Legislative Assembly of Alberta

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[Mr. Jonson in the Chair]

MR. DEPUTY CHAIRMAN: I request that the committee please come to order. Good evening, everyone.

Bill 36
Safety Codes Act

MR. DEPUTY CHAIRMAN: I would ask if there are any comments, questions, or amendments.

The Member for Rocky Mountain House.

MR. LUND: Thanks, Mr. Chairman. I would like to make a few comments on this Bill. I do have some amendments that I will be introducing later, but to start with I would like to make some general comments.

Through second reading we heard some comments about the perception that the government was in fact abdicating its responsibility for safety. Well, Mr. Chairman, as we turn to the Bill, starting with part 1, Responsibilities, we see very clearly that, in fact, the government is and will remain ultimately responsible. What is being built is a partnership arrangement, and the risk is being spread throughout a number of areas. We see that as we move down and look at clauses 5, 7, 8, and 9, where the people that are handling the risk do have some responsibility.

As we move over into section 12, there were some comments made about the wording, how it reads that someone that is acting in good faith is not responsible. Well, the intent there is very clear. If someone is accredited and has the capacity to inspect and to manage the risk and if in fact they do carry out their responsibilities and for some reason there is a problem, then they will not be held responsible.

As we move over to part 2, Administration, once again we see the minister being responsible. We see that in fact we are building a partnership, a partnership that in our view will provide even more safety for the citizens of Alberta rather than less.

We move down to section 16, and we see there the establishment of the safety codes council. Well, in fact, that is the hub of the plan, where the safety council is established. They will have a lot of the authority and responsibility given to them in a partnership arrangement with the government. They will be able to do a number of things as outlined in succeeding parts of that section. We also see the composition of that council. I think it's important here that we understand that we will have experts from the various disciplines as well as members of the public involved in the safety codes council.

They also then will have the authority to make bylaws and also to set up subcouncils. Now, these subcouncils, of course, will be made up of experts in the various disciplines. They will in fact be writing the codes, setting the standards that will be necessary. Of course, when you look at the composition of the subcouncil and recognize that these folks are the experts in the field, you realize that they will be able to react much more quickly and probably much more accurately than in the current situation, especially in today's world with the fast-changing technologies that we see out there.

These subcouncils, of course, will not have the ability to write bylaws, so they will be in fact writing the codes, writing the standards, and passing those to the safety council, which will make them bylaws under the authority given to them by the minister. None of these will be passed without the consent of the minister. So once again we see this partnership arrangement where the minister is ultimately responsible.

We move across to section 23, where we look at the accreditation portion of the Bill. I think it's extremely important that we recognize that municipalities will not be forced to get into this. They will only become accredited if they desire. Now, there was comment made about . . .

MR. DEPUTY CHAIRMAN: Excuse me, hon. member. Order please. Order in the committee, please.

While we have this quiet, I would draw your attention to the various amendments before the committee, the first being the government amendments and then a package of amendments from the Member for Edmonton-Belmont to be considered later.

Would you please proceed.

MR. LUND: Thank you, Mr. Chairman. As I was saying, the municipalities will not have to get into this unless they want to. If they choose not to, the government will still act as the inspecting agency and apply the Act. So really when we talk about it costing municipalities more, I don't agree with that. I believe that the municipalities that will be anxious to get into this are those that are currently doing inspections and providing that service for their residents. They may very well want to expand into other areas, and that's fine. We will be working in that partnership arrangement.

Another area that has caused some concern is section 24, and that's to do with the accreditation of corporations. Mr. Chairman, quite clearly it is a bit of a change, although when you look at what happens now with the power engineers, where we have people that are actually operating the various vessels and doing their various duties as power engineers, they also have the ability to shut the thing down if it's not safe. Basically that's what we're talking about with this whole accreditation: the ability of the corporation to assess their risk, manage their risk.

The other thing that I think we have to remember in all of this is that like any other accredited agency, there will be the possibility of an accredited corporation losing their accreditation if in fact they do not fulfill the requirements in the Act. I think that if you look at how a safety codes officer in a corporation would operate, certainly when you have your peers watching, you are probably going to be even more cognizant of the requirements and the need for safety than having a government inspector come and try to impose from the top the safety regulations.

Section 26, the accreditation of agencies. Once again, it's much similar to the accreditation of corporations. You will have individuals and companies that will be able to become accredited. They will be able to hire out their services to municipalities, to government, to corporations, become partners in this whole thing, if in fact those areas don't become accredited.

Section 27 defines the safety codes officer, his duties in 28. Section 29, I think, is rather important because it clearly demonstrates that, yes, the government is going to remain as a partner in this thing. It talks about the safety officer being employed under the Public Service Act, so of course that indicates that they will be employees of the government.

I think that from there on we get more into the actual administration of the Act and how that will be carried out. We talk in part 3 about standards and the ability of an administrator or a safety codes officer to react very quickly to the changes in technology that occur. We demonstrate how that can happen and how the safety codes council can in fact issue permits and allow these changes to occur.

8:10

One of the other concerns that came up in the manufacturing end was to do with architects and engineers and the geological and geophysical professions Act, and I must say that we have some of the highest standards in the world right here in Alberta. In order to preserve that, section 41 clearly indicates that those standards are not going to be eroded, and in fact we will continue to have that high standard.

From there on, Mr. Chairman, we get into how the Act is going to be administered. I would like to touch on one other section, however, and that's to do with the proclamation of this Act and how it's going to move from our current system into the new system. The whole Act is not going to be proclaimed at one time. I'm not even sure which sectors will go first, but I would suspect that we'll probably see fire protection and buildings being the first subcouncils set up. The reason for that is that we already have the Building Standards Council and the Fire Protection Council. They basically are pretty well in place if they desire to move to this status. When the Act would be proclaimed, the current regulations and codes under those disciplines would come into force. They would remain in force under this Act until they are changed by a recommendation from the subcouncil to the safety council.

I have a number of amendments, so I would like to introduce those. If it's your wish, Mr. Chairman, I would deal with all of them and then take a vote on all of them. Is that acceptable?

The first one is in section 1(1)(j). It's simply an amendment to the wording, and it makes the wording of this definition consistent with other definitions. Amendment B is to section 9(1). That one identifies the vendor as opposed to the employees as being responsible to see that its wares are code legal. Amendment C is to 16(2), and that one ensures that all technologies are represented on the safety council. Amendment D is to 35(1), and that brings the quality management systems under the regulations. Amendment E is to section 46, and that places the 30-day appeal time limit within the Act rather than in the regulations. Then we have amendment F, which is to section 47, and that one, once again, just places the 30-day appeal time limit within the Act rather than the regulations. Amendment G is to section 51(1)(b), and that one ensures written notice as opposed to just a verbal notice. Amendment H is to section 52, and that protects a temporary tenant from being served an order intended for the legal owner of the property. The last one, amendment I to section 67, ensures that all present safety codes remain in place during the transition of the new Act.

With that, Mr. Chairman, I would like to move the amendments.

MR. DEPUTY CHAIRMAN: Considering, then, government amendments A to I, the Member for Edmonton-Belmont.

MR. SIGURDSON: Thank you, Mr. Chairman. Just a couple of areas. I want to thank the Member for Rocky Mountain House for moving in his section C my second amendment. I'm glad that the arguments that were made when we entered second reading debate were closely adhered to by the hon. member and that he saw fit to hold the individuals that are involved in that particular section, section 16, a little more accountable. I think it's an important amendment that the council be made up of people who are experts in the appropriate areas. I thought that this section 16 as it was originally introduced was just a bit too permissive.

Mr. Chairman, I haven't any real problem with any of the following amendments until I get to G. I just want to point out one possible consideration that I think we might want to give. Section 51(1)(b) reads:

> If the owner of the land concerned as registered under the Land Titles Act has been notified of the intention of the accredited municipality to carry out the order.

The amendment would cause it to then read:

> If the owner of the land concerned as registered under the Land Titles Act has been given written notice of the intention of the accredited municipality to carry out the order.

I know that we talked about this in the back, and the member pointed out to me that he felt that in an emergency situation section 43(1) would be sufficient to cover off any problems that might be encountered in 51(1)(b). I tend to agree with the member that 43(1) would cover off a number of instances, but I think in 43(1) again you've got a permissive application of enforcement in the case of an emergency. Maybe I should just read it:

> If a safety codes officer is, on reasonable and probable grounds, of the opinion that there is an imminent serious danger to persons or property because of any thing, process, or activity to which this Act applies or because of a fire hazard or risk of an explosion, the officer may take . . .

Now, I think that maybe the word "may" should be replaced with the word "shall," because if a safety codes officer enters without written notice and it proves out that he's entered onto a premise and there wasn't imminent danger but he or she in clear conscience thought there was, then the owner of the property could say: "Well, there wasn't imminent danger. It's permissive. You didn't do enough work. You're at fault." So I just want to point out to the Member for Rocky Mountain House that maybe 43(1) – and I'm sorry that I thought of it at this late hour – might want to be tightened up just a wee bit so that it imposes a responsibility that a safety officer would have to employ rather than saying: "Well, gosh, am I going to second-guess? Is the owner of a premise going to come back at me for entering without written notice?"

I would like to offer that tonight. I don't know if we can deal with that at this late stage, but it is a concern that I have, and it's the only concern that I've got with respect to the amendments that were moved by the hon. Member for Rocky Mountain House. I again apologize for the late hour of bringing it to your attention, but it's one that I do have some concern about.

MR. DEPUTY CHAIRMAN: The Member for Calgary-North West.

MR. BRUSEKER: Thank you, Mr. Chairman. I, too, would like to just make a few comments on the government amendments to Bill 36, the Safety Codes Act. In discussions with the hon. member who introduced the Safety Codes Act and in second reading debate earlier in this House, I did raise some of the concerns that I had in particular with respect to the Safety Codes Act. My concerns largely dealt with that transitional period between the time we repeal the appropriate pieces that are referred to and the time we get the new codes, the new regulations, and Bill 36 in place. In fact, Mr. Chairman, to the credit of the hon. member, he listened and more importantly he

has heard those concerns, and I think they're reflected in the amendments we see before us today.

8:20

In particular I want to note two that I think are really substantive changes. Many of the changes to which he referred are in essence kind of bookkeeping things, but amendment C as proposed by the member is really a substantive change and really does serve to tighten things up quite a bit. In discussions earlier on in chatting about the makeup of the safety codes council, I mentioned that it seemed kind of silly to create a council of people who might not have the qualifications necessary to have the skill to complete the tasks, and changing the "may" in section 16(2) to "shall" in fact tightens it up and really does solve much of that problem. So I commend the hon. member for that.

The other change that I think is really quite substantive and that I just want to mention is amendment I. Section 67 is amended by renumbering it, and then the amendment is introduced here. Now, Mr. Chairman, the purpose of that amendment, as I understand it, really is to ensure that the current codes, standards, and regulations that we have in force right now will simply be transferred over and will remain whole. I think that because it says that the rules, the variations and modifications that have been adopted or declared are deemed to be a regulation under this Act, that really does tighten it up, and it eliminates that concern I had about the transitional stage, moving from one piece of legislation to the other. So from that point of view I believe the amendments we do have before us do, in fact, serve to ensure that same standard is at least in place. Now, I still have concerns about the enforcement and the application of those standards, but what this amendment says is that those standards will, in fact, remain in place. Therefore, I do support this amendment by the hon. member.

By way of suggestion also in reviewing the amendments – and this is not one that is particularly necessary to review – in discussion earlier with the Member for Rocky Mountain House, we were looking at section 61(1) and (2) that talk about the creation or the adoption of other standards. I would just like to perhaps offer a suggestion to the member that by introducing amendment I, which I do believe is a good amendment, as I've said, which says that those standards are in place, it might be that in fact section 61(2) may now be redundant, because it seems to be a duplication and is I guess a looser version of the amendment. The amendment the member has introduced in fact tightens up the regulation-making process, and 61(2) could perhaps simply be amended out and may in fact be redundant. The way we have it now, 61(2) says:

> The Lieutenant Governor in Council may, in addition to or instead of any regulation he may make under subsection (1), by regulation declare the code, standards or rules to be in force.

The amendment we have before us says that those shall be in force. Therefore it may be that that's a redundant section. I offer that as a suggestion to the hon. member. It can be dealt with this evening or, I'm sure, at a future time as well.

Overall, Mr. Chairman, I do believe that the amendments do serve to address the safety concerns and keep the codes, the standards, the regulations in place, and from that standpoint, I support the amendments that we have before us right now. I'm still not sure about supporting the Bill once we've amended it, but the amendments do solve a lot of my concerns.

Thank you.

MR. DEPUTY CHAIRMAN: Further discussion on the government amendment?

[Motion on amendments carried]

MR. DEPUTY CHAIRMAN: Further consideration of amendments.

The Member for Edmonton-Belmont.

MR. SIGURDSON: Thank you, Mr. Chairman. Some number of days ago I had distributed my package of amendments, and perhaps what we could do is deal with them as they appear on each page.

If we move to the first page, the Bill would be amended in section 14 as follows:

> (1) The Minister may appoint persons as Administrators and prescribe their powers and duties and may make an order governing their terms and conditions of service.

All of that is contained in the original section 14. I've eliminated pretty much the remaining part of section 14(1), but I also had following that paragraph:

> An administrator shall be:
> (a) an employee of the Crown as defined in the Public Service Act, or
> (b) an employee of an accredited municipality.

Now, the reason I moved that as an amendment, Mr. Chairman, is that I believe, as I said at second reading stage, that what we're doing with this Bill is taking away some of the accountability that I think is currently in the number of Acts that are going to now be melded into this general Safety Codes Act. I would much prefer to hold a body accountable, because I think that as we get on into other sections of the Act, down into the 20s, we're going to find that with corporations being accredited, agencies being accredited, accreditation overlap, there's going to be too much opportunity for some buck passing, and that's a real concern that I have.

I believe that the people who go out and do the inspections should be free of conflicts of interest. I'm not convinced that they would be, given the sections that will allow for more accreditation. I believe that they ought to be employees of either the municipality or employees of the province. So I think it's vitally important that we look at where the accountability will lie if Bill 36 even as amended is adopted by this Legislature. I feel that the accountability will be spread quite thin throughout our province, and I think that a good lump of that responsibility ought to rest with employees of the Crown or of an accredited municipality.

Also on that page, Mr. Chairman, is my amendment B, which deals with section 15. Currently section 15 reads, and it's quite a short section:

> An Administrator may, in accordance with the appointment under section 14, exercise any or all of the powers and perform any or all of the duties of a safety codes officer.

Well, there's a bit of a problem with that. How do we know that the administrator is going to be qualified to perform the tasks of a safety codes officer? We don't. We don't expect that there would be any problem, but there could very well be a point in time where the administrator is not an expert in a given area. So our amendment here adds that

> an Administrator may, in accordance with the appointment under section 14, exercise any or all of the powers and perform any or all of the duties of a safety codes office . . .

And this is the amendment.

> . . . provided he meets the qualifications set out in section 27(1).

That just again deals with the appropriate certification of an individual who then may act as a safety codes officer.

I think it's vitally important that the administrator, if they're going to perform the duty, should have the qualification. You

wouldn't expect anybody else in any other profession to go out and perform certain duties that they're not qualified for. I think it's vitally important in the area of safety that those people that are going to perform certain duties have the qualifications so that we know we're getting the expert opinion of the individual that's coming out to test the equipment, to take a look at the problems or the conditions of material that are presented to them rather than just an administrator who's there to look after the Act.

I would appreciate hearing the comments of the Member for Rocky Mountain House. Do you want to deal with this as that amendment there?

[Motion on amendments A and B lost]

MR. DEPUTY CHAIRMAN: Further?

The Member for Edmonton-Belmont.

8:30

MR. SIGURDSON: Gosh, and I thought I had given such a good argument. I was convinced.

Mr. Chairman, once again maybe what we could do is just draw our attention to the fact that in the package of amendments that was passed out, we're not going to deal with this because the government has already followed our wisdom and has agreed to adopt that amendment.

Moving along, Mr. Chairman, that next section that I propose to amend would be section 18 on page 10. Again, I know, having had conversations with the Member for Rocky Mountain House over the course of time, that we've discussed the level of accountability. Even with the amendment that the government proposed to section 16(2), I still think the Act is too permissive and that it really ought to be strengthened up quite a bit. You know, when you've got a council that has been appointed and assigned certain duties, I find that subsections (e) through (i) are just – again, if the council chooses to do something, it may do something. It doesn't stress the point of having a council, which is to conduct certain matters. Subsection (e), "may promote uniformity of safety standards for any thing, process or activity to which this Act applies." Well, I believe that it shall. It should have to do that, otherwise it hasn't got a reason for being there.

In subsection (f), again, "may provide a liaison." Mr. Chairman, what I choose to do here with my amendment is have the council provide that liaison. The amendments says "shall provide a liaison." Now, I do allow for the minister to have some involvement here. "May provide a liaison when requested to do so" by the minister, so it's at the ministerial discretion, but the council is called upon. It's demanded of the council that they

> shall provide a liaison when requested to do so [by] the Minister and any person or organization interested in safety matters governed by this Act.

It's incumbent upon the council, then, to provide that kind of liaison.

Subsection (g):

> may review and formulate classifications of certificates of competency and qualifications required of a person to hold a certificate of competency.

Again, why would you have "may?" If that's not the responsibility of the council, why would it even be in there? It should be demanded of the council that they shall formulate those classifications, so that is also amended.

In subsection (h) we have a bit of an amendment. Again we take the permissive word "may" and substitute that with the demanding word "shall."

> Shall . . . review and formulate codes and standards for accreditation and safety standards for any thing, process or activity to which this Act applies and with the consent of the Minister promulgate those codes and standards.

It's at the minister's discretion, not the discretion of the council. If you've got a council that says, "Oh, well; you know, we didn't have to follow this," or "It's not incumbent upon us to make this consideration," they're not violating the Act. If the minister says, "I don't want to deal with it at this time," then that's fine; the responsibility is with the minister. But surely to goodness if you're going to appoint a council, it should have its duties and responsibilities clearly spelled out.

Section (i). We delete that one completely and replace it with:

> shall provide the Minister with advice on safety information, education programs and services, accreditation and other matters related to this Act.

Mr. Chairman, as it currently reads, it's far too permissive. Yes, indeed, there is some ministerial discretion in section (i) that I've deliberately removed. I believe it's very important that the council, when it's appointed, provide the minister with all of the advice on safety information and education programs. This is again, I suppose, trying to hold the council responsible and to make sure that there is that accountability which I think is lacking in this current section 18.

Again, Mr. Chairman, the reason for the amendment is to try and have some political accountability back here through the minister so that if the minister makes certain choices, that's fine; we in this Legislature would hold that minister accountable. But for it to happen the way it's currently outlined in the Act, the minister could say that the council has the discretionary power to conduct these considerations, to look at these matters, to consider education programs, to consider matters of public safety. The council wouldn't be violating statutes if they chose not to, so what's the point in having the council? Therefore, Mr. Chairman, again, it's to deal with accountability, to try to strengthen this Act quite a bit by changing, for the most part, the permissive word "may" to the word "shall".

