

## Legislative Assembly of Alberta

Title: **Tuesday, June 25, 1991**

2:30 p.m.

Date: 91/06/25

[Mr. Speaker in the Chair]

head: **Prayers**

MR. SPEAKER: Let us pray.

As Canadians and as Albertans we give thanks for the precious gifts of freedom and peace which we enjoy.

As Members of this Legislative Assembly we rededicate ourselves to the valued traditions of parliamentary democracy as a means of serving both our province and our country.

Amen.

head: **Presenting Petitions**

MR. MARTIN: Mr. Speaker, I'd like to present 216 more names protesting the recent cutbacks in seniors' benefits and urging the withdrawal of these harsh budget measures. That brings the total up now to 43,233 people that have spoken against these measures.

MRS. HEWES: Mr. Speaker, I beg leave to present two petitions this afternoon. The first one is 403 names requesting that the cuts to senior citizens' funding be rescinded. The second petition is 463 names of Albertans requesting that the cuts to Alberta Aids to Daily Living be rescinded.

MR. SPEAKER: Calgary-Forest Lawn.

MR. PASHAK: Thank you, Mr. Speaker. I'd like to present a petition from 270 students and teachers at the G.W. Skene elementary school in Calgary. They're concerned about the potential closing of the Alberta Wildlife Park.

MR. McINNIS: Mr. Speaker, I have a further petition from some 40 additional high school students in the city of Calgary in support of the environmental Bill of Rights, which is currently before the Legislature.

MR. SPEAKER: Westlock-Sturgeon.

MR. TAYLOR: Thank you, Mr. Speaker. I have two petitions to present. The first is from 85 farmers scattered throughout Alberta requesting that the Assembly urge the government to immediately join the federal net income stabilization account, the NISA program, and a further 305 names of seniors to add to what's already been filed in the House petitioning the government to reinstate funding for seniors' services that were reduced in the '91-92 budget. All 305 are from the Westlock-Sturgeon constituency.

head: **Notices of Motions**

MR. MITCHELL: Mr. Speaker, I rise pursuant to Standing Order 30 indicating that I plan to move to adjourn the ordinary business of the Assembly later on today after question period to discuss the urgent matter of the implications of the Department of Forestry, Lands and Wildlife's response to the expert review panel report on Forest Management in Alberta, which admits grave and substantive omissions in Alberta forestry policy, particularly the lack of a forest conservation strategy, thus

raising serious concerns about the effect of current forestry development initiatives on forest ecosystems.

head: **Introduction of Bills**

### Bill 55

#### Miscellaneous Statutes Amendment Act, 1991

MR. ROSTAD: Mr. Speaker, I request leave to introduce a Bill being Miscellaneous Statutes Amendment Act, 1991.

This Act traditionally has small corrections to a number of Bills: omissions, spelling. I would like to recognize that this year it has a few more substantive items and thank the members opposite for working with us to bring these forward.

Thank you.

[Leave granted; Bill 55 read a first time]

MR. SPEAKER: Edmonton-Gold Bar, followed by Westlock-Sturgeon.

### Bill 224

#### Children's Rights Bill

MRS. HEWES: Thank you, Mr. Speaker. I have a number of Bills to read in.

I beg leave to introduce Bill 224, the Children's Rights Bill.

This legislation would ensure that the UN Convention on the Rights of the Child is encompassed in our provincial statutes.

[Leave granted; Bill 224 read a first time]

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

### Bill 235

#### Native Peoples Representation Act

MR. TAYLOR: Thank you, Mr. Speaker. I request leave to introduce a Bill being the Native Peoples Representation Act.

This Bill would create three new seats in the Legislature to represent one each of treaties 6, 7, and 8 in Alberta.

[Leave granted; Bill 235 read a first time]

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

### Bill 247

#### Water Resources Management Services Administration Act

MR. MITCHELL: Thank you, Mr. Speaker. I request leave to introduce Bill 247, being the Water Resources Management Services Administration Act.

This Bill, once it becomes an Act, would remove all authority for the construction and management of irrigation works from Alberta Environment and place that responsibility with Alberta public works, thus ending the current conflict of interest found within Alberta Environment where the same department is responsible for protecting the environment and for constructing and maintaining irrigation works that may cause serious changes to the environment.

[Leave granted; Bill 247 read a first time]

**Bill 283****An Act to Amend the Alberta Income Tax Act**

MR. WICKMAN: Mr. Speaker, I request leave to introduce Bill 283, An Act to Amend the Alberta Income Tax Act.

