. The Provincial Treasurer is stated in the legislation to have ultimate responsibility and the right to make decisions, which he says he doesn't exercise. Well, in that event, we have the rather amazing situation of one person, the superintendent, who is then given all of the authority under the legislation, one individual having absolute power over billions of dollars for which the people of this province are liable. One individual; that certainly makes no sense. Well, I don't think anybody believes the assertion that there isn't political input, influence, decision-making from the direction of the Provincial Treasurer and his office. What else would explain friends of the government getting such big money in such questionable ways in a number of instances? It's really a very bizarre, cozy situation, and we would endorse the proposal that a board be appointed to bring some sense of management structure.

[Mr. Speaker in the Chair]

Pension funds. Well, no changes are needed to the pension funds. I would say that for a caucus with 59 members, they certainly haven't been listening, because I think we in the opposition have been hearing a lot of concern being expressed by pension beneficiaries with respect to the way in which the pension funds are being mismanaged or information is being hidden. It's about time the Provincial Treasurer addressed this. We certainly know that the teachers are quite unhappy. What we have here, if not a perfect solution, is at least a move in the direction of greater accountability, information being given to the beneficiaries. What's wrong with having representatives of the beneficiaries involved in some of the decision-making with respect to where their money is invested? What's wrong with having them in there having a say with respect to what information is given out? After all, this is not a dictatorship. It's not the government's or the Progressive Conservative caucus' money. It's the money of these individuals here, and it's time that one recognized that. We've got beyond the Dark Ages, the paternalistic attitude of the days in which these pension funds were established and pursuant to which they're still being operated.

Lottery proceeds. Well, of course, this is totally undemocratic. It's a long-standing tradition of Parliament that the Legislatures make decisions with respect to spending and . . .

SOME HON. MEMBERS: Taxes.

MR. CHUMIR: Taxes? Taxes and the amounts of expenditure, not just taxes.

MR. SPEAKER: Through the Chair, please, all hon. members.

MR. CHUMIR: Legislatures are there, and that's what kings learned. One of them lost a head over it a long time ago. He didn't understand that the monarchy, the executive, doesn't call all the shots. You have to listen to the people some of the time. What the government seems to miss is the fact of how much they would be helped, how much better they would look, if they just made some changes. [interjections] Well, I wonder if the Provincial Treasurer, who spoofs that you'd think it's to his advantage, thinks it's to his advantage to have the attitude within the government which leads the minister in charge of lotteries to buy 59 nifty little briefcases only for Tory MLAs so they can go around with the information packages to give away the CFEP funds.

It's not only myself that is raising this. I mean, it was raised by an individual when I went through the security counter at the Municipal airport. It was raised by one of the students at the University of Calgary when the Minister of Advanced Education was there trying to justify the unjustifiable with respect to the government's advanced education funding policies. I mean, it's out there. It's amazing how these little things become symbolic. They're easier to understand than billions of dollars. That didn't do the government any good, on top of which there's the reality that the Alberta Lotteries division, if you can believe it, bought two tickets to the Premier's dinner. Well, can you imagine the attitude that prevails within the whole lotteries sector if moneys can be spent on that basis? Yes, I understand that was rectified and reversed, because the opposition was there watching it and raising it.

Do you guys want to carry this on for next week, or should I just sit down?

Speaker's Ruling Decorum

MR. SPEAKER: Order please. Through the Chair, hon.

member, or you'll lose your right to speak. [interjection] Thank you, hon. members; that's enough. You've lost your right to speak.

Hon. members, this is not a game where you stand up and have little side conversations as you're going along, especially when both members involved have been in this House long enough to know what this real purpose is. I apologize to have to do that, but you had one warning, Member for Calgary-Buffalo.

On this same matter, the Chair recognizes Calgary-Millican.

Debate Continued

MR. SHRAKE: Thank you, Mr. Speaker. With great anticipation I read Bill 201. I was desperately searching for some gems of wisdom, looking for some guidance to find a way to streamline our financial system, and looking for new and innovative ideas. What do I find? The same fuzzy old NDP thinking: "Let's add some more government, maybe hire somebody to do our job for us." But in view of the time, I move we adjourn debate.

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

HON. MEMBERS: Aye.

MR. SPEAKER: Opposed, please say no. The motion carries.

MR. HORSMAN: Mr. Speaker, this evening we will deal in Government Bills and Orders with third reading of the three interim supply Bills and then revert to the throne speech debate.

[The Assembly adjourned at 5:29 p.m.]