MR. DEPUTY CHAIRMAN: Did the hon. Member for Edmonton-Belmont want to present all of his amendments or one at a time?

MR. SIGURDSON: No, I think we can deal with them as they appear on the sheet. Thanks.

MR. DEPUTY CHAIRMAN: All right. In consideration of the amendments A to D that are currently before the committee, the Member for Rocky Mountain House.

MR. LUND: Well, thanks, Mr. Chairman. Just a couple of quick comments. As I said earlier, we're trying to build a partnership in this Act, and certainly using the word "may" as opposed to "shall" will help to do that. Now, we also have to remember that in this safety council are folks who appreciate and understand and know the risks, so I see no reason why they wouldn't be doing these things if in fact they look like the sorts of things they should be doing.

When you look at subsections (c) and (d), it says that they "shall . . . provide information" when the minister asks for it, and they "shall carry out any activities that the Minister directs." Well, the accountability certainly is there. The hon. Member for Edmonton-Belmont talked about the minister not having to do these things, that there's no way to get at the minister. Well,

certainly there is through (c) and (d), and for that reason I have difficulty supporting these amendments.

MR. DEPUTY CHAIRMAN: Ready for the question on the amendments?

[Motion on amendments lost]

MR. DEPUTY CHAIRMAN: The Member for Edmonton-Belmont.

MR. SIGURDSON: Thank you. Moving right along at a pace faster than even I imagined.

Mr. Chairman, the next amendment deals with section 20 and deals with an amendment to both subsections (1) and (2). Again, it deals with more accountability. I believe that maybe what I would do is just read into the record the amended section.

> The Council may recommend to the Minister that he request the provincial personnel administration office to enter into agreements to engage the services of persons it considers necessary and may prescribe their duties and conditions of employment and pay their salary, remuneration and expenses.

Subsection (2) would read:

> The Council may recommend to the Minister that he request the provincial personnel administration office to enter into agreements to engage the services of agents, advisors or persons providing special, technical or professional services of a kind required by the Council in connection with its business and affairs and may pay their remuneration, fees and expenses.

The reason we propose those identical amendments to those two subsections is that here you've got the possible contract being awarded by the council to individuals. I think that makes the council an extraordinarily autonomous body in an area as important as general safety. I'm sure the Member for Rocky Mountain House would argue that that's what he wants, that what the government wants is to have these autonomous bodies.

8:40

I've heard the term "partnership" being expressed on a number of occasions here tonight, but I think that when we're talking about the expenditure of funds, a recommendation should go back to the minister. You're talking about paying a salary, remuneration, expenses. There's the potential to hire all kinds of technical experts under this safety code, and the council again could go out as an autonomous body and hire whoever it wants, at any price it wants. Where's the accountability for those public funds that are going to be expended by this council? I believe, again, that it's important that the minister who is charged with the responsibility of looking after this council should have the responsibility or at least the opportunity to look at the recommendation of who the council wants to hire.

If those dollars are going to be expended and that minister is going to be called before this Legislative Assembly to defend the estimates of the department or come before Public Accounts occasionally to look at the money that's been expended, some questions could be put to the minister that say: "Well, what about this council that's hired out on these contracts? An awful lot of dollars have been spent in this area." It could be legitimate spending, but who's accountable for that? Surely to goodness it's the minister that has the political responsibility for those public dollars. The minister should at least be afforded the opportunity to have from the council a recommendation that says: we want to hire for this purpose the following people, and this is going to be the cost of the program. I would think the minister would appreciate that kind of recommendation from a council that is purportedly working for the department.

You know, I hear all kinds of members opposite talk about this government's responsibility and the accountability process. Well, here's another opportunity for the minister to truly have the responsibility of looking after those funds, and I see that unfortunately what we've got here is the council just being far, far too autonomous with respect to the expenditure of public dollars. The council should at least recommend to the minister the consideration it has for the hiring of people that will do certain work for the council.

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

MR. LUND: Thanks, Mr. Chairman. I think it's important that we understand that a lot of these dollars that the council will be working with are not public dollars; they're dollars that will be coming from the activities of the council. Certainly through section 19(2) if it comes to bylaws that relate to the spending of money, they have to be approved by the minister. I think there is accountability back to the minister via that route, and for that reason, I cannot support the amendments.

SOME HON. MEMBERS: Question.

[Motion on amendments lost]

MR. SIGURDSON: Mr. Chairman, the next amendment that I propose is one of a philosophical nature that deals with accreditation. Again, at second reading stage I had proposed that this Bill was far too permissive and that the level of accountability was going to go way down with respect to safety codes, and here's the reason why: we're going to have on the application of a corporation that an administrator could designate a corporation to administer this Act. I believe that just puts far too much power into the hands of a corporation. Can you imagine a student being given the right to check their own work? You know, you go home, you don't do your homework, and you get to check your own work. You come back to school, and your teacher says, "Well, how did you do?" He says, "Oh, well, I got 100 percent." Maybe that's stretching it a bit, but if you have a corporation that's going to be able to go out and check its own work, there is the potential for all kinds of problems to arise from that. Now, I guess that's the philosophical difference that I have with the mover of the Bill. The mover of the Bill feels that safety isn't going to be compromised, safety isn't going to be jeopardized. Well, I wish I had that kind of conviction, because I'm not sure that safety is always going to be paramount.

I deal with the fines later on in section 64, but currently the fine level as proposed in section 64 of Bill 36 is so low that sometimes there may be the occasion where the company says that it's the cost of doing business if we have to take a fine. I don't want to see that kind of situation take place. That's why I really believe that it's vitally important that the safety codes officer be a person that's an employee of the Crown or the municipality, where there isn't that potential for conflict.

I really have a problem with sections 24 and 25; 25 is consequential to 24. I think we're entering into an area where if something were to go wrong, the magnitude of that problem could be beyond our wildest dreams. I would hope that nothing goes wrong, but in the event that something does goes wrong, I hope it's very minor and inconsequential. This is dealing with

elevators, fires, electrical matters, pressure vessels. It's dealing in areas that if allowed to get out of hand could cause a great deal of damage. I'm not suggesting that every person's going to take advantage of this. I know there are going to be checks and balances in there, but every once in a while a check fails or a balance fails, and we could have a problem.

I really want to at least get on the record my opposition and the opposition of my colleagues in the New Democrat Official Opposition to having section 24 in the Act. We believe that the responsibility has to rest with a person who hasn't any potential for a conflict of interest, that they gain or lose nothing by being a safety codes officer. If a corporation's able to check its own work, if they have their own safety codes officer, there is that potential for conflict. It could be: you pass this, or you're not working here. I would hope that no safety codes officer would ever be put in that position, but I know that they wouldn't be put in that position if we were to eliminate section 24.

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

8:50

MR. LUND: Thank you, Mr. Chairman. I hope we're dealing with sections 24, 25, and 26, because they're all basically the same. I'm going to make my comments around the supposition that we are dealing with all of them.

Mr. Chairman, I want to say that I truly believe that the hon. Member for Edmonton-Belmont is concerned about safety, and I appreciate that. I know he's put a lot of work into it. I just wish I could be as complimentary to his amendments as he was to mine. However, certainly . . .

MR. WOLOSHYN: Try it, Ty. Just do it.

MR. LUND: It's too late in the evening.

Anyway, one of the things that I think he probably missed in this whole discussion: before a corporation or an agency could possibly be accredited, there's a little thing called a quality management system that would have to be in place. Certainly the safety council is not going to go out and accredit an agency or a corporation that is not truly concerned about safety.

Mr. Chairman, I think that moving to take sections 24, 25, and 26 out of the Bill would in fact really deprive the stakeholders of the opportunity to participate in the management of risk, and for that reason I would recommend that we turn down those amendments.

MR. DEPUTY CHAIRMAN: The Member for Edmonton-Belmont.

MR. SIGURDSON: Thank you. As I said, I know there are going to be checks and balances in the system, but I also pointed out that sometimes those checks, those balances fail to kick in, and that's the concern that I have. As I said, he got rid of sections 24 and 25. Just to get through this section, I'll also move section 26 on the second page so that we can deal with all three rather than just two and then deal with one. If those sections were removed, there wouldn't be that problem there. I hope my fears don't come true. As I've said, if there is a problem, I hope it's a matter that's really inconsequential, because there could be some disaster here that we just couldn't begin to appreciate. My concern is for the big one, and I just hope it never happens.

MR. DEPUTY CHAIRMAN: Ready for the question?

[Motion on amendments lost]

MR. DEPUTY CHAIRMAN: The Member for Edmonton-Belmont.

MR. SIGURDSON: Thank you, Mr. Chairman. This is the last amendment in my package and it deals with section 64. This deals with fines. Now, if the Member for Rocky Mountain House really believes that there won't be any problem with having sections 24, 25, and 26 in this Act, then there shouldn't be any hesitation at all in adopting this level of fine, because what this would do is say is that if you're going to look for a violation of part of the Act, a person who's guilty of an offence is liable of a fine of not more than $15,000 for the first offence. Well, I've worked on construction projects where we have wasted more than $15,000 and didn't care about it. It's a cost of doing business.

MR. KLEIN: Why did you do it?

MR. SIGURDSON: Because the management, Ralph, told us that you had to go and do this. I could cite a story that ended up costing a corporation a half million dollars because nobody could make up their mind for two weeks, and they kept everybody going on a construction project. They built the same thing twice. After we took down a form the first time because they said it wasn't the right form, then it was the right form. Incredible costs.

MR. PASZKOWSKI: Was that the uphill sewer in Edmonton?

MR. SIGURDSON: No, I never worked on the uphill sewer. I always thought that gravity worked well.

You know, why not make the fine 10 times that amount? Let's give people some real cause to stop and think about the level of fine. If they're liable for an offence, let's make it hurt a bit. The same thing with the level of "$1,000 for each day during which the offence continues after the first day or part of a day." Why not make that $10,000? It forces a person to correct the problem. You may very well have somebody that says: "Oh, a $1,000 fine. Gosh, you know, for the cost of repair, I'm staying in business only for X number of days. We can shut down, and the cost isn't that great." Bump up the fine. Make them fix the problem.

In section (b) for a second offence I think again the provision here is far too generous for those people that want to continue to violate. Again, we have "a fine of not more than $30,000," and then $2,000 for every day thereafter that the offence continues. Well, Mr. Chairman, I think that if you were to multiply that by 10 and have the second offence fine starting . . . [Lightning disrupted the electricity in the Chamber] [interjections] Well, you know, Mr. Chairman, there's something here between Bill 11 and Bill 36 that I have a problem with. Maybe the Big Guy wants the apprenticeship Act in there intact.

Anyway, Mr. Chairman, . . .

MR. LUND: The light just came on.

MR. SIGURDSON: Well, we're hoping, Ty. I'm the one speaking.

I think the fine level on the second offence ought to be increased as well and, again, increased by tenfold so a person

guilty of a second offence be fined not more than $300,000 and, on subsequent days, $20,000 a day. I think that if the Member for Rocky Mountain House is so convinced of those people who will be accredited and everybody else to whom this Act applies, there shouldn't be any problem with raising the level of fine. I'm sure that all members would want to support this amendment to make sure that people who fall under this code will be in an environment as safe as possible.

MR. LUND: Mr. Chairman, only to say that I'm so confident that this is going to work so well, we won't be having to assess any fines. I would recommend we defeat that amendment.

[Motion on amendment lost]

MR. DEPUTY CHAIRMAN: Further discussion on the Bill as amended?

The Member for Calgary-North West.

MR. BRUSEKER: Thank you, Mr. Chairman. I want to make a few comments on Bill 36 as amended before us. You'll note that we haven't taken any time to produce amendments because I think the only amendment that would make this Bill work would be to delete sections 1 through 72.

Mr. Chairman, in speaking to this Bill, there are a number of concerns. I think the Member for Edmonton-Belmont used the phrase "too permissive." When we review particular sections, we start with section 13(2): "The Minister or the Council may" make regulations and "establish and operate safety information." It doesn't say they're going to; they "may" do that. Then we get on in section 14: "The Minister may appoint persons as Administrators and prescribe their powers and duties." Nothing there about criteria. Nothing there about qualifications. Nothing about certification. As we go through this, we see a great number of places where the word "may" occurs very frequently.

My concern with this Bill as we go through the whole thing: I started trying to highlight all of the places I found the word "may" appearing. The Member for Rocky Mountain House would say that we're trying to find a partnership between industry on one hand and government on the other hand. The argument I would make and a concern I have with this Bill as we have it before us is that there are too many mays. There are too many places where there is too much discretion allowed to whomever, whether it's the administrator, whether it's the minister, whether it's the safety codes council, and there's no clear onus placed on a particular person, a particular body, a particular group. From that standpoint of view, Mr. Chairman, I cannot support this Bill as we have it amended because of the fact that we don't have a firm commitment, in my reading of this Bill, to ensure beyond any shadow of a doubt that safety regulations and so forth are not only going to be created but then subsequently – and this is the important part – enforced.

9:00

There are particular sections that I want to talk about there. There's a section on inspection, section 30, that I want to get to in just a moment. But if we look at some of the other things, Mr. Chairman, section 19(1) says, "the Council may make bylaws." Well, what if they decide not to? No bylaws, no job, nothing. They're going to say: "Well, we don't have to; the legislation says 'may.' We don't have to have any bylaws. We can have this nice council. But we don't really have to do this, because it doesn't say we have to have bylaws." So what's going to guide them?

The Member for Edmonton-Belmont suggested we make some amendments to section 20 and proposed amendments. This talks about the council entering into agreements with other groups. Well, if we have a council now that shall have these criteria, this whole section, 20(1) and (2), is redundant. We don't need to hire people. The people that have the qualifications shall be on the council, and if they're not on the council, quite frankly, the council isn't doing their job. We have to have people on that council that have expertise in these areas, and if they don't have that expertise, they don't belong on that council. So saying we're going to hire particular people and so on and so forth is almost, again, a duplication of bureaucracy, and it doesn't really solve the problem of addressing the needs of safety concerns in the province.

Further, Mr. Chairman, section 22(2) says "the Council may, at any time, report to the Minister on any matter related to this Act." Wouldn't it make far more sense to say the council "shall" report on an annual or biannual basis or whatever and have a commitment between the council on one hand and the government on the other hand to have a regular meeting and not say, "Well, you know, if we feel like it, we'll get together; maybe we'll meet for a beer on a Friday afternoon and chat about elevators this month" or this year or whatever? Well, it's pretty permissive the way it is, and quite honestly I don't think we can accept that the way it's written at the moment.

Mr. Chairman, the section on accreditation has been mentioned by both opposition parties. I really don't see that the section on accreditation solves the concerns. The biggest concern I have throughout sections 23 and 24 and 26 is that there is no mention anywhere of the criteria those bodies – whether it's a municipality, whether it's a corporation under section 24, or whether it's an agency under section 26 – those individuals or corporations are going to have to have in order to be safety codes officers. All it says in here is that "on the application of" the appropriate body, "the Minister may designate a municipality as an accredited municipality," a corporation "as an accredited corporation," or "the person as an accredited agency." It doesn't say what that person or corporation has to know, what talents they have to have, whether they're journeymen in a particular field or masters of that particular field or whether they're first-year apprentices or maybe somebody who happened to read a *Popular Science* magazine and knows a little bit about something that he happened to pick up in a *Popular Science* magazine. That kind of permissiveness can be, I think, a major concern and is a major concern for myself and for the Liberal caucus, because I don't see that those permissive things that say "may do this" or "may not" really satisfy the needs.

Safety, unfortunately, is one of those things that often tends to get done simply because people require it to be done. As an example, Mr. Chairman, I think back to my own experience as a junior high school science teacher. One of the things that I required of my students when we went into the lab, even if they were doing something as simple as boiling water in a beaker: every student had to – had to; I didn't give them a choice – wear an apron. Every student had to wear safety goggles or a face shield to protect their eyes and face. If they didn't comply, quite frankly I said, "No, you may not do the lab; you will sit at your desk and you will not partake." It was simply a choice the student had to make. Either they complied or they did not partake. That was a fairly simple procedure. I think what we need to have in here is the same kind of either/or. Either you

follow the rules and the regulations or we're going to shut you down.

When we look at some of the other places, if we look at section 23(3), again it says that if "an accredited municipality does not comply with the requirements of this Act . . . the Minister may." Well, if we have a municipality that's not holding up their end of the stick, the minister should, shall, come down hard on that municipality and say: "Let's get together here. You guys have a responsibility. You have been accredited to do a job. We expect you to do that job." But this says, "Well, if you don't do it, we'll get together and chat." That's basically what it says when you say "the Minister may."

Same thing in section 24(4). Section 24(4) says:

> If an Administrator [says that] an accredited corporation does not comply with the requirements of this Act . . . the Administrator may, by order, suspend or cancel the designation . . .

It doesn't say that he shall. So they can just decide, "We're not going to partake," and we're not going to suspend this. We have a corporation that's not doing their job, and the administrator doesn't have a responsibility or an obligation to go in and shut those people down.

The same thing occurs, Mr. Chairman, in section 26(5) with respect to agencies. When we look at the agencies, again it says:

> If an Administrator . . . is of the opinion that an accredited agency does not comply with the requirements of this Act . . . the Administrator may . . .

Again, that word "may."

> . . . by order, suspend or cancel the designation.

So even if he chooses to, there's nothing in here that says they're going to replace him with anybody. Even if this administrator says, "Well, you're not doing your job, so you're out of here," there's no safety net. There's no replacement. Even if the administrator says, "You're gone," there's nothing in here that says, "We're going to step in, and we're going to take over, and we're going to do the job."

Mr. Chairman, it's all very permissive, loosey-goosey here. My experience as a junior high teacher was that when I got permissive and loosey-goosey with the kids in the class, they would go and push my safety rules to the maximum, and you can bet your boots that the same thing is going to happen in the industry. If they think they can save a dollar, if they think they can cut corners, they will attempt to do so. And if the regulations aren't firm, if the people aren't there watching and ensuring that safety is occurring, then unfortunately what's going to end up happening is that accidents will occur.

One of the most frightening things, I think, when we look at this under section 29(1): it doesn't even say we have to have safety codes officers. We're going to create all this, and it says in section 29(1), "In accordance with the Public Service Act, there may be appointed safety codes officers." We could go ahead and create all these regulations, we can put all these codes in place, we can put all these standards in place, but we still don't have to have any safety codes officers, because it says "may." We don't have to. It doesn't say that there shall be safety codes officers. No; it says "may." "We may decide to do this. It might be a good idea. But then again it might be some cost, maybe people don't want to do it, so what the heck; we might not bother." Well, that's not good enough.

When we look a little further on, in section 30(4), again it says the things a safety codes officer "may" do. It doesn't say that he shall do these things, so even if we get to the point where we have all the rules and regulations and codes and standards in place and then we get to the point where we have a safety codes officer appointed, we still have the choice. The safety codes officer says, "Well, I can do some or one or all of these things, but I don't have to because it says 'may.'" Now, I understand that the purpose of this legislation is to be enabling legislation, but this doesn't enable things. The only thing it enables to happen is for people to leap through these giant loopholes where it says, "Well, I can do that, but I don't have to do that because it doesn't tell me I have to do that."

When we look at these different sections and go through them, Mr. Chairman, quite honestly I don't think we have enough here to really support the concept that safety is in fact being promoted. When we look at the different sections a little further on, section 40(1) and (2), again we see "may" occurring once again. This is talking about permits. It says, "On receipt of an application, a safety codes officer may issue a permit." The way I read this, the implication is that when it says "may issue a permit" for some things, then you might not need a permit. Well, who's to decide? Where does it say what shall and what shall not have a permit? We have another loosey-goosey thing in the very next one. Section 40(2) says, "A safety codes officer may include terms and conditions in a permit."

Everything here is very permissive. It's supposed to be enabling legislation, but I'm not sure what it's to enable. The purpose of this legislation, as I understand it, is to ensure – not to enable but to ensure – that safety is the paramount, the primary, the main focus, call it what you will, of industry in this province. I don't think this piece of legislation does that, Mr. Chairman, because there are far too many "mays" in here.

9:10

Again, we look at section 42(1), talking about if we find somebody who's doing something wrong: "a safety codes officer may suspend or cancel a permit." Then it goes on to describe under what conditions. So even if something is being done wrong, flagrantly wrong, it doesn't say, "There shall be a suspension; there shall be a stoppage of work until the safety concern is rectified." It says: "Maybe. We might do it. It's up to the safety codes officer." Therein lies the problem.

Mr. Chairman, when we look at sections 24 and 25 and 26, where we designate to either a corporation or to an agency – and that's the problem with sections 24 and 26. When you have this kind of permissibility, when you have this kind of latitude given to safety codes officers, provided they're appointed in the first place, what ends up happening or what potentially could end up happening, of course, is backroom deals occurring. Now, I do not want anybody to get hurt anywhere, but when I look at all of these "mays" that are in all of these different sections that allow for a great deal of action or latitude, then I'm concerned that what could end up happening is the strict adherence that we need to have to the safety codes is not really going to take place.

The Member for Edmonton-Belmont already referred to this: even in the emergency section, 43(1), "because of a fire hazard or risk of an explosion, the officer may take any action." Quite frankly, Mr. Chairman, if there was a risk of a fire hazard or the risk of an explosion and somebody didn't take action, I would consider that irresponsible. Not being a lawyer, it might even border on negligence. I would suggest that if we have a safety codes officer who looks at a situation and says, "We've got imminent serious danger," which is the phrase that's used in this section, "to persons or property," and that person doesn't take action, doesn't shut down that process, doesn't require something to change, or doesn't require an enforcement of a regulation, quite frankly, that to me says right here that there's no will, no political will, there's no industrial will, perhaps, to ensure that safety occurs.

Now, safety is in the best interests of industry. I think most responsible people in industry recognize that. If you have your plant shut down because of accident, if you lose your employees because of injuries – and the bottom line is, yes, you can lose your profits. But quite frankly, Mr. Chairman, profits should be of the least concern. You can replace a building, you can replace a machine, but if a person gets hurt or injured or, worse yet, killed on the job because we have these permissive standards, quite frankly you can't replace a person, and that's something you cannot put a price on. That's why I don't think I can support – in fact, I know I can't support – this piece of legislation.

What we have here is an attempt for the government to say, "We want to create a partnership," and really what they're saying is, "We haven't been doing our job; we haven't been having the inspections." There's nothing in here that says when or how often inspections have to occur. Section 30, Mr. Chairman, is the section that refers to inspections, and it goes through a long list of the kinds of things that, again, may occur, but it doesn't tell us how often we have to have inspections, what has to happen in those inspections, what kinds of detail have to happen. Presumably that's all off someplace in the codes that are coming later on, but even things like frequency of inspection – and we've seen, for example from the Department of Labour, the statistics that show that the inspections on elevators have not been occurring, and as a result, accidents have gone up.

When we look at this, what the government is saying is: "We haven't fulfilled our obligation. We're going to pass the buck. We're going to give the responsibility to somebody else so that if something goes wrong, it's not our fault." This is the real Pontius Pilate syndrome of washing their hands and saying, "It's not my responsibility; somebody else has got the responsibility." Well, Mr. Chairman, I don't buy that. I don't agree with that, and I think for that reason this Bill should be turned down by all members of the Legislature.

MR. DEPUTY CHAIRMAN: The Member for Edmonton-Belmont.

MR. SIGURDSON: Thank you, Mr. Chairman. I hope you don't jump all over me with *Beauchesne* 481, but I would have hoped that the Member for Calgary-North West would have introduced some of those amendments. I know that perhaps the problem was that there was nobody else from the Liberal caucus here to second those.

SOME HON. MEMBERS: Order.

MR. SIGURDSON: Well, that's what I said, 481.

Some of those concerns were very important, and I think it would have been important for those to have been on the record, but unfortunately all we got was a speech and not the amendments. I can perhaps appreciate the reasons why.

MR. DEPUTY CHAIRMAN: Ready for the question?

[Title and preamble agreed to]

[The sections of Bill 36 as amended agreed to]

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

MR. LUND: Thank you, Mr. Chairman. I would move that Bill 36, the Safety Codes Act, as amended be reported.

[Motion carried]

Bill 38
County Amendment Act, 1991

MR. DEPUTY CHAIRMAN: Any comments, questions, or amendments with respect to this Bill?

The Member for Rocky Mountain House.

MR. LUND: Thanks, Mr. Chairman. Just a couple of quick comments. In second reading the Member for Edmonton-Beverly asked why section 5(2)(i) is amended to read "petition the Minister," as opposed to "petition the council." He asked why that was done that way. Quite simply, when the statutes review committee was out and around and having hearings and this was discussed, municipalities and citizens requested that in fact the petition go to the minister as opposed to the council because if you look, the minister gets involved in the process from there on. So there's a feeling that the minister might as well become involved right at the start when the petition is received. That's the reason for that.

If there are any other question or comments, I'd be anxious to hear them.

MR. EWASIUK: I thank the Member for Rocky Mountain House for that information. I guess you can't argue if that's what the municipalities in fact requested. My concern and the comment I wanted to make was that, agreed, this was a request, but it seems to me that the minister and other members on the government side talk about autonomy for local government. They want to ensure that they are managers of their own home. Yet this legislation seems to remove that type of autonomy. However, I do accept the member's rationale for those changes, and as I said in second reading, we're prepared to accept this Bill.

MR. DEPUTY CHAIRMAN: Further discussion?

[Title and preamble agreed to]

[The sections of Bill 38 agreed to]

MR. LUND: Mr. Chairman, I would move that Bill 38, the County Amendment Act, 1991, be reported.

[Motion carried]

Bill 45
Financial Administration Amendment Act, 1991

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

MR. HAWKESWORTH: Thank you, Mr. Chairman. The amendment on the floor has to deal with the question of giving the Provincial Treasurer temporary authority to increase the province's overall debt ceiling by $2 billion. As you know, Bill 45, which has been tabled in the Assembly, asks for a permanent increase in the debt ceiling of the province from 11 and a half billion dollars to 13 and a half billion dollars. The Provincial Treasurer has never at any time given any indication in his

budget documents, at least in his Budget Address, as to why he would need such an increase in the debt ceiling of the province.

9:20

Now, in question period on a couple of occasions the Provincial Treasurer indicated that he might need this as a temporary measure to assist him in dealing with the short-term refinancing difficulties that he anticipated experiencing this particular calendar year. Indeed, if one looks in the public accounts to see this schedule of debt repayments, the Provincial Treasurer on a couple of specific dates in this given year will have perhaps a bit of a difficulty, a bit of a problem, if he's being squeezed at the moment under the current debt ceiling that's in the Financial Administration Act.

So what I have suggested, Mr. Chairman, is simply that the Legislative Assembly place a deadline or a sunset clause in the Bill that once a problem has been corrected, has been dealt with, then the province's debt ceiling would fall back to its current level. It's a good, positive suggestion, and it takes the Provincial Treasurer at his word. Now, however naive that may sound . . . [interjections] Some members of the Assembly are regaling me for my naivety, but there you go, Mr. Chairman.

I'm of the opinion that if that's the real reason that the Provincial Treasurer has, then perhaps he could give us some indication whether the government members will in fact adopt the amendment on the floor. If they were to do so, I'm sure the remainder of the debate on Bill 45 would conclude fairly quickly.

Inasmuch, Mr. Chairman, as I have previously spoken to the amendment on the floor and there's no point in sort of replowing that furrow, so to speak, I would simply say that the amendment's there for all hon. members. No doubt they see the wisdom and merit in the amendment and will support it. I'm actually quite looking forward to having one of my amendments finally adopted by the government, and I'm looking forward to this one in particular.

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

MR. McEACHERN: Thank you, Mr. Chairman. Of course, one can't resist adding a few comments to those of my colleagues.

The Treasurer brought in Bill 45 asking for an increase in borrowing power for the province from $11.5 billion to $13.5 billion. When he was asked, "Well, why would want to do that, considering that you have a balanced budget?" his answer was: "Well, I need a little bit of flexibility. I've got some rollovers to do, and I just might have to borrow more money before I can pay off some of the old borrowings, and I really don't need this." All the Member for Calgary-Mountain View is doing is taking the Treasurer at face value on his words and saying, "Well, if that's the case, then here's the money for a few months." I guess that would be for nine months if you consider from the start of the fiscal year, if this Bill is in some sense retroactive back to March 31 of this year. The Treasurer doesn't really need the money, so it would only be fair, then, that before the next fiscal year really rolls around, he should forgo that borrowing power. After all, he doesn't really need it, by his words, because he has a balanced budget and because, well, he just wants to borrow this money temporarily so that he can handle some roll-around of some of the present debt.

A most interesting proposition, and of course if we take a look at his last year's arguments when he brought in a $2 billion borrowing Bill, he had a little different reason. He had only a billion-dollar deficit last year, or so he claimed, but somehow he still needed to borrow $2 billion, and the reason was that he needed a little bit of margin just in case of an emergency. Well, I'm going to come back to both of those points to summarize my comments, but I want to just remind the members of this Assembly of some of the things that I showed in some of my previous comments on this Bill.

For instance, if you look at the pattern of borrowing power as it grew through the years – for instance, in 1986-87, it started out with the government asking for $2.2 billion borrowing power. Now, they actually exceeded it that year, and I haven't had any explanation from the Treasurer as to how that could possibly have happened, but it did. In fact, there was $3.2 billion borrowed that year. In any case, then it went up the next year. He asked for an increase in the borrowing power up to $5.5 billion, and then it's been $2 billion a year added ever since. So we now find ourselves at $13.5 billion.

Now, all you need to do, Mr. Chairman, is compare that increase in borrowing power with the deficit increases each year adding to the debt of the province, and you'll see that most of the money was needed in each year. The two columns just add right along together so that you end up with a $12 billion debt at March 31, 1991. We have in fact used almost all the borrowing power each year that the minister has asked for, so it's a little hard to believe that this year he won't need what he's asking for. Another pattern you can look at is the actual amount of money borrowed, and that, too, each year pretty well parallels the borrowing power. Oh, one year it was a little more, other years a little less; nonetheless, a pretty consistent pattern that most of the borrowing power asked for was, in fact, used. At the end of the day when you look at those patterns and look at the borrowing power and look at the accumulated debt, you realize that that debt is now about equivalent to the financial assets of the heritage trust fund.

That sort of raises the question, "Well, what then is the final word on the assets of the province?" The Treasurer stood up here not too long ago and bragged that Alberta is the only province with a positive balance in actual assets. He's right, but he won't be right much longer, another month or two maybe. If you look at page 1.4 of the public accounts, you will find that at March 31, 1990, the total assets, including the heritage trust fund, all thrown in in the Auditor General's consolidated statement of the assets of the province, assets and liabilities sheet, the government had $2.7 billion in total assets as a sort of balance on the assets page.

Now, that was 15 months ago. So if you consider that we've added to that a deficit of $2 billion last year – and I know the Treasurer is still trying to get away with saying it was only a billion, but we all know it was $2 billion – then that means that the $2.7 billion, if you subtract $2 billion from that, somewhere around March 31, 1991, we had total assets in the neighbourhood of $700 million. Considering that the Treasurer has already borrowed $500 million in May/June since the new fiscal year has started, I guess we're running pretty close to zero. Another month or two and I don't doubt that we will pass from the black into the red. Maybe it's time the members of this Assembly woke up and sort of realized that instead of just believing the Treasurer's little pat statement that we were going to have a billion-dollar deficit last year, a balanced budget this year, and the economy is great and everything is hunky-dory and his great fiscal plan has solved all the problems of the province, they just better take a look at the patterns and see where they're going and what's happening, because the Treasurer has been giving us a snow job.

This is the same Treasurer that every year has indicated a budget that was a billion dollars out from reality, and he knew it every year. It wasn't accidental. It wasn't as if somehow it was difficult to determine what the price of oil might be. I mean, we do know that that's a little bit difficult, but we also know that the Treasurer overestimated oil and gas revenues. Five of the six figures that you could look at in oil and gas, taking them separately over the last three years, the only year that he got more money than he expected to get was in oil last year because of the Gulf war. The other five figures: he overestimated his revenues every time. If you go back one year further, back to that '86-87 fiscal year when he decided that he wanted to make a big billion-dollar tax grab, he actually underestimated oil revenues considerably, and of course his purpose was to convince Albertans that they would have to pay these taxes to reduce the deficit.

9:30

So the Treasurer has given Albertans a figure that is about a billion dollars out ever since he came to power, and he has done it intentionally with a political agenda in mind. This year, of course, is the biggest, in a sense, fraud of all, because he decided he had to have a balanced budget and because he knew that last year's figures would get kind of lost in the fact that we had the public accounts from the year before and the new budget for this year, that people would be paying attention to those things and hopefully not notice his own forecast. His own forecast shows that his $1 billion deficit last year is really a $2 billion deficit. In other words, he has not broken the pattern of $2 billion deficits that have become sort of institutionalized in this Assembly.

Chairman's Ruling
Parliamentary Language

MR. DEPUTY CHAIRMAN: Order, hon. member. Order please. I believe the Chair heard you use the term "fraud." I would ask you to withdraw that remark, please. I'm referring you to citation 492 in *Beauchesne*.

MR. McEACHERN: Okay. I withdraw the word "fraud," then, if it bothers you.

Debate Continued

MR. McEACHERN: It's hard to find a word that describes what the Treasurer did when he purposely tells everybody that he's got a billion dollar different budget than what he knows darn well is going to happen. I guess that's my problem. You can't use the word "lie," you can't use the word "fraud," you can't use anything that describes the problem that the Treasurer tells everybody one thing knowing full well it's going to be something quite different, and that's been going on for five years now.

Now, I'm going to go back to the points I started on where the Treasurer last year said he was going to have a billion dollar deficit and then he turned around and wanted $2 billion more in borrowing power. He said at the time that he was doing it because he needed a little margin. I pointed out to him that he already had at least a billion dollar margin built in at that stage. He had only borrowed $8.1 billion at December 31 of '89, and he had $9.5 billion borrowing power up to March 31 of '90, yet he's bringing in a budget that says he's only going to have a deficit of a billion dollars. He then turns around and brings in Bill 19 asking for a $2 billion increase in borrowing power up to 11 and a half billion. Well, if he was at somewhere around $8 billion or $8.5 billion, he already had a billion dollar leeway.

Now, the truth of the matter is that he ended up using all that money. He ended up in the fiscal year 1990-91 borrowing 2 and a half billion dollars. So he needed his margin all right, and he needed the full $2 billion that he was asking for as well. The margin has gotten even smaller, and he has borrowed another half a billion dollars since the start of this fiscal year, so that means he has borrowed $3 billion in the last 15 months. Now, at that rate of borrowing it is totally incredible that this Treasurer could try to tell us that he just wants this $2 billion as a sort of rollover of some of the debt because, well, he might need it before he gets the new money in and that he really doesn't need the money. I challenge him: if his need for this rollover money is a true statement, if that's really the fact of the matter because he has a real balanced budget, then accept this amendment; there's no reason in the world not to.

The truth of the matter is that the Treasurer will not have a balanced budget this year. He will have a deficit of at least a billion dollars, probably a billion and a half, because he has purposely overestimated revenues on taxes, on oil, on gas, and on returns from the heritage trust fund, and he has underestimated expenditures. Anybody that's followed the pattern of what's happened in this province in the last five years could not fail to see that. There's only one way the Treasurer can regain his credibility if he's really going to stand behind this so-called balanced budget, and that is to accept this amendment. Otherwise, everybody in the world including Standard and Poor's is going to know that what he has put forward is nothing more than a fiction of his imagination with the forlorn hope that it would convince the people of Alberta that he's delivered on a balanced budget, which he has not.

MR. DEPUTY CHAIRMAN: Ready for the question on the amendment?

HON. MEMBERS: Question.

[Motion on amendment lost]

MR. DEPUTY CHAIRMAN: Further speakers on the Bill itself?

The Member for Calgary-Mountain View.

MR. HAWKESWORTH: Thank you, Mr. Chairman. I wonder if I could have the pages circulate a second amendment to all hon. members, and that definitely includes the hon. Provincial Treasurer.

The amendment that's being circulated to the Legislature is very similar to the one that's already been dealt with by the Assembly, but I just would like it clear that the sunset clause is somewhat amended to a later date, that being March 31, 1992. Mr. Chairman, I thought the Provincial Treasurer and the Assembly might accept the first of the calendar year. Basically, the amendment is to extend the sunset clause to the end of this fiscal year. After all, that's the time frame for this particular budget.

You know, there's the old saying, the old admonition: if a man asks you to carry his load for a mile, go with him an extra mile. That's really what the amendment is this evening. The Provincial Treasurer or the government members, without indicating why, didn't find the previous amendment for the first of the new year to be acceptable. Perhaps there's some problem that would be carried over into the remainder of the fiscal year, before the end of March, and so I'm just simply saying with this amendment, Mr. Chairman, that I'm just going to go that extra

mile, go that extra three months to the end of March, help the Provincial Treasurer with his financial burden, see if maybe there's some accommodation he's prepared to make, some defence he's prepared to make for his allegation that he needs this for a short-term refinancing problem. It's an abundance of caution on my part just to make sure that I've gone the extra distance to try and accommodate the Provincial Treasurer with his problem without raising the long-term borrowing debt ceiling of the province by a full $2 billion; just another effort in an abundance of concern for the Provincial Treasurer to ensure that any criticism I might make herein on Bill 45 is not unfair, that it's not as a result of having overlooked something on my part.

With that spirit, Mr. Chairman, I make this second amendment to see if this extra distance in accommodating the Provincial Treasurer's situation carries any weight with the government. This is the intention of the amendment. It's the same principle as the first one; it's just to extend the date to March 31, 1992, as the sunset clause for this particular legislation.

9:40

MR. DEPUTY CHAIRMAN: Are there speakers on the amendment?

The Member for Edmonton-Kingsway.

MR. McEACHERN: Maybe the Treasurer could get up and give us an explanation. I made most of the comments on the previous amendment, but I would just say that this amendment adds on the extra three months, so if that was what was concerning the Treasurer and members on the other side of the House about the previous amendment, we've now gone all the way to say, "If you've got your balanced budget, you've got the full year of flexibility that you're asking for of $2 billion." If that balanced budget is expected to hold, then there's not a reason in the world not to support this legislation. You cannot claim, "We'll need the money till February," or "We'll need the money till March"; it is in fact the whole fiscal year. He can bring in another Bill for the next fiscal year if he needs some more money, but if he has a balanced budget, then he should be able to support this legislation.

It's really true; the Member for Calgary-Mountain View is bending over backwards to accommodate what the Treasurer has said with what his intentions are. So if any of you here believe anything that the Treasurer has said about a balanced budget, you cannot possibly defeat this amendment.

MR. DEPUTY CHAIRMAN: Are there further speakers to the amendment?

The hon. Provincial Treasurer.

MR. JOHNSTON: Mr. Chairman, the government will be defeating this amendment for very obvious reasons. Let me say that as I sit and listen to the positions articulated by the opposition, I think we only have to wait another hour or so and we'll probably have a final amendment which would say, "Well, we agree with the legislative position you've put forward in the Bill, and we would like to have a sunset clause of 1994 or 1995." That seems to be the progression in which they're moving.

There's been quite an amazing shift in the discourse between the two members from Calgary-Mountain View and Edmonton-Kingsway covering areas involving free trade with Mexico, involving the question of the size of the deficit, and now finally realizing that in fact the flexibility is needed by the government. You'll notice that they are now saying, "Yes, we understand there has to be some flexibility given to the government at a time when it's necessary for them to plan the retirement of some debt and the putting in place of still further debt, and that of course is why this amendment is required." If you listened carefully to how they've shifted their position, they have in fact come to our view. They have come to the government's view that in fact this increase in the borrowing capacity is required, and now it's just a question of waiting for them. Eventually they'll say, "Well, you wait for the next amendment." I guess they'll take it to the end of March of '93 and then ultimately March of '94. So you see, they have changed their position.

Interestingly enough and surprisingly enough in listening to their own words they have found the government's position, which is quite an interesting shift in the way in which the people across the way think. They essentially are confirming our position, so there's no need for us to confirm this amendment. In fact, March 31, '92, takes us into the next fiscal year. We'll be in the House with a new budget by that time, and of course we'll be asking for appropriations at that point in the context of the 1992-93 budget.

So the members have now moved themselves to our position. Although we agree that we have to have full flexibility, and it's essentially what our Bill has done, we will not accept this amendment.

MR. HAWKESWORTH: Well, let's make it absolutely clear: we're trying to determine what the government's position really is. Mr. Chairman, if the government's position is as the Provincial Treasurer has consistently alleged it to be, certainly the government would have no difficulty embracing the amendment. If however there's some secret agenda that the Provincial Treasurer is not sharing with the Assembly or not willing to make public, obviously they wouldn't find even this flexibility acceptable. In fact, they're talking about a permanent increase in the debt ceiling of the province, not dealing with some short-term refinancing problem. If it's the flexibility to deal with a short-term refinancing problem in this fiscal year, the government could endorse the amendment on the floor without pain. If, however, that's not the real reason and the real position of the government, then obviously they would have to defeat this amendment because they couldn't get on with their real reasons and their real agenda and their real purpose and still accept this amendment.

So it's really trying to determine for the record, where it really counts, what is the provincial government's real position on this issue. Is it the short-term financing problem, as the Provincial Treasurer has alleged, or is there some other reason which he's not sharing with us? This amendment will help us to clarify that question, Mr. Chairman.

MR. DEPUTY CHAIRMAN: The Member for Edmonton-Belmont.

MR. SIGURDSON: Thank you, Mr. Chairman. I perhaps want to give the Provincial Treasurer a little advice. I've had occasion to work with my colleague the Member for Calgary-Mountain View for about five years, and I'll tell you that during those five years I've noticed a number of personality traits. The hon. Member for Calgary-Mountain View is able to sit down and discuss anything you want with him. A wonderful fellow, you know. He really is. He always gives you the opportunity to correct something you've said. Indeed, he's tried to help us out on occasion, correct some of the mistakes that maybe I've made in some of the Bills that I've proposed before the Assembly. He's a very helpful fellow.

MR. FOX: You haven't made any mistakes.

MR. SIGURDSON: The Member for Vegreville says that I haven't made any mistakes. Well, I've made a few, and I'm not afraid to admit to those. But I'll tell you, Mr. Chairman, the Member for Calgary-Mountain View always wants to give a person the opportunity to correct those. That's one of the things that I admire about the Member for Calgary-Mountain View, because not only does he want to extend that to members of his own caucus but he wants to extend that to the Provincial Treasurer.

As I recall, the Provincial Treasurer not too long ago in debate said that we only need this extra $2 billion worth of borrowing power for a short period of time to help us over those months when we're just not going to have quite enough money in the General Revenue Fund to pay all of the expenses. My colleague said: fine; if that's the case, even though you've promised us the balanced budget, you've made that commitment before the House, before all of Alberta, so be it; here's an amendment; we've gone through the first quarter; here's six months following the first quarter for the second quarter and the third quarter of the fiscal year for you to have that $2 billion worth of borrowing power.

Well, the government said: that's not good enough; not only do we need it for the second and third quarter of the fiscal year, we need it for the final quarter as well. So my colleague the hon. Member for Calgary-Mountain View, trying to be as accommodating as he possibly can be, wants to offer to the Provincial Treasurer, to this Legislative Assembly, to the committee, an opportunity to still grant the Provincial Treasurer the borrowing power that he requested to increase the level of debt for the province from 11 and a half billion dollars to 13 and a half billion dollars. But still my colleague from Calgary-Mountain View wants to make sure that there's a commitment from the Provincial Treasurer that come March 31, 1992, that level of debt will be brought back down to 11 and a half billion dollars, given that we've got a balanced budget.

Now, how much more accommodating could any Member of this Legislative Assembly be? I don't believe there's another member of this Assembly that could be any more accommodating than that. He's given everything the Provincial Treasurer has asked for, absolutely everything; held him to his word. Implicit in this amendment is the fact that we accept the words of the Provincial Treasurer that his budget's going to be balanced. Isn't that the case? Implied in this is that we take the word of the Provincial Treasurer that yes indeed, we in Alberta are going to have a balanced budget, and because we're going to have a balanced budget, obviously appreciating again the word of the Provincial Treasurer and taking it at face value, we in the Official Opposition, my colleague for Calgary-Mountain View as the finance critic for the New Democrat Official Opposition, are prepared to come to this caucus and to this Legislative Assembly and say: "Let the Provincial Treasurer have his way with the borrowing power for the full fiscal year, but hold him responsible. Hold him responsible to that 11 and a half billion dollar level. Don't let him have any more. After all, he's given the Assembly a commitment." Mr. Chairman, I do not know how much more accommodating an individual can be than to let another individual have absolutely everything they want.

9:50

So there it is. The Provincial Treasurer, just to recite the sequence of events, came in and said: we have a balanced budget, but because we haven't enough money to get through some of those dry times, we need to increase our borrowing power by $2 billion. My colleague from Calgary-Mountain View said: well, let's put a sunset clause in that; let's give it till the end of this calendar year. The amendment was defeated by the government. He came back and said: well, let's put a sunset clause on that; if we're going to have a balanced budget, surely to goodness we don't have to increase the level of debt of the province on a permanent basis to 13 and a half billion dollars; what we can do is increase it only to the end of the fiscal year.

If that's the case, I would suggest, Mr. Chairman, that everything the Provincial Treasurer wants is contained in his budget, in Bill 45, and in this amendment. So I don't see any problem for the government to adopt this. I fail to see the reason for any hesitation at all. I would expect that members of the government back bench would be up and supporting this Bill, given that we've heard throughout the committee debate on the estimates that everybody wanted to be accountable, that this was a good budget. Well, here it is: here's accountability right here in this amendment. So where are those members that are now looking for the accountability? Surely to goodness they would want to hold the Provincial Treasurer to his commitment. My colleague is doing that with his proposal, and I would think that all members would want to support it.

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

MR. McEACHERN: Yes. I just have to take the Treasurer up on some of his comments. He says that we on this side have now come around to his view of the economic situation. Let me just make it perfectly clear that the Treasurer and I do agree on what the real numbers are, only he just has never stated it publicly. His $2 billion increase in borrowing power is an admission that everything I've said is correct about the debt increasing each year, what I've said about the pattern of borrowing being equivalent to the pattern of borrowing power is correct. The stats for last year indicate that he needed all the money last year. The fact is that this year he will need all the money he's asking for, or most of it anyway. It's not possible to believe that he'll get by by borrowing less than 1 and a half billion dollars in this fiscal year; he's already borrowed half a billion dollars.

So yes, the Treasurer and I do agree, but what this amendment does is put his public words to the test. We're saying that if he is prepared to back his public word that we have a balanced budget and that this money is only to give him a little flexibility in rolling over the debt, then he could not vote against this amendment.

These amendments really have been brought forward to point out the problem with the position of the Treasurer: the fact that he's saying one thing yet he knows very well that the real situation is quite a different one. We know what the real situation is, and he knows what the real situation is, so it isn't that we have a different view from his real knowledge of the situation. We just have a different view about the economy and where it's going and how it's working and about the expenditures and revenues of this province for this fiscal year from what he is saying publicly about that situation. It's time that he brought his public utterances in line with what he knows to be the real facts about the economic situation of this province. He will not get away with the expenditure cuts that he thinks he's going to, the economy will not generate the tax revenues he thinks it will, the oil revenues will not be what he thinks they are, the heritage trust fund will not bring in what he says it will, and so he will

end up in this fiscal year with a deficit of a billion to a billion and a half dollars. He will need most or all of the $2 billion in borrowing power that he is asking for, and this amendment and the fact that this government is going to vote against the amendment just make that abundantly clear.

SOME HON. MEMBERS: Question.

MR. DEPUTY CHAIRMAN: Are you ready for the question? All those in favour of the amendment proposed by the Member for Calgary-Mountain View to section 2 that is currently before the committee, please say aye.

SOME HON. MEMBERS: Aye.

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

SOME HON. MEMBERS: No.

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

[Eight minutes having elapsed, the Assembly divided]

10:00

For the motion:

Bruseker	Hawkesworth	Roberts
Chumir	McEachern	Sigurdson
Ewasiuk	Mitchell	Woloshyn
Fox	Mjolsness	

Against the motion:

Betkowski	Evans	Nelson
Bogle	Fischer	Orman
Bradley	Gesell	Osterman
Brassard	Johnston	Paszkowski
Calahasen	Klein	Payne
Cardinal	Laing, B.	Shrake
Cherry	Lund	Speaker, R.
Clegg	Main	Stewart
Day	Mirosh	Trynchy
Dinning	Moore	Zarusky
Elliott	Musgrove	

Totals: For – 11 Against – 32

[Motion on amendment lost]

MR. DEPUTY CHAIRMAN: I will recognize the Member for Calgary-Mountain View in a moment. The suggestion has come to the Chair that should there possibly be, later in the deliberations this evening, other standing votes, we revert to the shortened time version for standing votes. Is the committee agreed?

SOME HON. MEMBERS: Agreed.

MR. DEPUTY CHAIRMAN: Opposed?

SOME HON. MEMBERS: No.

MR. DEPUTY CHAIRMAN: It seems to be carried.

AN HON. MEMBER: The short version is one minute?

MR. DEPUTY CHAIRMAN: Yes.

The Member for Calgary-Mountain View.

MR. HAWKESWORTH: Thank you, Mr. Chairman. We're back to the main Bill on the floor, and that has to do with a request from the Provincial Treasurer to raise the province's debt ceiling this year by $2 billion. Now, by the government members having defeated my amendment to put a time limit on that increase on the debt ceiling, a number of things have come to be quite clear.

First of all, Mr. Chairman, what's clear is that the government needs this legislation for reasons other than the ones that have been given to us publicly by the Provincial Treasurer. What's been made clear by the vote of the government members tonight is that the government does not need this Bill for the flexibility of rescheduling and refinancing the province's debt in this fiscal year. That's clear, and let's make it abundantly clear and make no mistake about it. The vote by the government has made it clear that the Provincial Treasurer's stated reasons for introducing this legislation cannot any longer be believed.

The question then becomes: if the provincial government does not need this increase of $2 billion in the province's debt, what are their reasons for needing this permanent increase – not a temporary increase – in the province's debt while at the same time they're telling Albertans that they have a balanced budget? You can't have it both ways, Mr. Chairman. You can't have both a balanced budget and increase your debt ceiling by $2 billion, especially if you vote against the amendment that was just defeated. So what reasons might the Provincial Treasurer have for wanting to increase the province's debt by $2 billion this year?

Now, there are a number of areas in his budget that are highly suspect and are becoming more and more suspect each day. One area that I'd like to turn to briefly as a possible reason why the Provincial Treasurer needs an extra $2 billion in borrowings can be found under the Provincial Treasurer's estimates in something called Valuation Adjustments. I've not really had the opportunity yet to speak to this particular question throughout our debates on the budget and throughout our debate on this Bill. What the evaluation adjustments in the budget account for are those provisions that the Provincial Treasurer makes annually for those areas that he thinks he's going to lose money on, that he's going to have to write off or write down or that just basically he can't hide any longer.

Mr. Chairman, what the Provincial Treasurer has done in his Valuation Adjustments is set aside $20 million for Accounts Receivable and then something called Implemented Guarantees and Indemnities. One of them is for Credit Union Stabilization Support. That's to help the credit unions in this province: $53 million that he plans to write off this year compared to $74 million the year before. Rocky Mountain Life Insurance Company: that liability is winding down. It's now estimated by the Provincial Treasurer to be just ever so slightly over $3 million. Then there's another category called Other, of $55,700,000, under Implemented Guarantees and Indemnities.

10:10

Now this, Mr. Chairman, is the area of the budget that the Auditor General has spent some time in his most recent annual report making reference to. In particular is his concern about "the government's increasing use of guarantees and indemnities without improved legislative control and appropriate accounting." That's his cause for concern. What he highlights in his annual report is that "borrowings by non-government entities guaranteed

by the government have increased" to over $2 billion in March of 1990. What concerns him is that "payments made on account of losses incurred by the Province have increased from $8 million five years ago to $115 million in 1989-90." So having looked at this track record by the provincial government, I asked myself where the Provincial Treasurer would budget for this kind of loss in this fiscal year, and here we find it, $55 million.

Now, Mr. Chairman, this is after the binge referred to by the Auditor General a year ago that was at the $115 million figure. The Provincial Treasurer is only budgeting less than half of that in this fiscal year. What do we have to concern ourselves with? Well, during this session it's been revealed that the Magnesium Canada guarantee alone is $103 million. There is a whole list of other failed companies that we've highlighted in this session of the Legislature, whether it be a munitions company in the southern part of the province or a fertilizer company in the northern part of the province. The loans and guarantees program of this government has racked up hundreds of millions of dollars of losses, and the spot at which we would expect to find that figure show up in the budget, in the budget books, the area where we'd expect the Provincial Treasurer to account for those losses is on this page of the budget books. He's only set aside $55 million when we know that there are hundreds of millions of dollars or more in loan guarantees that are at risk and losses experienced by the Alberta government.

We know that he's blown his budget or is likely to blow his budget this fiscal year, and there's one area where there's not much doubt that he's going to be way over budget. Now, that's a reason why he would need to increase the borrowings of the province, increase the debt of the province: to compensate for those losses on those implemented loan guarantees. He hasn't budgeted enough in this fiscal year for that. If he were to have budgeted a reasonable amount, given the experience of the Alberta government he couldn't walk in here and support the fiction to Alberta and to the public that he's got a balanced budget. So here's one area, Mr. Chairman, where clearly the Provincial Treasurer has fudged the accounts, fudged the estimates in order to support an unsupportable allegation, and that is that this year's budget is going to be balanced.

Now, Mr. Chairman, the whole question about NovAtel. Again, $700 million of outstanding liabilities potentially with NovAtel in the form of loans and loan guarantees. The Provincial Treasurer, the Minister for Technology, Research and Telecommunications, and other members of cabinet no doubt have in their possession or are soon to have a report on the future of NovAtel. They may just be waiting for next week or the next month, after we're out of session, to make their decisions about the future of NovAtel, including the write-off of huge losses, the possible closure of the plant, the possible windup of that business. Or if in fact they have cause to believe there's a future for NovAtel, there may be a requirement to write off much of the plant and put new investments into the company. All of those options are going to cost money. This would be one area where we could expect to find it financed or accounted for. We don't see a single penny highlighted, another reason why the Provincial Treasurer might need a $2 billion line of credit to help him manage that particular difficulty.

It may be, Mr. Chairman, that many of the losses that were racked up in previous years can no longer be postponed. That's another area where the provincial Auditor General has been quite critical of the activities of the Provincial Treasurer and of this government: they carry losses on their books and only record them and account for them at a point when they feel it's advantageous to do so. So in fact the outstanding liabilities of the province are much higher than those stated by the Provincial Treasurer, leading one to a false sense of comfort in terms of our financial affairs. Perhaps the Provincial Treasurer has knowledge that he's not prepared at this point to share with the public and with the Assembly which leads him to believe that he can no longer postpone many of those losses and that he has to account for them and needs a day of reckoning in this fiscal year, another reason why he may need a $2 billion extra line of credit.

The whole question of oil revenues is one that I would hope the Provincial Treasurer takes seriously on a day-to-day basis and over the medium and long range. Perhaps the Provincial Treasurer is aware of the Canadian Energy Research Institute's most recent update of the world oil market analysis, dated June 1991. After going through that analysis and the assessment that highlights some of the weaknesses in the international energy field as it affects oil, the final sentence in that update report, Mr. Chairman, is that the west Texas intermediate price could fall by as much as $3 to $4 U.S. per barrel by August of this year, again all the more reason why the Provincial Treasurer will not be able to achieve his overly optimistic revenue projections for this particular year. He knows it, and this Bill, Bill 45, is a way for him to have the money at hand in order to pay the bills when they come due because the money's not coming in from the oil revenue as he had predicted. That's another reason why he needs another $2 billion in borrowing.

10:20

Mr. Chairman, the other area that is going to cause some concern, I predict, this particular fiscal year and another reason why the Provincial Treasurer may need this extra money has to do with write-offs and losses at the Alberta Mortgage and Housing Corporation. Now, we had a debate earlier this session, in fact just within the last week or so, on the borrowings from the Heritage Savings Trust Fund by AMHC, money lent from the trust fund to Alberta Mortgage and Housing Corporation to help them cover the costs of their mortgage and property disposal. During that debate – and I'm not going to revisit all of that debate; there was just one point that I wanted to make. I don't know that I made it as clearly as I wanted to at that point, so I'm just going to revisit that issue briefly, Mr. Chairman, and it's this. In the budget for the last fiscal year under the Department of Municipal Affairs, vote 8 has to do with Housing and Mortgage Assistance for Albertans, and last year the Provincial Treasurer estimated or budgeted for a $52 million cost in the disposition of assets. That means he estimated that those assets were going to be disposed of and that a loss was going to ensue with the disposition of those assets. He budgeted for a figure of 52 and a half million dollars, but some distance into the fiscal year the Provincial Treasurer had to come to cabinet to get a special warrant. That was for vote 8 under Municipal Affairs, which was to provide for discounts on the sale of mortgages and to provide for assistance given to municipalities through the sale of land to municipalities at less than cost, another $58.3 million.

So, Mr. Chairman, what we had last year at Alberta Mortgage and Housing Corporation was a loss on the disposition of assets of somewhere in the neighbourhood of $110 million when what was originally budgeted for was only $52 million. That was on the disposition of $800 million worth of assets, so something in the order of 15 percent of the value of those assets was lost in their disposition, a very significant amount of money. But that very same vote in this year's budget is only estimated to be – get this – $5 million, only about one-twentieth of the amount that

the provincial government spent to get rid of those assets a year ago.

Mr. Chairman, given that the Alberta Mortgage and Housing Corporation is in the process of being dissolved, given that the most difficult assets are the ones that are the last to be gotten rid of – the easiest assets to get rid of have already been disposed of; the difficult apartments, the difficult multifamily units remain to be disposed of. This is one of the years that the Alberta government plans to write off, to proceed with the disposition of, a lot of those assets. Quite frankly, setting aside only $5 million to cover those losses cannot in any way, shape, or form be believed. In fact, I would submit to you and to the members of the Assembly that another reason why the Provincial Treasurer needs this $2 billion extra borrowing is because this year he's going to need money to pay the costs of disposing of those assets.

Now, Mr. Chairman, there's been a lot of speculation recently about the future of the leadership in the governing party. I'm just wondering if one of the reasons we have a $2 billion borrowing Bill in front of us is to allow the Provincial Treasurer "flexibility" but not the kind of flexibility that he's had us believe. I mean, just recently we've had the Minister of Education; he's had some criticism about a personal source of funds. Some question has been raised: how might he use that in a leadership race? We know that he's got some ambitions. . .

Chairman's Ruling
Relevance

MR. DEPUTY CHAIRMAN: Order, hon. member. Order please. I'm just cautioning you on the matter of relevance.

MR. HAWKESWORTH: The point I'm making quite clearly, Mr. Chairman, is that there's speculation in some quarters of the ambitions of the Provincial Treasurer, and I'm just wondering whether he would like to have at hand a fund that he could dip into sometime during this fiscal year.

MR. DEPUTY CHAIRMAN: Order please. I just caution you again in terms of imputing motives and so forth.

Debate Continued

MR. HAWKESWORTH: Mr. Chairman, I wouldn't want to leave any impression whatsoever that it would be for his personal use, but if at some point the senior citizens' cuts need to be reinstated for some political purpose, it might be nice that the ultimate authority in making that decision could perhaps rest with the Provincial Treasurer. Here he has a $2 billion fund that he'd be able to dip into to solve a political problem for a fellow colleague that just might be helpful some day down the road. It's all a possible reason, Mr. Chairman, because obviously no one on the government side has been particularly forthcoming about how this $2 billion fund is intended to be used. Certainly one has to say that if all the public documents that have been provided, certainly as far as the Budget Address is concerned, give no justification for the $2 billion increase requested by the Provincial Treasurer, we have to go elsewhere. And if I've done a little bit of speculating that maybe was a little bit too speculative, then I certainly apologize for that, but when one isn't given the straight goods, one is justified and can be forgiven in thinking certain thoughts. So it could be that there's an election campaign just around the corner, that the Provincial Treasurer might need some money to dip into.

We have a government that seems addicted to special warrants. It appears, if last year was any indication, that they budget for 11 months of the year, and then coming up to the beginning of March, they realize they're going to run out of money and so they have to start approving all sorts of special warrants. Perhaps as an abundance of caution the Provincial Treasurer knows that that's what can be expected and, again, needs a bank deposit of $2 billion that he can easily dip into to finance those kinds of special unplanned or unbudgeted for expenditures.

So, Mr. Chairman, lots of reasons why the Provincial Treasurer might have want or might have need to spend $2 billion, every one of them as justifiable, given the public record, as the Provincial Treasurer's stated objectives. Given that he and the members of the government have refused the amendments put forward by myself to limit the borrowing and put a time limit on it, one can only conclude that the stated reasons are not the real ones. There must be some other reason the Provincial Treasurer needs $2 billion which he's not sharing with the Assembly or with Albertans. I would suggest that all the reasons I've given, and perhaps more, ones I haven't even had time to speculate about, are the real reasons this government might need another $2 billion in borrowing and why they would not want to be honest or feel there would be a political liability in being honest with the people of Alberta.

10:30

Mr. Chairman, I guess fundamentally that's what this issue comes down to. The reason I and my colleagues object most strenuously to Bill 45 is the lack of clarity, the lack of honesty, and the lack of candour that has characterized this provincial government's Budget Address. Its fiction of a balanced budget could not be believed from the day it was introduced. The provincial government has continued to stand by its allegation but has also brought in a Bill to increase the debt ceiling of the province by $2 billion.

Mr. Chairman, if there's one thing I would ask of this government and this minister and this cabinet it is that Albertans and this Assembly deserve to be treated with the respect that comes from honesty, from laying out the political agenda, laying out the economic situation, laying out the financial factors in the situation the government finds itself in and telling people exactly what those are and not trying to palm something off on them which ultimately cannot be believed and cannot be supported. That's really what I object to: to introduce a Bill for which there really is no justification given to the Assembly or to the people of Alberta. I don't believe it deserves the support of the Assembly for that very reason, Mr. Chairman.

MR. DEPUTY CHAIRMAN: Ready for the question?

SOME HON. MEMBERS: Question.

MR. DEPUTY CHAIRMAN: Title and preamble. Are you agreed?

SOME HON. MEMBERS: Agreed.

MR. DEPUTY CHAIRMAN: Opposed?

SOME HON. MEMBERS: No.

MR. DEPUTY CHAIRMAN: Carried.

On the Bill itself, does the committee agree?

SOME HON. MEMBERS: Agreed.

MR. DEPUTY CHAIRMAN: Opposed?

SOME HON. MEMBERS: No.

MR. DEPUTY CHAIRMAN: Carried.

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

[One minute having elapsed, the Assembly divided]

For the motion:		
Betkowski	Elliott	Nelson
Bogle	Evans	Orman
Bradley	Fischer	Osterman
Brassard	Gesell	Paszkowski
Calahasen	Johnston	Payne
Cardinal	Laing, B.	Shrake
Cherry	Lund	Speaker, R.
Clegg	Mirosh	Stewart
Day	Moore	Zarusky
Dinning	Musgrove	

Against the motion:		
Bruseker	Hawkesworth	Roberts
Chumir	Mitchell	Sigurdson
Ewasiuk	Mjolsness	Woloshyn
Fox		

Totals:	For – 29	Against – 10

[The sections of Bill 45 agreed to]

[Title and preamble agreed to]

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

[Motion carried]

Bill 40
Conflicts of Interest Act

MR. DEPUTY CHAIRMAN: There is a government amendment and some other amendments.

Are there any comments, questions with respect to the amendments? We're dealing with the vote on the government amendments.

HON. MEMBERS: Question.

[Motion on government amendments A to I carried]

MR. DEPUTY CHAIRMAN: Is there further discussion with respect to this Bill as amended?

The Member for Edmonton-Centre.

REV. ROBERTS: Thank you, Mr. Chairman. I take it that our amendments to Bill 40 have been circulated to all members and to the Table. They're quite extensive, numbering up to the letter L, at least 10 or so different sections that we feel strongly need to be fixed up.

Mr. Chairman, at second reading we did . . .

MR. DEPUTY CHAIRMAN: I hesitate to interrupt. I just wish to draw the committee's attention to – I understand them to be amendments to Bill 40 that you're moving on behalf of the hon. Leader of the Opposition.

REV. ROBERTS: Yes.

MR. DEPUTY CHAIRMAN: Thank you. Please proceed.

10:40

REV. ROBERTS: That's right. On behalf of Mr. Martin I would like to move . . . I don't know who moved the government amendments. I don't know why I should have to move these. Here he comes.

Getting down to business here, Mr. Chairman, as I said, there are a number of amendments, some of technical detail but others that I think just lay out the points which we raised at second reading and where we feel that the Bill as it currently exists is deficient. I'll just try to go through them expeditiously and deal with them as a package for further debate. I know the legal beagles in the Attorney General's office have already gone through them, and they're going to accept at least half of them. We'll expect some good amending of the Bill before us.

The first point we really wanted to lay out here is a bit more of a definition of what we mean by conflict of interest. In fact, as I read Bill 40, it's not really even clearly stated. It says what members should and should not be doing under "Obligations of Members" in terms of breaching the Act, but I don't see anywhere, even in the definitions, what exactly we're talking about here as it defines conflict of interest.

We have looked at other legislation which in fact does embody definitions, and we see two sorts of them. What the Bill talks about in terms of breaches of this Act we would term as a real conflict of interest, and that's why we have subsection (c) which we'd like to add after clause (i) in section 1. Beyond that, we think the definitions should be made broader to deal with areas of interpretation which we would like to see defined as under the rubric of apparent conflict. This, in fact, as I again would like to argue, has been used in other legislation, and we're borrowing it to use here. It means that the ethics commissioner could look at an apparent conflict of interest, where

> an association, affiliation, dealing or business transaction which might in [his or her] opinion . . . lend to an appearance of conflict of interest, whether such association, affiliation, dealing or business transaction would otherwise be allowed under this Act.

In a sense, Mr. Chairman, again getting back to what we debated at second reading, the public out there is increasingly scrutinizing our actions, our decisions. If we really want to be, in a sense, not just doing the law but above the law, to be seen to be fulfilling the law and not just living according to the letter of it, one could take a definition like this so the ethics commissioner could say that it's a fuzzy enough area to cause public doubt and public lack of confidence or lack of trust. Getting to this issue of land value, for instance, having some land where some decisions are made which don't necessarily affect the real estate the member has but there are enough decisions swirling around it so the value of the land would go up as a result of certain actions by government and where a certain member would have input into that discussion and decision, it could be argued that there's no real transaction or business dealing to do with that parcel of land or that real estate. But there's enough of a fuzzy area here, there's enough of a sense that, yes, you have influence here which is benefiting your own private interests in terms of the value of the land, that it falls under this category of apparent conflict.

[Mr. Moore in the Chair]

People don't like that, people don't want that, and in the view of the ethics commissioner, you should be able to adjudicate on that. Again, I think that if we're going to come forth with this legislation, we should make it as full and as state of the art as can be and not just sort of go as far as we can in terms of getting away with things. This apparent conflict definition should be included here right off the top to let the ethics commissioner know that he has a fairly broad brush and that we as members of the Assembly are going to be scrutinized not just according to the letter of the law but in the fuzzy sort of interpretable areas where some nefarious kinds of activity might be seen to be happening.

Secondly, I think under section 1 in terms of definitions, we just wanted to be clear about public service. Now, we'll get into this debate, I'm sure, a bit further with the Attorney General as to his view as to why this Act should only deal with us 83 members of the Legislature and leave over to the Public Service Act other conflicts of interest by other employees of government. We feel, again, that the Act is here; it's before us and those who report to us in managerial positions and appointed senior public officials, and the definition that this pertains, therefore, to any public official

> appointed by the Crown or the Legislative Assembly having an executive manager classification or higher, and includes an executive assistant or other staff member directly appointed by a Minister.

These people are accountable and responsible to us. In a sense they're an extension of our powers or powers of government and should, therefore, also fall under the categorization of conflicts of interest under this Bill. Similarly with the public official definition as well.

So we're again trying to broaden the definition. I know the minister has already said: no, no; we're going to leave that. We feel uncomfortable or wonder why. We would question why that Bill hasn't been brought in as a companion piece for this Bill right here and now so that we can see how rigorous those statutes are in terms of amendments for these people as well. It seems too little too late and too unclear to say: "It's coming. Just wait." We'd like to see it up front and have those people know that they fall under the same scrutiny as we do and to broaden it by virtue of these amendments.

The only other amendment of detail there would be (e), the last one in section 1, which strikes out this whole concept of blind trust. To us a blind trust still is open to too much abuse, too much wheeling and dealing, so to speak, and we don't see what blind trusts are really protecting in terms of a member's real personal interests when in fact they're servants of the Legislature and of the people as MLAs. We'd want to err further on the side of full disclosure rather than having some trustees and some money and saying: "Well, that's just in our blind trust. We don't know who the trustees are. We don't know what they're doing. That's none of our business," and just pretend that is going on in some manner that is not open to some question. We feel: why not have full public disclosure of assets and of shares and of interests, so that people can see clearly and fully and the ethics commissioner can determine that in fact no matter here is open to question in terms of there being a conflict of interest? So we'll get into that a bit more with some other amendments as they're coming up.

Under section 2, again I think it's just trying to stop up some loopholes here. In subsection (2) it just says, "Where a matter for decision in which a Member has reasonable grounds to believe that the Member" is in conflict of interest. It's not just the day, the time, the meeting where that vote is taken and the decision is made. Certainly if the Conservative government functions anything like other bodies where there are committees and determination before the decision is actually made, there are a number of ways in which, in our view, members should absent themselves even from those discussions. When they're getting into an area where they say, "Oh, wait a minute; I've got some investments which are going to have some potential benefit by virtue of these discussions," or "I'm in a conflict of interest," the ethics commissioner says that if you keep discussing this or keep wanting to make some points and develop or have some influence in terms of decisions going a certain way, one should withdraw from those discussions. It's not just a matter of arguing for it and arguing for it and arguing for it, and then all of a sudden leaving the day the vote is taken. That's obviously not according to Hoyle. People should be able to see that their discussions either on the matter or in favour of the matter would put them in a conflict of interest regardless of when the actual decision is taken. Maybe the Attorney General would like to argue that that is implicit in subsection (2), but in our view it's a loophole that needs to be strengthened quite a bit.

10:50

Similarly, when this has to do with any meaning about not just a resolution of this Legislative Assembly but a provincial agency or corporation on which the member serves. I don't want to pick on Pincher Creek-Crowsnest, but if, for instance, some moneys are going into the science council or some high-tech advance through Biomira or something and someone could buy shares in a pharmaceutical company which would stand to benefit from government investment through the science council where one is already sitting as a member, again we need to broaden it to ensure that that kind of conflict doesn't arise or that kind of private interest isn't served in those provincial agencies or other corporations.

Also under section 2, basically the intent of (c) in this amendment is to again put things right up front. It doesn't specify, as we would like to see in this amendment, that the member must

> (i) disclose the general nature of the interest,
> (ii) withdraw from the meeting without voting or participating in the discussion, and
> (iii) refrain at all times from attempting to influence the matter.

Mr. Chairman, this is just laying it out in plain English, in plain language. It's not currently in the Bill. The minister might argue that it's implicit in this, that, or the other thing. Let's get it on the table. Let's make it plain and simple, black and white, that the member must do these things and thereby be beyond even a real or an apparent conflict of interest.

Then it goes further into subsection (2). As soon as the member has done those things, which are an obligation, they shall then be recorded with the ethics commissioner, and the clerk of the meeting will file that the member did those things on the date and the time they were done. Again, the ethics commissioner has up front that they complied not just with the letter of the law but in the fullness of the law, and that's on record by the clerk and ethics commissioner.

We also felt and have in our amendments C and D, that sections 8 and 9 need to be strengthened by determining who, in fact, can initiate whether or not a breach of the Act has occurred. In both section 8 and section 9 in terms of contracts with the Crown or payments from the Crown, it could and should be the right and the responsibility of any person in

Alberta who has the right to vote. Any one of our electors, constituents, members of the public out there who is a voter in the province should be able to commence an action in the court. So for that person out in the street who's a voter on up, the action can be commenced; they have a right and responsibility for commencing that action in the court in terms of any member being disqualified under those two sections. Again, I think it just sort of empowers the Act a bit more. It gives some impetus in the people. It throws it back to the public. They're saying, "You know, we read about those politicians and all the things they're doing, just lining their own pockets and scratching each other's backs." You say, "Well, here's an amendment; if you have some degree of information and know a breach has occurred, you've got it right here that if you're a voting member of this province, you can commence an action yourself." So in a sense it puts the onus back on them to initiate that if they so choose.

Then in terms of section 12 and the disclosure statement, we're not at all satisfied that just by disclosing certain assets without having some valuation of those assets really does the trick. I mean, as I said at second reading, there might well be some financial interest in an apartment building somewhere or a piece of land or some drilling rights or what have you. I think the ethics commissioner and the members would be served if they knew not just the asset or the financial interest but the value of that. I mean, let's talk turkey here. Is this an asset that's worth what might be conceived to be $100,000 or is it $1 million or $10 million? Now, I know there'll be a debate ensue about how that value is determined, whether it's fair market value or an appraised value. We're open on that question. I think if it's an appraised value, that could do. I think the ethics commissioner and others might want to look at what the market value might be to get a full sense of what's being disclosed and the impact of it, but at least we want to get at this question not just of asset interests but of the value of it. We feel it is very important to be on the record and to be understood in terms of the impact it may or may not have and to improve the workings of the ethics commissioner.

Similarly, we've removed in that section reference to the prior trust section, (d), after clause (d), "shall include a full disclosure by the trustee of all details of any prior trust." That would again extend to interests or assets in such trust.

Section 14: again to do with public disclosure statements. Some of these points I've been raising in terms of the range of dollar value. Maybe I should put it that way, too, that the ethics commissioner – the member might not say, "Well, yes, I have this piece of property and it's worth $100,000." It could be a range between $80,000 and $120,00 or some ballpark figure or range.

We wanted to strike out in (4) under section 14 what is currently in the Bill in terms of exclusions from public disclosure statements. We're not at all happy that in fact unpaid taxes and support obligations do not need to be publicly disclosed. It seems to us that should be disclosed by members of this Assembly. In fact, a fairly recent example from a certain municipal council nearby I think had to do with a certain member who was in arrears in terms of some business taxes and was an apparent problem in terms of filing her papers at election time. Similarly I think if there is a piling up of unpaid taxes by certain members of this Assembly, that isn't something that should go undisclosed. Again, you can talk about tax fairness and the rest. I think if we're going to be in here, we need to pay our dues and to pay our taxes and that any amounts that are unpaid are a matter for the ethics commissioner to know about.

Similarly with support obligations, there might be some question about "Well, that's my own private, personal interest," but again if there's a person to whom support maintenance is owing, and those obligations are not being met month by month by month, that's a matter for public disclosure in a statement to the ethics commissioner, in our view.

11:00

Moving on to section 23, it gets back to this question as has been raised before. In a sense I don't have any philosophical argument with the Attorney General. Not having studied jurisprudence and political powers, I can agree with him that we are the highest court in the land here in this Assembly, making the laws which the judiciary then interprets and applies. I guess where we differ is the view that what we're doing is making laws to meet the needs of our public, to meet the needs of our constituents. In this case our constituents, our voters, the public out there, says, "We want to have conflict of interest legislation which is not going to just allow politicians to pass judgment on other politicians." To have it ultimately referred to the Court of Queen's Bench for any question the ethics commissioner wants to make and to have that decision binding on us and not to then have it come back, I guess, through Privileges and Elections or whatever other committee to be then overturned by a majority vote in this House or in committee, I mean you can just see the headlines.

I agree with the Attorney General that no, we wouldn't overturn anything that the courts had determined. But again it seems, in my view and my experience, that the government has done that with other court decisions that they just think are irrelevant. Or if they aren't fully cognizant of some of the political ramifications, we as the higher authority make another determination. In fact, if we were to do that again, the public would be outraged, so why leave ourselves open to that? Why not in this Bill leave it to the courts to be the final determiner whose decisions would be binding on us? I know the arguments against it, but it would seem that in terms of appearance, in terms of satisfying our public, divesting ourselves, in a sense, of those final, ultimate, judicial determinations, it would be in our best interests to leave that as something to be decided out there, not ultimately in here.

In the cooling-off section, again it's a difficult area to know who this should be directed to and how long the cooling-off period needs to be extended. Maybe living with this for a bit, we'll have a better sense of it. I'm aware that in some legislation it calls for a three-year cooling-off period. Here we have what we feel is quite a minimum of only six months and only for members of Executive Council. What we have determined in our caucus is to have it be not just for ministers but also members and public officials. Wherever that occurs in the Act, a two-year period is the cooling-off period for all. It should be again up front, clarified. Everybody should know that for two years after having stepped out of office in these positions, one cannot at all reasonably expect to enter into any contract or any commercial connection, anything to do with the dealings of government to again further one's own personal, private interests because of what they know or could have known having been here.

After two years perhaps enough water could be under the bridge, enough decisions could be made where the information is then stale enough that any kind of private interests would not be reasonably served. Again I just think that six months is totally inadequate for a number of decisions, as I say, whether they're pulp mills or economic development initiatives, or

Technology, Research and Telecommunications, not to mention Energy decisions made which are going to have a rather long-lasting impact, far longer than six years. A meeting that someone was at today could well have an impact a year or two years from now and not just six months.

Again, I know there's no magic answer, no magic wand. It's a matter of some judgment and the rest. I know the Conservative approach as well, you know: "We can't just give up everything to be in here, while we're here not make anything, and then when we leave, there's no gravy train for us. We want to be able to have something, extra padding for this or that. You guys are no fun in that NDP caucus. You just want to make it miserable for all of us so that we can't make a dime either while we're here or for two years afterwards." [interjection] Well, that's right. We want to err more on the side of having folks have that impression than have the impression that while they're here, and three or four months after having left here, they can pick up some nice cushy gravy train or something that would allow them to be seen to have furthered their private interests solely because of having been here. So let's make it two years to have the whole situation cool off and cool down, and after that, fair game, fair ball. But before that, we think it's just far too dangerous and open to too many questions of conflict.

Then the whole business of, again, referring back to blind trusts. We know it's a favourite mechanism for this government to say: "Well, don't worry. We've just put things in a blind trust, and I know nothing about it. My trustee's dealing with it, and it's blind to me." We feel that that is still open to some abuse, some question, isn't as strong as having a full disclosure, even when it has to do with prior trusts which members might have before coming in here. Even with prior trusts there must be, according to these amendments we have under section 47,

> full disclosure to the Ethics Commissioner of any prior trusts, and instruct the trustee of such trusts to provide all the details of the trust to the Ethics Commissioner for full public disclosure,

and to do that 60 days after the Act has come into force. Other members might want to speak to this, but again it's our view that it's aboveboard, it's open, it's disclosed even if there had been a prior trust arrangement.

The final amendment gets back into what I was suggesting at second reading and in a sense demystifies or demythologizes this term of an ethics commissioner. The more I think about it, the worse I like the term, that someone the government's going to appoint to develop the mechanisms and the procedures under this Bill 40 would be called an ethics commissioner. I feel they're going to be someone who's going to be the commissioner of this conflict of interest Bill. Let's call a spade a spade. Let's say this person is going to become the expert around here of where there's going to be any real or apparent conflict of interest, and to have them pronounce on that in that role because of that mandate. To give them this far more lofty title and a title that's far more open to concerns in terms of an ethics commissioner, as I said at second reading, it just gives this person far too much of a sense of a mandate, is far too lofty a title. It gives them the image of pronouncing on almost every ethical, moral decision which might plague us or might confront us while we're in here.

As I said, this ethics commissioner isn't going to pronounce on issues of health care ethics, is he or she? Because there's an ethical decision to be made, for instance, to fund . . . Some might argue: why is the Minister of Health funding therapeutic abortions but not funding in vitro fertilization? As a matter of fact, Red Deer-North himself might bring up this argument. If you're going to fund termination of pregnancy, why don't you fund the artificial beginning of a pregnancy? That's an ethical issue which could be raised, but it's not a matter that would go to this ethics commissioner, obviously, or anything else to do with ethics of those sorts. What this person is doing is fulfilling the mandate of the conflict of interest Bill.

[Rev. Roberts' speaking time expired]

I think it was very unethical of members across the way to control me like that. Is that half an hour? For this, do I get a piece of pizza?

11:10

MR. ACTING DEPUTY CHAIRMAN: The Member for Vegreville.

MR. FOX: Thank you, Mr. Chairman. I, too, want to speak to the amendments as proposed by the hon. Leader of the Official Opposition and moved today on his behalf by the Member for Edmonton-Centre. I think a good background for these amendments is just to let members know that it's our intention to seek to amend this Bill in a number of ways basically so that we end up with a Bill that really does inspire the confidence of Albertans in the kind of rules that elected members set for themselves and try to adhere to. A lot of these changes have something to do specifically with eliminating the blind trust altogether and replacing it with full public disclosure, believing as we do that the best defence against spurious accusation or innuendo or anything that may cast aspersions on an hon. member is full, open public disclosure. We provide by way of amendments several definitions to that that I think would make it acceptable, outlined in some of the amendments here where we don't require, for example, the exact value of each and every asset to be defined, but assets can be grouped together within a range of values of assets so that the element for disclosure is fulfilled but the requirement for some degree of privacy is respected.

As well, we seek to try and define both real and apparent conflict of interest because we think, Mr. Chairman, that one of the problems with this sort of process over the years has been that members might not feel they're doing anything wrong, but the public feels they are. So perception is a very powerful element in any consideration of conflict of interest, and we've got to be able to examine not only real but also apparent conflicts of interest.

I think the Member for Edmonton-Centre explained in a pretty thorough way the kind of things that we seek to do in the interpretation section, part 1 of the Bill, believing too that these things just simply tighten the Bill up and put some meat on the bones of this proposed legislation. I'd like to just reference the proposed addition we have in subsection (1)(k), where a

> 'senior officer' means, with reference to a corporation, the president, vice-president, secretary, controller, treasurer, general manager of the corporation . . .

We want to add "or a provincial agency" after "corporation." I think we have to recognize that a number of provincial agencies in the province function as corporations, or the people who work for or benefit from the operations of those provincial agencies are in a situation not very much different from those who operate within or benefit from the activities of corporations. We think that's an important little amendment.

It would be my hope that the hon. Attorney General would see fit to accept some of these amendments. We certainly don't

expect him to accept the entire package, but some of them do tighten the Bill up and improve it, I believe.

Our amendment B. Section 2 is amended by adding several things to section 2(2). It tries to define the kind of decisions or discussions that members should withdraw themselves from, and we seek to add in there that that would not only include just Executive Council or the Legislative Assembly or a committee appointed by resolution of the Legislative Assembly, but it would include any meeting of a provincial agency or corporation on which the member serves. Again, you know, you may have a member serving as a board member for a particular corporation in the province, and it would certainly not be proper by anybody's definition for that member to participate in discussions leading to an eventual decision or help make decisions about things that benefit that particular corporation. An example provincial agency I might suggest – we could have the examples of AADAC or the ALCB. Now, certainly we all know that the minister responsible for those agencies or the members of this Assembly who are appointed to chair various agencies – I'm confident that they would not participate in discussions or make decisions about things with respect to those provincial agencies that would benefit them or their direct associates. But it's not clear from this section, and we would like to make that clear. That's the reason we have these things added to the Bill.

Another one that I think is an important section that I want to take a close look at – Mr. Chairman, perhaps I'll save it till we deal with the amendments in a thorough sort of way.

I'd like to ask the Attorney General with respect to subsection (5) in the Interpretation section of the Act, where it talks about "For the purposes of this Act, a person is directly associated with a Member if that person is," and then it defines spouse, corporation, private corporation, et cetera, et cetera. In the exclusions section there, section 1(6), it says, "Subsection (5)(c) does not apply where the corporation is," and it lists several of them.

(a) an association is defined under the Co-operative Associations Act,
(b) a credit union [et cetera, et cetera],
(c) a co-operative credit society incorporated by or under an Act of Parliament . . . or
(d) the United Farmers of Alberta Co-operative Limited.

I think this list is attempting to be exhaustive.

I have one concern that I've expressed to the hon. Attorney General, and perhaps he could address it on the record. If memory serves me, when we debated and amended the Alberta Wheat Pool Act in the Legislative Assembly, it was brought to our attention that the Alberta Wheat Pool was incorporated under its own Act and was not incorporated under the Co-operative Associations Act. There was some lobbying from people in the province who felt it should be so that it would be subjected to certain rules and procedures that flow from that sort of incorporation, but as far as I know it is a separate Act. Though it's not included in the amendments proposed by the Leader of the Official Opposition, it may be prudent for the Attorney General to look at an amendment to that section that would include the Alberta Wheat Pool, because we certainly would not want to exclude the 60,000 people who are members of the Alberta Wheat Pool by way of their association with those of us in this Assembly who belong to the Alberta Wheat Pool.

We have this major amendment here where we propose deleting all of section 1(7), the complete description of the blind trust. We think it's the wrong way to go. We don't think there's any useful purpose served by going halfway with this legislation, by trying to improve the process and leaving the potato in the oven to be baked at room temperature. We think we have to go the extra mile, and in order to do that you have to eliminate blind trusts and replace it with full public disclosure.

I think I'll leave my comments there for now, Mr. Chairman.

SOME HON. MEMBERS: Question.

MR. ACTING DEPUTY CHAIRMAN: The question has been called.

The hon. Attorney General.

MR. ROSTAD: Mr. Chairman, I would like to address some of the proposed amendments. The issue of conflict, apparent conflict, real conflict is a serious one.

11:20

I might quote a few comments by the Conflicts Commissioner in Ontario, the Hon. Gregory Evans, in a hearing that he conducted relating to the Hon. Frances Lankin, the Chair of the management board of cabinet and Minister of Health in the Ontario government. He says,

> I believe that the present legislation wisely restricted 'conflict of interest' to a real or actual conflict. A 'perceived conflict' is that which an individual believes on the information available to him or to her.
>
> 'Perception' of a conflict of interest is an individual, subjective appreciation of a situation or a set of circumstances which may not in fact be true. It is an intuitive recognition which is subject to distortion by false rumours, media manipulation or public relations hyperbole.
>
> What standard is to be applied? The frequently suggested standard is that a legislator should not engage in conduct which would appear to be improper to a reasonable, non-partisan, fully informed person. The problem with such an appearance standard is that there are few, if any, 'reasonable, non-partisan, fully informed persons,' and I doubt many would accept such a definition as a proper criteria for measuring the behaviour of legislators.

I only bring that up because I think it clearly says that apparent conflict, real conflict – what you need to do is talk about conflicts, where you've got something you can measure against and not this airy-fairy idea of what might be or might not be. I think that the Act does describe a conflict, and I think it gives a mandate to the commissioner that he, within the confines of this legislation, ensure that the private interest of a member is not in conflict with their public duty. I think the Act quite specifically addresses what a conflict is. I wish to assure the members that the public officials will be dealt with in the Public Service Act and very close to what is here. Again, this Act, somewhat like the Leg. Assembly Act, which this could become part of someday, relates to elected officials and not to public officials, and those will be forthcoming.

The blind trust issue within the amendments proposed appears in three or four places, and the proposal is basically that we do away with the blinds trusts and disclose them. Well, the philosophy under the Act is that you can have blind trusts, but you can only put publicly traded securities or shares in that blind trust. You're not mandated to do that; you can do it if you wish. If you think that you have ownership of something which is going to be in conflict quite often, then you could, instead of disposing of them, put them into the blind trust. The trustee has to be approved by the ethics commissioner so that he's assured – and when I say he, it's the generic he; it can be he or she – that there is no conflict and should be no conflict between the trustee and the settler of the trust, the member.

Now, when there's a transition from prior trusts, as referred to here, section 47 of the Act sets out a mechanism for that.

But essentially what will happen is that the ethics commissioner, when you're divulging your affairs, will look at if you have a current blind trust, which might have something in there other than just the publicly traded shares and securities. At best only the publicly traded shares and securities could go into that blind trust. What might be in there otherwise would have to be brought out of the blind trust, and then again in the context of the Act you would look at them and say, "Is it something that's going to not be a conflict which you might be able to keep?" If you're a minister in a particular portfolio and there's something in there that would obviously put you in conflict, you have a choice of moving out of that portfolio or disposing of that asset.

For clarity, under the current situation there are many kinds of trusts. There are blind trusts, there's . . . Well, it's almost as broad as it is long. But under the new legislation there's one kind of trust, and that's blind trust, and absolutely everything else has to be disclosed and in some situations disposed of because you would be in conflict. I think the mechanism works so that you're assured of preventing conflicts.

The proposal in clause (k) that "provincial agency" be added after "corporation." The definition in that (k) relates to the provision respecting associated persons. Those types of corporations might be privately held corporations and doesn't have anything to do with the relationship to a provincial agency. So I think that context . . .

Into section 2, I do agree with the hon. Member for Edmonton-Centre that it is implicit that discussion and decision are the same. By adding "a meeting of any Provincial agency or corporation on which a member serves" after the other words, those disclosure provisions of any corporation, whether it be under common law or whether it be under the Business Corporations Act, would take care of any of those other corporations or provincial agency and the spelling out would not be necessary at this time.

[Mr. Schumacher in the Chair]

I think also in terms of whether you disclose your general interest or declare that interest and withdraw from the meeting essentially is the same thing, and I think it's a matter of record keeping of the meeting that you're at as to whether and how the clerk registers your withdrawal. I also think filing that information with the ethics commissioner as part of a public disclosure could compromise a confidentiality of a certain type of meeting. What was being discussed, seeing that you were asking to disclose that and then also have it publicly disclosed – I think it's necessary that a person definitely declares and does withdraw and doesn't vote. I think that in itself should speak for itself.

In section 8 and section 9, the requirement that the court, whether it's the Queen's Bench or whatever court be brought back in. That provision is currently in the Leg. Assembly Act, isn't used. But also the provision in the Leg. Assembly Act is that this body can override or change whatever court decision might come before it. Also the ethics commissioner is and has all the powers of a public inquiry officer under the Public Inquiries Act, which gives him essentially the same powers that a judge would have to subpoena, to take evidence under oath, and to make the same sort of recommendation or sanction that a judge would to our Assembly. I appreciate the representations, but I think this covers it and puts it into our Assembly.

Section 11 of the Act gives the form prescribed by the ethics commissioner, and I don't think we should fetter the mandate given to the commissioner to draw up his forms and to demand our disclosure in the form that he wants it in, and it may well have values. In fact, we go on in the subsequent part of the Act, in 14, to say that where he thinks that the disclosure of value is germane to indicating a conflict, it will be so prescribed. I think the base premise is that it's not necessarily the value of a particular investment or asset that you would have; it's the fact that you have it and then that indication of whether or not there is a conflict that would be important. There are provisions in this section 12, where blind trust provisions are indicated, and I think I've covered those in another section. The same with section 19.

11:30

In section 23, again coming to the Court of Queen's Bench being there, as I mentioned, that provision is in our Act now and is not used. I think we have a more streamlined situation which will get to the same decision in a shorter time. With the Assembly being the highest court, I don't think it's a matter of politicians passing judgment on politicians. We have an independent ethics commissioner, an officer of this Legislature. That is the person who is going to hear, take testimony, run the investigation, and then recommend the sanction to this Assembly. I don't think we should fetter our responsibilities as members of this Assembly in the sense of having the powers to receive his sanctions and mete out what penalties he wishes. But it's certainly not us sitting in judgment of others.

In section 29, striking out "minister" and substituting "public official," again I use the same argument that public officials will be dealt with in the Public Service Act. I give the undertaking to the House that that is forthcoming.

For the cooling-off period, it's been suggested that rather than six months two years be in there. I realize there's a philosophical difference, but I can assure you that the decisions you make as a minister may last for an awful long time but your influence doesn't. I can speak of personal relationships and many of the ministers who have been succeeded by other members and ministers in this Assembly. Government and policy changes are in a new era, and things happen quickly. I don't think six months is an undue time. The Wachowich report spelled it out clearly that we have been blessed. In fact, hon. members from both parties across made mention in second reading that in Alberta we have been blessed working in an Assembly where generally ethical standards are good and people have been honest. We're lucky. Perhaps, and hopefully not, we may find sometime later that that would have to be increased, but now I sincerely think six months is adequate.

The other items deal with section 47, which again relates to the blind trusts and doing away with them and no longer having them. I think I've made my representations that they can be there. They're rather restricted in what can go into them and, in fact, very restricted in who can manage them, but for the private investment that might be in conflict, it's a provision if a person decides they wish to use that. It's there, but it's very, very limited.

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

REV. ROBERTS: Just in response to a few points. Not that I want to belabour the debate of too many of these issues, there were some things that I thought the minister failed to comment on, and I would like his reading or clarification of them. In fact, I didn't catch what document he was reading from at the beginning with respect to, I think, apparent conflict of interest. I don't know if that was the Wachowich report he was referring to, but I'd appreciate a reference for that.

With respect to the blind trusts and making them fully disclosed, it seems to me part 3 in the Act currently says under "Disclosure" that

> A Member shall, within 30 days after the occurrence of any material changes to the information contained in a current disclosure statement . . .

I don't know; it just seems to me that if there are some publicly traded investments and assets, that 30-day provision can still allow for those occurrences from time to time and that the blind trust still doesn't protect that in any real way or that full public disclosure doesn't allow for some of that still to go on as long as it's well reported every 30 days.

I just wanted again to get a sense from the Attorney General – he said that he agreed with me with respect to section 2 that meetings where decisions were made did imply discussions. It doesn't say that in there, and I'm glad he agrees with that implicitly. Maybe the ethics commissioner will use the *Hansard* from tonight to say, "Oh, this is what the Attorney General meant by that." I don't see why he doesn't accept the amendment that subsection (2) should say that decision or discussion about any matter is the context in which any conflict can be seen to be going on.

I was again surprised just to hear him say that in fact in the disclosure statement the ethics commissioner in a sense could ask for whatever he wanted and that it could involve some evaluation of the matter. Again, I don't quite see in section 11 – well, maybe we need to again hear a bit more. It says in subsection (1): the disclosure statement "in the form provided by the Ethics Commissioner." I mean, how much latitude is being given here? Could we be satisfied in knowing that a range of values could be placed on certain assets or what? Could the ethics commissioner go further than the government would like or as far as we'd like or not do anything or not take it to the degrees we'd like it to be taken to? That does seem to be kind of open. I guess the questions is: what sort of forms will the ethics commissioner provide?

The minister failed to address why unpaid taxes and support obligations are to be excluded from the disclosure statement.

Then I guess my other detailed question is – I know he wants to keep us in suspense but what is the determination in terms of the cooling-off period for public officials, which is coming down in a subsequent Public Service Act? Is it similarly going to be six months, or might it be two years? What view is the minister and the government taking with respect to that?

He also didn't respond to my concern that this ethics commissioner is being given too grand and lofty a title. Let's call him what he is – the conflict of interest commissioner – and be clear about that and have it be much more of a function doing as its title suggests.

MR. ROSTAD: Quickly, I realize that there's obviously going to be a difference of opinion whether decision implies discussion. I think it does and would leave it that way.

I did mean to address the issue of unpaid taxes and support. As this Act is based on the Wachowich report, that panel addressed this issue, went around it a number of times, and failed to see whether your having outstanding support payments or unpaid taxes would put you into a conflict position. Perhaps you might have some moral turpitude because you aren't keeping up your maintenance payments, but how that would put you into conflict they did not see, and they recommended that they be exempted. I don't see any contrary reasoning to that other than the fact that, yes, you may want a public disclosure that somebody's short and therefore try and put on that pressure to make them collect, but that's aside from the Conflicts of Interest Act and what it's set out to do.

I recognize that the New Democrat conflict of interest Bill for a number of years has put forward the title of conflict of interest commissioner. I did listen to the hon. member's representations in second reading as to his inability to narrow down "ethics" and how it might be broader. Again, "ethics commissioner" was a recommendation of the Wachowich report. I don't see that it gives it any more grandiose a title than a conflicts of interest commissioner but would still recommend that we go with the ethics commissioner, as the report recommended.

11:40

MR. CHAIRMAN: Is the committee ready for the question? The hon. Attorney General.

MR. ROSTAD: Mr. Chairman, perhaps I might address one issue that the hon. Member for Vegreville brought up in relationship to the Alberta Wheat Pool, and that's a corporation not likely fitting under the definition of an association under the Co-operative Associations Act, and it should therefore be listed as one of the exemptions from an associated person. I would recommend that we do amend 1(6) and then add a clause in section (d), "the Alberta Wheat Pool," to ensure that that is a corporation that would not put a person who had shares as a directly associated person.

Point of Order
Amendments

MR. FOX: Mr. Chairman, is it possible for us to amend a Bill by unanimous consent verbally, or would the Chair need something in writing?

MR. CHAIRMAN: I think the committee is the master of its own procedure, but the Chair wants a little clarification. As the committee knows, the Chair has been here for a short time and understood they were discussing the amendments proposed by the hon. Member for Edmonton-Centre before the committee.

MR. ROSTAD: Mr. Chairman, they were, and the hon. Member for Vegreville spoke to the same amendments because they came as one package. He did raise the issue on the Alberta Wheat Pool, which we didn't have time to check out until just now and felt that that should be one of the provisions put in there. I stand at your direction as to how we do put that amendment in. If you wish a written one, we could submit that.

MR. CHAIRMAN: Do I understand that the hon. Attorney General is agreeable to an amendment . . . I believe that we should dispose of the package that we have before the committee now, and then if the government is adopting that as a government amendment . . .

MR. FOX: May I make a suggestion, Mr. Chairman?

MR. CHAIRMAN: Yes.

MR. FOX: That we deal with the amendments that are on the floor and in the meantime the hon. Attorney General just draft an amendment saying that section 1(6) is amended by adding (e). We've got lots of time to do that.

Debate Continued

MR. CHAIRMAN: Is the committee ready for the question on the amendments proposed by the hon. Member for Edmonton-Centre on behalf of the hon. Leader of the Opposition?

[Motion on amendments lost]

MR. CHAIRMAN: Perhaps we could move on to the amendments that will be proposed by the hon. Member for Calgary-Buffalo while the amendment that . . .

The hon. Member for Calgary-Buffalo.

MR. CHUMIR: Thank you, Mr. Chairman. As I noted in my comments on second reading, we view this piece of legislation in a generally positive light, but we find that there are some very serious, serious omissions and defects that need to be addressed, and our package of amendments is directed to that end. I believe these amendments have been circulated.

The first three amendments under paragraphs B and C are directed to the generic category of scope of duties of the member and the nature of prohibitions with respect thereto. The first one is based on a recommendation of the Wachowich committee, at pages 8 and 9 of their report. In that report in recommendation 6(c), there is a reference to

> a duty not to use the minister's or MLA's position or powers of office to influence the Government or a department or agency for the benefit of the minister or a spouse or a child, or, except in the performance of public duties . . . for the benefit of any other person.

My emphasis would be on the latter portion of that provision, the concept of "except in the performance of public duties . . . for the benefit of any other person," because the primary limitation under section 3 relates to a member breaching the legislation

> if the Member uses [his] office or powers to influence or to seek to influence a decision made by or on behalf of the Crown to further a private interest of the Member, a person directly associated with the Member or the Member's minor child.

It will be noted that that does not encompass the broader category of "any other person," as recommended by the Wachowich report. So my first amendment, under paragraph A, is that we add thereto the provision, "except in the performance of public duties, for the benefit of any other person."

Now, the paragraph C amendment with respect to section 4 is in fact a parallel amendment relating to the use or communication of information. Again, paragraph 4 is limited to the provision of benefit to the individual member's minor child or a person directly associated with the member. That should be expanded to include "the benefit of any other person" except in their performance of public duties.

Another category of concern that I have is set out in respect of paragraph B, and that relates to the circumstance in which a member attempts to further a private interest. This section provides that the only prohibition in respect of attempting to further a private interest is the proscription against using the member's office or powers to actually influence or seek to influence a decision. If you're in a position where you're not actually doing the influencing or seeking to do the influencing but perhaps only threatening to do so, as perhaps in dealing with a third party where you're attempting to advance your own benefit, that is not caught by this particular provision. It seems to me that it should be, and as a result my paragraph B provides for an amendment to section 3 by adding the proviso, "or threatens to use," with respect to the member's office or powers.

So those first three amendments deal with the scope of the duties. Now, I would like also perhaps at this time, since those duty provisions, the obligations sections under part 2, focus very heavily on the concept of private interest . . . I've discussed with the minister, but it seems to me that it would be useful to get it on the record so that we can understand perhaps by example the concept of what is intended by private interest. I gave an example of business involvements of myself in respect of the oil and gas industry, whether or not I would be construed to be dealing with a private interest if, for example, being a leaseholder I would make some representations or be involved in a decision in the Legislature in relation to the magnitude of lease rentals, perhaps arguing that lease rentals are too high, hypothetically, or alternatively perhaps engaged in some discussion as to what the magnitude of royalties should be. I guess a similar type of concern would be if a member who was engaged in farming were to be involved in some forms of discussion with respect to subsidies or insurance programs, income support programs, and so on.

11:50

So my understanding from the legislation and from discussions with the minister is that these types of interests would be considered to be interests held in common with other members of the community, members of the broad community engaged in these business enterprises, and would not be considered to be private interests which would raise the prohibition and participation within the terms of the legislation. I would appreciate the minister's clarification on that.

Now, the second category of amendments is encompassed by paragraphs D, E, and F of my amendments. The category that is dealt with here is the reporting requirements, and it's an attempt to expand what I consider to be serious omissions and deficiencies in the reporting requirements.

The first paragraph, D, deals with the reporting requirement in the disclosure statement with respect to interests which an individual member may have in a private corporation. The Wachowich report at page 71 makes it very clear that it was the opinion of the members of that committee that there should be full disclosure to the extent that a minister or member was able to obtain the information or knew of the information; there should be full disclosure of the underlying assets of any private corporation in respect of which a member had an interest. It need not be controlling; it just simply needed to be an interest, and that would include an interest of the member's spouse or minor child.

Well, I think that's a very sensible provision; however, far from having such a provision in the legislation, what we have in section 12(a)(ii) is a very restricted requirement of disclosure only in respect of assets, liabilities, and financial interests so far as known to the member of a

> private corporation controlled by the Member and the Member's spouse and minor children, or any one . . . of them.

So you need control. If you have a situation of 49 percent ownership by the member alone or the member and his family, what you have is a total absence of any public record of the underlying assets, whether it's real estate or oil and gas, and the ethics commissioner doesn't have notice of them. It seems to me that that's a very serious omission where so much of business activity is carried on in corporations, and it's not suggested that this information needs to be circulated far and wide to members of the public, because that isn't essential. We have a kind of filtered type of disclosure here where you can disclose to the commissioner and there need not be a transmission of that information on to members of the public if the ethics commissioner is of the view that that isn't the case.

I think it's essential that the ethics commissioner be aware of that information, and so in my paragraph D I have amended that provision with respect to a private corporation: to eliminate the need for control and just to indicate that it would relate to

any corporation in which a member and the member's spouse and children or any one of them held shares.

Now the next concern I have relates to the very weak obligations or very weak constraints with respect to receipts of fees, gifts, and benefits. The heart of any ethics system – and this is set out in quotes throughout the Wachowich report – is disclosure. The requirement that's for either the ethics commissioner or the ethics commissioner and the public – and hopefully, preferably members of the public to the extent justifiable on analysis – is that they be made aware. Now, the key proviso with respect to fees, gifts, and benefits is that section 7(1) that provides that there is a breach of the Act if

> the Member's spouse or minor child accepts from a person other than the Crown a fee, gift or other benefit that is connected directly or indirectly with the performance of the Member's office.

Well, quite frankly, in my view – I suppose as an MLA I shouldn't be playing lawyer, but going through legislation, it's irresistible – I find that a very narrow provision with respect to a limitation only in respect of gifts connected with the performance of the member's office. Now, I guess people can differ on that, but I raise the question as to a situation that occurred some three or four years ago with the Premier when the Premier flew back from Palm Springs on a Nova Corporation jet. Nova Corporation is a corporation that has extensive dealings with the province of Alberta. That's a $10,000, $12,000 trip. That has to be of some concern as to when the Premier is receiving that form of benefit. I think we all need to know that. I can very well see a lawyer, perhaps, saying in those circumstances, "Well, that didn't relate to the performance of your office, and you're not in breach of that." Or perhaps it isn't a company that's so heavily involved. Maybe it's some other company that maybe has some interest, a little bit less involved, and perhaps it's pretty easy for the member or the minister to say: "Well, I'm getting this because of the personal relationship I have, not because I'm the MLA. I don't think I'm in breach, and I'm not going to report this."

What I'm getting to is that the key on this thing, the key protection for members of the public in that situation, is the obligation to report. Well, the fact is, the problem is, that there is no obligation to report those types of benefits. The only obligation that there is under this legislation in terms of reporting is to report amounts or items that are dealt with specifically by the ethics commissioner under 7(2), where there has been a direct reference to the ethics commissioner and the ethics commissioner has made a ruling. Now, if you're not within those very narrow parameters, there is no other reporting requirement under the key sections, which are sections 12 and 14.

If we look at 12(d) the requirement for reporting the disclosure statement to the ethics commissioner is that it "shall include a list of all fees, gifts, and benefits approved for retention under section 7(2)(b)." Wherein does one see the reporting requirement to the ethics commissioner of fees, gifts, and benefits so that the ethics commissioner can make that judgment? The fact is that it isn't here, and it's a very serious omission, I believe, because fees, gifts, and benefits are the heartland of the type of thing that has particularly been used in the United States to get around some of their proscriptions.

12:00

So I have provided an amendment to section 12 to add a paragraph E, which would "include a list of all fees, gifts and benefits whatsoever which exceed $200 from a person in a calendar year." That would be the proviso for disclosure to the ethics commissioner. Then in amendment F, where we're dealing with section 14, which is public disclosure, I've amended section 14(3) to add a category (c), a public disclosure of

> the fees, gifts and benefits disclosed pursuant to section 12(e) unless the Ethics Commissioner is of the opinion that the fee, gift or benefit is totally unrelated to the member's office,

in which event it would not have to be made public. So those three amendments cover enhanced disclosure, Mr. Chairman.

The next amendment, I think, is a very important one. It's a fundamental one. That is paragraph G, and it relates to the powers of the ethics commissioner. I must say that I was somewhat surprised and very disturbed to find that the ethics commissioner does not have the power to instigate an investigation on his own in the event that he runs into some information that is of concern to him. I think that's particularly of concern because of the fact that the ethics commissioner is the most knowledgeable person in the whole community with respect to the affairs of the member, perhaps with the exception of the member and perhaps he indeed may know more than the member. One would think that it would be automatic that if the commissioner were to spot something or be aware of some transaction which caused concern and which he felt should be investigated, under a scheme of this nature where so much is being vested, so much capital is being put in the hands of the commissioner, it would be essential to provide that power of investigation.

When you look at section 23, what you find is that the powers of investigation are limited only to a circumstance in which there is a formal complaint from a third party or

> the Ethics Commissioner has reason to believe that a Member has acted . . . in contravention of [specific] advice, recommendations or directions or any conditions of any approval or exemption given by the Ethics Commissioner.

In other words, for the ethics commissioner to have jurisdiction, there has to have been previous involvement, a direction; there has to be a breach of some direction. If there has been no direction, and the ethics commissioner sees something on his own and wishes to investigate, he has no jurisdiction. So I've provided in paragraph G for an amendment to section 23 to add a jurisdiction in the event that the ethics commissioner has reason to believe that there's been a contravention of the legislation.

Now, section 23(3) is amended by paragraph H of the amendments. That deals with a situation in which the inquiry can be held in private at the discretion of the ethics commissioner, and this provision out of an abundance of caution adds the proviso "in whole or in part."

Amendment I has become redundant as a result of government amendments, Mr. Chairman, so I would withdraw that one.

The second final amendment, in paragraph J, deals with one of the weakest portions of the legislation. That is section 29 under part 6 relating to duties of former ministers, and it deals with the cooling-off period. It's our contention that there are several defects in these provisions. One defect is that that period of six months is far too short a period. We believe the cooling off period should be two years. Under paragraph (a) and (b) the limitations relate only to dealings which the minister had during the minister's last year of service. We think this is far too limiting, and we are proposing a limitation of two years. I bring the members' attention to the fact that through an error here that was stipulated to be five years, so please amend your copies to the two-year provision.

[Mr. Jonson in the Chair]

Finally, in dealing with subparagraph (c), we would eliminate subparagraph (c) of section 29(1) because subparagraph (c) authorizes a minister to act on a commercial basis in connection with any specific matter the minister has actually been involved in previously. That's like a lawyer acting on a case for one client and going out, having a cooling-off period, and then coming in on the same case six months later and saying, "I'm now going to act on the other side." There's a clear conflict of interest in terms of knowledge, but there's a particularly clear conflict of interest in terms of a perception.

Now, the types of things we would be looking at would be, for example: consider that six months, seven months after the government grants a $55 million loan guarantee and a $12 million loan commitment to Mr. Pocklington's Gainers company, the minister who had the dealings in granting that loan departs from the government and is appointed president of Gainers. With only a six-month limitation period in that regard, I don't think anybody would think the reputation of the political profession had been enhanced by that particular example. That's probably about as hard and tough an example as you can get, but you can find other examples where you get within a year or a lesser degree of involvement, a whole range of things. Those are just not healthy for the democratic system. They lead to cynicism and lack of respect by members of the public with respect to our system, and they're just not necessary.

It just isn't necessary for people to bounce out of the Legislature and hop into bed with people who have been doing business with the government. We're not normally involved with these people before we get into office; we're not required to do these things. I don't think it's essential that we become power brokers or connected with people who have been dealing with government. There's a suspicion, when you pop out and have dealings with and are hired by these people, that perhaps it was understood during the course of the dealings in earlier years that this would ultimately happen, and their dealings were a little more favourably perceived. So we have provided, as my final amendment in paragraph (k), that section 29 have a new paragraph added to it which provides that a former minister shall never be involved in any particular matter with which they were directly involved, a specific transaction with which they were directly involved while they were in office.

12:10

Finally, I would make some comments on a couple of points briefly, and that is the blind trust. I note that in the Sinclair Stevens matter the hon. judge who wrote the report on that particular case rejected blind trusts, didn't trust them, said that it was very difficult to control, that in many ways individuals knew or had a perception of what was in there, and that the greatest degree of control, the greatest guarantee of control, was full public disclosure. So I would prefer a system in which there was a general prohibition against investing in public shares where there is a conflict of interest, where the investment might be affected, and then to provide for full disclosure of the portfolio. Then members of the public and the ethics commissioner can make those judgments. It's neat and clean, and I think that is a far more sensible proposal than to have matters done secretly on the assumption that the member doesn't know what's going on.

Finally, I was wanting to ask the minister a question with respect to section 20. I'm wanting to know what the intention of the government is in dealing with section 20, which is the proviso which prohibits a minister from carrying on a business "that creates or appears to create a conflict between a private interest of the Minister and . . ."

MR. DEPUTY CHAIRMAN: Order in the committee, please.

MR. CHUMIR: They're mesmerized.

". . . the Minister's public duty." I'm interested in the fact that there's a subsection, section 20(3), which states:

> For the purposes of this section, the management of routine personal financial interests does not constitute carrying on a business.

I think the particular circumstances I'm interested in are the ones that caused the Premier such grief last year in respect of the disclosures and the hype by the *Globe and Mail* with respect to some oil and gas interests that were held by the Premier, which were held on a somewhat passive basis which could be conceived to be personal financial interests on the one hand, as opposed to actually carrying on a business on the other. That was a rather spectacular example of at least media concern being expressed, and it seems to me that this legislation should be fairly clear one way or the other as to what is going on. I must say that I have some doubts as to whether or not the Premier should be able to be involved in that type of activity, given the scope of the Premier's jurisdiction. Certainly a Minister of Energy wouldn't be able to be involved in those particular investments; some other portfolio, perhaps.

So I'm wondering whether the minister would be able to clarify what is intended for this section.

MR. DEPUTY CHAIRMAN: Ready for the question on the amendments? Order in the committee, please. Taking the vote, then, on amendments A to H, I having been withdrawn, and J and K as proposed by the Member for Calgary-Buffalo.

[Motion on amendments A to H and J and K lost]

MR. DEPUTY CHAIRMAN: Further speakers? We have another government amendment.

The hon. Attorney General.

MR. ROSTAD: Mr. Chairman, I would move the further government amendment to section 1(6), adding clause (e). I think everybody has a copy.

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

HON. MEMBERS: Question.

[Motion on amendment carried]

MR. DEPUTY CHAIRMAN: Any further debate? Ready for the question?

The Member for Vegreville.

MR. FOX: I just have one comment I wanted to make with respect to part 2, section 5, relevant to constituency matters. The Bill reads:

> A Member does not breach this Act if the activity is one in which a Member of the Legislative Assembly normally engages on behalf of constituents.

I think we need to work to define that, Mr. Chairman, because certainly what one member considers to be normal activity or activity that one would normally engage in on behalf of constituents is something that may not meet the approval or indeed

be common practice among other members of the Assembly. I want to encourage the Attorney General to put some thought to this particular section. Perhaps it's something we can deal with at some future date in an effort to define what is legitimate lobbying activity by elected members on behalf of their constituents. Perhaps I won't go into specific detail because I've belaboured the point in other debates, but I would point out that there's the normal kind of lobbying that elected members engage in on behalf of their constituents by saying, "We think you should build such and such in this community," because it's the prettiest community or has the most to offer, closest to Edmonton, closest to the U.S. border, whatever natural advantage one can think of. That is what I term "lobbying," and it's the kind of thing that we as elected members do on behalf of our constituents. I would say that that is an activity that members normally engage in on behalf of constituents.

There's another level of activity that is quite routinely carried out by government members in this Assembly, Mr. Chairman, and that is the kind of threatening behaviour – not lobbying behaviour but threatening behaviour – where members will say that, you know, if you don't elect a government member, then you won't get anything done in your constituency. We know that goes on in the province of Alberta. We know it flies in the face of democracy in the 1990s, but it's a very common activity. Indeed, it's something that is done in constituencies all over the province, not by people who are outside the control of this Act, not just by would-be Conservative politicians, but it's something that's done actively by Conservative members in opposition members' ridings. I'm concerned about that, and I think that ethically we need to look at that.

The third level of so-called lobbying activity. We've got your lobbying, we've got your threatening, and I think we've got your basic blackmail, where some members of the Legislative Assembly will on occasion go and say to . . .

MR. DEPUTY CHAIRMAN: Hon. member, I think you should moderate your remarks in terms of imputing motives and activity.

MR. FOX: I'm talking, Mr. Chairman, about third-degree lobbying activities that some members in this Assembly engage in from time to time, where they'll go to a community and say that if you don't reverse your decision to locate something in this opposition member's constituency, we'll make sure that you don't get the money from government to build it. Clearly, in my view, that's unethical behaviour, and I think we need to work to define what is acceptable lobbying on the part of elected members, because I think the description . . . [some applause] Gee, I've caught the attention of some members over there, Mr. Chairman. Clearly, section 5 here is a little too broad, and I think we need to do some work to define it.

MR. DEPUTY CHAIRMAN: Order in the committee, please.

HON. MEMBERS: Question.

[Title and preamble agreed to]

[The sections of Bill 40 as amended agreed to]

MR. ROSTAD: Mr. Chairman, I move the Bill 40, the Conflict of Interest Act, as amended be reported.

[Motion carried]

12:20

Bill 50
Family and Domestic Relations Statutes Amendment Act, 1991

MR. DEPUTY CHAIRMAN: Are there comments, questions, or amendments with respect to the Bill?

HON. MEMBERS: Question.

[Title and preamble agreed to]

[The sections of Bill 50 agreed to]

MR. ROSTAD: Mr. Chairman, I move that Bill 50, Family and Domestic Relations Statutes Amendment Act, 1991, be reported.

[Motion carried]

Bill 43
Fuel Tax Amendment Act, 1991

HON. MEMBERS: Question.

[Title and preamble agreed to]

[The sections of Bill 43 agreed to]

MR. STEWART: Mr. Chairman, on behalf of the Provincial Treasurer, I move that the Bill be reported.

[Motion carried]

Bill 44
Alberta Corporate Tax Amendment Act, 1991

MR. DEPUTY CHAIRMAN: Are there any amendments, comments, questions with respect to this Bill?

SOME HON. MEMBERS: Question.

MR. DEPUTY CHAIRMAN: Having heard the call for the question and not . . .

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

MR. DEPUTY CHAIRMAN: Oh, I wasn't sure.
The hon. Member for Calgary-Mountain View.

MR. HAWKESWORTH: I know it's wishful thinking, Mr. Chairman.

At second reading of this Bill I took a few minutes to talk about what I saw as the fundamental unfairness between the way the provincial government collects its taxes from individual ordinary Albertans and does not continue to collect the same level of corporate taxes as they did at one time from companies in this province, the result being that a considerable amount of wealth in the province is going without taxation, is being lost to the province, and the system is becoming fundamentally skewed. Well, Mr. Chairman, just moments after I concluded my address, the Provincial Treasurer intervened on this or another Bill and insisted that the tax system is quite fair, it was quite progressive, it was not going the trend that we've been seeing in the United States, and that the integrity of the system remained intact.

I then found it interesting that within hours or a day or so, Statistics Canada released a study showing how the federal tax

has in fact become very skewed in favour of the corporate sector and against individual taxpayers. In fact, the report indicated a number of interesting things. Since 1986 personal income tax as a proportion of the economy has risen sharply to its highest level of any year in this study, continuing the upward trend that began in 1978. In contrast, corporate tax revenues have remained at relatively low levels.

Mr. Chairman, according to the Statistics Canada report – and I'm relying here on the reports that have been carried in the local media; the actual report itself has not yet been made available to the Legislature Library, so I'm basing these comments on what's been reported. The skewing is quite remarkable. The numbers show just how skewed the burden has become. In 1991-92, the current fiscal year, the federal government expects to collect $64 billion in personal income tax and $11 billion in corporate tax. In 1987-88 the federal government collected $45 billion in personal income tax and just slightly under $11 billion in corporate income tax. There are other statistics given. To look at it another way, corporations will pay about $1.6 billion more in tax this fiscal year than when the Tories took office, while individuals will pay $35 billion more in income tax alone. Mr. Chairman, that's a factor of about 20 times.

Now, as I've said previously on Bill 44, the Alberta Corporate Tax Amendment Act, 1991, it increases marginally the rate on large corporations from 15 to 15 and a half percent, but as I've indicated, if a corporation has means at its disposal to escape paying the tax, does it really make any difference whether they escape paying a 15.5 percent rate or whether they escape paying a 25.5 percent rate or an 85.5 percent rate? Escaping taxation is escaping taxation. As our tax system has become more and more skewed over the years, it becomes more and more unfair, and raising marginal rates can help to some extent maintain a fairness in the system. If there are continued loopholes provided or allowed, then the intent of the legislation is defeated.

So I thought what I would do, Mr. Chairman, just to investigate the allegations of the Provincial Treasurer that the tax system is fundamentally fair in Alberta, is undertake to review the Auditor General's reports of recent years which contain within them some evidence about our tax system. What I found interesting was to turn to the first report that I could find where this is reported or broken down on a per capita basis. On page 96 of the Auditor General's report of 1987-88 the Auditor General reveals that in the fiscal year of 1985-86, personal income tax on a per capita basis was $643. Corporate tax in that year . . .

MR. DEPUTY CHAIRMAN: Order in the committee, please. Order, Member for Red Deer-North and others.

MR. HAWKESWORTH: Thank you, Mr. Chairman. I know the hour is late, but these are important points, especially for people who represents constituents who pay income tax.

In 1985-86, which was the earliest fiscal year I could find reported in this form by the Auditor General, on a per capita basis personal income tax was $643 per person in Alberta, while corporate income tax amounted to $370 per person in Alberta. For the most recent year available, Mr. Chairman, for the fiscal year 1989-90 – that's the Auditor General's report for the year ended March 31, 1990 – there are some astounding figures. In that fiscal year the Provincial Treasurer brought in $1,031 on a per capita basis in income tax, but the corporate income tax for that year, Mr. Chairman, amounted to $281 per person.

12:30

Now, let's compare that. In 1985-86, per person the income tax was $643. In the most recent fiscal year it's $1,031. It's an increase of almost 75 percent, I would guess, or somewhere between 67 and 75 percent. From that year of 1985-86, corporate income tax actually declined from $370 per person to the most recent fiscal year of $281 per person. It actually declined by almost a hundred dollars per person. If you were to take a hundred dollars times 2 and a half million people, that's a significant amount of drop in the per capita amount of corporate income tax. That $281 is not untypical of what's been happening recently. In '88-89 it was $265; in '87-88, $235. It's maintained itself at a fairly consistent level, while at the same time personal income tax has increased almost two-thirds, by almost 70 percent.

The point that I was making earlier, in second reading debate, on corporate income tax still holds. The case, I believe, is made strong with the support provided by the Auditor General's report that indicates just really where the trend of taxation is going in this province, and that is to imitate what's happening in Ottawa under Michael Wilson, imitate what's gone on in the United States under Ronald Reagan and George Bush. It's leading to a real division between rich and poor in our society and one that I think does not bode well for the future of our province or our country. Furthermore, Mr. Chairman, by leaving lots of wealth in the hands of companies and individuals that go untaxed, it means that the Provincial Treasurer has to bring in legislation to borrow $2 billion in order to pay the bills, whereas if we had a fair tax system in place where everybody can pay their fair share, we can maintain social programs as well as keep the province's finances in a healthy frame.

In fact, that was the conclusion of the Statistics Canada report, that it has not been the spending on social programs that has driven the rapidly increasing debt of the national government, that in fact from the 1970s – that's over a period of over 15 years – social program spending has generally been flat. But it's been since the mid 1970s that the large and growing increases in the annual deficits have piled debt upon debt upon debt at the federal level. Now, if social program spending has been flat in those years, why is there this problem? As the Statistics Canada report found, it's because the tax system in those 15 years has grown more and more unfair, and less and less tax has been paid by the corporate sector. It's not the social programs that are causing the problem; it's our tax system.

Now, Mr. Chairman, what are some of the ways that people and companies can avoid taxation? Well, there are many ways, and a number of them are collectively called tax expenditures. This Provincial Treasurer and government unfortunately don't report tax expenditures which would give us a clearer idea of how some of the write-offs and loopholes exist and give us some idea of how people are benefiting from them. In reviewing some documents in preparing my comments tonight, I found it interesting in looking to the report of the Auditor General for the year ended March 31, 1985, before I was ever elected a member of this Legislature, Mr. Chairman. The Auditor General reported a number of tax expenditures in his annual report for that year. Here were some of the tax expenditures provided to individuals, to give you some idea. Renter assistance credits, royalty tax rebates, political contribution tax credits were three of them that were highlighted in that fiscal year. In the fiscal year 1984-85 they added up to over $88 million.

Another interesting schedule provided under the public accounts was for corporate income taxes, which are some of the ways that, in the past at any rate, corporations were able to

escape the kinds of nets that are contained in the Bill in front of us: small business deductions, royalty tax rebates, extended rental investment tax credit, rental investment tax credits, foreign tax credits, corporation capital gains refunds, political contribution tax credits.

Mr. Chairman, since this Auditor General's report was made public, while the small business equity program has been canceled, it was then replaced with the Alberta stock savings program, which . . .

Chairman's Ruling
Relevance

MR. DEPUTY CHAIRMAN: Hon. member, order please. The Chair would respectfully request that the member relate his remarks to the clauses of the Bill before the Assembly. It sounds to the Chair possibly like second reading debate at the moment.

Debate Continued

MR. HAWKESWORTH: Well, Mr. Chairman, I just have outlined in my remarks this evening that essentially the point I'd like to make is that despite what kinds of marginal tax increases the Bill contains, there are other important issues that affect what corporations pay in our province and these are all part of the overall fiscal plan and priorities of the government. I'm just saying that Statistics Canada has verified the comments I made earlier. They basically support the contention that our tax system is becoming less and less fair. The efforts made by the Alberta Treasurer to increase the marginal tax rate will have a marginal impact but in essence leave an unfair tax system intact.

My point simply is that unlike the point the Provincial Treasurer made in second reading to refute the contention I made that our tax system is more unfair – he said no; the integrity of the system is being maintained – anything on the public record will indicate and support the contention that the tax system is relying less and less and less as time goes by on corporate taxation. It's relying more and more and more heavily on the individual taxpayer, and if the United States is anything to go by, in 10 years' time we'll be in the crisis that they're currently facing. I would hope that before that happens, somewhere someone along the line will start taking us off this path that we're traveling in order to ensure that our tax system continues to contain the fairness that it traditionally has.

Thank you, Mr. Chairman.

12:40

HON. MEMBERS: Question.

[Title and preamble agreed to]

[The sections of Bill 44 agreed to]

MR. DINNING: Mr. Chairman, as the Acting Provincial Treasurer I would move that the Bill be reported.

[Motion carried]

Bill 9
Arbitration Act

MR. DEPUTY CHAIRMAN: There is a government amendment.

The Member for Banff-Cochrane.

MR. EVANS: Excuse me. It must be the hour.

There is a minor amendment, Mr. Chairman, to Bill 9. It involves section 28, and if hon. members will take a view of section 28, it had been indicated that the appointment of experts would be within the authority of the arbitral tribunal. It was felt, on reflection, that in the first instance this should be determined by the parties themselves and, failing agreement, by the arbitral tribunal.

Secondly, although there's a general provision in section 53 of the Act that expenses, such as expenses for expert evidence, would be shared equally between the parties, it was felt that for clarification there should be a subsection added that would deal with that matter in section 28. So in section 28(1.2) it is specific that the costs of the expert will be shared equally.

That's the amendment, Mr. Chairman. Thank you.

[Motion on amendment carried]

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

HON. MEMBERS: Question.

[Title and preamble agreed to]

[The sections of Bill 9 as amended agreed to]

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

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

[Motion carried]

Bill 51
Pension Statutes (Transitional Arrangements) Act, 1991

MR. DEPUTY CHAIRMAN: Any amendments, questions?

HON. MEMBERS: Question.

[Title and preamble agreed to]

[The sections of Bill 51 agreed to]

MR. DINNING: Mr. Chairman, I move that Bill 51 be reported.

[Motion carried]

Bill 52
Electoral Boundaries Commission Amendment Act, 1991

MR. DEPUTY CHAIRMAN: Any amendments, questions, comments?

HON. MEMBERS: Question.

[Title and preamble agreed to]

[The sections of Bill 52 agreed to]

MR. ROSTAD: Mr. Chairman, I move that Bill 52, Electoral Boundaries Commission Amendment, 1991, be reported.

[Motion carried]

Bill 54
Psychology Profession Amendment Act, 1991

MR. DEPUTY CHAIRMAN: Are there any questions, comments, or amendments with respect to this Bill?

The Member for Calgary-Buffalo.

MR. CHUMIR: Yes, I have a question to the proposer of this Bill relating to section 8, and that is the appointment of lay members to the council. The proviso in this legislation, as is a standard in other legislation, is that the appointment will be by the Lieutenant Governor in Council after consultation with a council of the profession. As I noted in comments earlier today, I've had representations from members of the community, and indeed theirs coincide with concerns that our caucus has that appointments should be perhaps more broadly based in a sense of advertising, seeking applications, making general members of the public aware, perhaps getting a bit beyond the narrow ambit of dealing strictly with the profession, because there is some perception that perhaps it's a closed shop and there's some tailoring going on. I guess to some extent that's fair ball for the council to have some input. I'm wondering whether or not the Member for Calgary-Glenmore would be in a position to advise, as someone who's heavily in professions, what the rationale is and can we look forward to any change in that process?

MRS. MIROSH: Mr. Chairman, the Member for Calgary-Buffalo brings up an important issue with regards to public members. People from all over Alberta are invited to submit applications for any position. The course it takes is that you as an MLA can suggest any of your constituents who are interested in these professions and want to be a public member on council, and we'd be happy to review their résumés. The association as well brings forward members of the public that they feel would represent them well. These are reviewed like they are in any job. Interested people are always welcome to submit their résumés if they're interested in serving on these boards of professions at any time.

MR. CHUMIR: Is there any advertising that takes place so that members of the public would be aware that applications are being sought, or does it simply have to be that if you know your way around and you know that this is happening, you can kind of put it in and it'll always be read? Is there any advertising, and is there any chance that there would be a broader advertising in that regard?

MRS. MIROSH: The professional associations themselves have done some advertising, but there's no advertising done by the bureau at all. It's something that certainly could be looked at and reviewed. Presently the bureau has not advertised.

MR. DEPUTY CHAIRMAN: Further debate?

AN HON. MEMBER: Question.

[Title and preamble agreed to]

[The sections of Bill 54 agreed to]

MRS. MIROSH: Mr. Chairman, I move that Bill 54, Psychology Profession Amendment Act, 1991, be reported.

[Motion carried]

head: **Private Bills**
head: **Committee of the Whole**

12:50

Bill Pr. 3
Lutheran Church-Canada, The Alberta-British Columbia District Corporation Act

MR. DEPUTY CHAIRMAN: Call for the question?

HON. MEMBERS: Question.

[Title and preamble agreed to]

[The sections of Bill Pr. 3 agreed to]

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

MR. EWASIUK: On behalf of my colleague from West Yellowhead, I move Bill Pr. 3.

[Motion carried]

Bill Pr. 4
An Act to Amend an Ordinance to Incorporate Alberta College

MR. DEPUTY CHAIRMAN: There is an amendment.

The Member for Banff-Cochrane.

MR. EVANS: Thank you, Mr. Chairman. A very simple amendment. In section 22, "Alberta College" is a typographical error. It should read "Alberta and Northwest Conference or its successors." "College" was put into the draft inadvertently.

[Motion on amendment carried]

MR. DEPUTY CHAIRMAN: Further debate?

HON. MEMBERS: Question.

[Title and preamble agreed to]

[The sections of Bill Pr. 4 agreed to]

MR. EVANS: Mr. Chairman, I move that Bill Pr. 4, An Act to Amend an Ordinance to Incorporate Alberta College, be reported as amended.

[Motion carried]

Bill Pr. 5
An Act to Amend the Calgary Convention Centre Authority Act

HON. MEMBERS: Question.

[Title and preamble agreed to]

[The sections of Bill Pr. 5 agreed to]

MRS. MIROSH: Mr. Chairman, I move that Bill Pr. 5 be reported.

[Motion carried]

Bill Pr. 7
The Camrose Lutheran College Corporation Act

MR. DEPUTY CHAIRMAN: There are amendments.
The hon. Member for Drumheller.

MR. SCHUMACHER: Mr. Chairman, there are several amendments but nothing of great substance. There are amendments ranging from amending the title of the Bill, but the only amendment of substance is that of 5(b), which brings the awarding of honourary degrees under the purview of the Universities Act. I would be willing to answer other questions, but all the other ones are really grammatical or housekeeping or whatever.

HON. MEMBERS: Question.

[Motion on amendments carried]

[Title and preamble agreed to]

[The sections of Bill Pr. 7 agreed to]

MR. SCHUMACHER: Mr. Chairman, I move that Bill Pr. 7, Camrose Lutheran College Corporation Act, as amended be reported.

[Motion carried]

Bill Pr. 8
Jennifer Leanne Eichmann Adoption Act

MR. DEPUTY CHAIRMAN: Any questions, comments, or amendments?

AN HON. MEMBER: Question.

[Title and preamble agreed to]

[The sections of Bill Pr. 8 agreed to]

MR. DEPUTY CHAIRMAN: The Member for Lloydminster on behalf of the Member for Calgary-Fish Creek.

MR. CHERRY: Yes, Mr. Chairman. On behalf of the Member for Calgary-Fish Creek, I move that Bill Pr. 8, the Jennifer Leanne Eichmann Adoption Act, be reported.

[Motion carried]

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

[Motion carried]

[Mr. Deputy Speaker in the Chair]

MR. JONSON: Mr. Speaker, the Committee of the Whole has had under consideration certain Bills. The committee reports the following: Bills 38, 43, 44, 45, 50, 51, 52, 54, Pr. 3, Pr. 5, and Pr. 8, and Bills 9, 36, 40, Pr. 4, and Pr. 7 with some amendments. I wish to table copies of all amendments considered by the Committee of the Whole on this date for the official records of the Assembly.

MR. DEPUTY SPEAKER: Does the Assembly concur on the report?

HON. MEMBERS: Agreed.

MR. DEPUTY SPEAKER: Opposed? So ordered.

[At 12:58 a.m. on Tuesday the Assembly adjourned to 2:30 p.m.]