The intent of Bill 283 is to provide for a renters' tax credit if the vacancy rate is below a figure of 2.5 percent.

[Leave granted; Bill 283 read a first time]

**Bill 295****An Act to Include Midwifery as a Profession Under the Health Disciplines Act**

MRS. HEWES: Mr. Speaker, I beg leave to introduce Bill 295, An Act to Include Midwifery as a Profession Under the Health Disciplines Act.

This legislation once again would ensure that midwifery is recognized as a legal profession.

[Leave granted; Bill 295 read a first time]

**Bill 298****Public Service Pay Equity Act**

MRS. HEWES: Mr. Speaker, on behalf of my colleague the Member for Edmonton-Glengarry, I beg leave to introduce Bill 298, Public Service Pay Equity Act.

Mr. Speaker, this legislation will create a system of pay equity within the public service.

[Leave granted; Bill 298 read a first time]

2:40

**Bill 308****An Act to Commit the Government to a Five-Year Funding Planning Framework**

MR. WICKMAN: Mr. Speaker, I request leave to introduce Bill 308, An Act to Commit the Government to a Five-Year Funding Planning Framework.

The intent of Bill 308 is to provide for a framework for the provincial government when it comes to the implementation or announcement of grants for municipalities, school boards, and health care facilities.

[Leave granted; Bill 308 read a first time]

**head: Tabling Returns and Reports**

MR. HORSMAN: Mr. Speaker, I'm filing with the Assembly material from various departments and ministries requested during Committee of Supply on the Capital Fund estimates, the heritage fund estimates, and the regular estimates.

MR. FJORBOTTEN: Mr. Speaker, I wish to file with the Assembly today the response to Motion for a Return 211.

In addition, I'm filing a further document outlining the seedling supply strategy for Alberta.

MR. OLDRING: Mr. Speaker, I'm pleased to table the 1989-1990 annual report for the Department of Family and Social Services.

I'm also pleased to table the first annual report of the Children's Advocate for 1989-90.

MS BETKOWSKI: Mr. Speaker, I'm pleased to table with the Assembly the annual report of the Alberta Association of Optometrists for the year ended December 31, 1989.

MR. ROSTAD: Mr. Speaker, I would like to table the '89-90 annual report of the Attorney General's department.

MR. STEWART: Mr. Speaker, I'd like to file a reply to Written Question 304.

MR. DINNING: Mr. Speaker, I wish to file the 85th annual report of the Department of Education for the year ended March 31, 1990.

MR. WEISS: Mr. Speaker, I'm pleased to file with the Assembly a number of documents pertaining to employment. They're as follows: first, Employment Report: Labour Force Survey, May 1991; second, Detailed Statistics: Labour Force Survey, Statistics Canada, May 1991; third is Employment Growth in the Service-Producing Sector for Alberta; and fourth and finally, the Workforce Requirements of Major Alberta Resource Projects, 1990 to 1999.

MR. KLEIN: Mr. Speaker, I wish to file the response to motions for returns 206 and 275.

MR. JOHNSTON: Mr. Speaker, I'm filing today a series of documents. First of all, the pension board's annual report for the March 31, 1990, year-end including the local authorities pension plan, the Members of the Legislative Assembly pension plan, the public service management pension plan, the public service pension plan, the special forces pension plan, the universities academic pension plan, and the provincial judges and masters in chambers pension plan.

I'm also filing, Mr. Speaker, the annual statement of North West Trust for the year ended December 31, 1990, financial statements for 354713 Alberta, and the financial statements for Alberta Municipal Financing Corporation, March 31, 1990.

MRS. HEWES: Mr. Speaker, I beg leave to file copies of 120 letters protesting the cuts to Aids to Daily Living.

**head: Introduction of Special Guests**

MR. GIBEAULT: Mr. Speaker, I'm pleased to introduce to you and to the other members of the Assembly this afternoon a group of dynamic young students from St. Clement school in the constituency of Edmonton-Mill Woods. They are here in the public gallery with their teachers Mr. Leonard Tannas and Mr. Malcolm Gomes. I ask them now to stand and receive our very warm welcome.

MR. SPEAKER: Vegreville.

MR. FOX: Thank you, Mr. Speaker. It's my pleasure to introduce to you and to other members of the Assembly 28 members of the Tofield Golden Club. They're visiting the Legislature today and touring this beautiful public building and the grounds. They're seated in the members' gallery, and I'd like them to rise and receive the traditional warm welcome of members of the Legislature.

**head: Oral Question Period****Loans to Industry**

MR. MARTIN: Mr. Speaker, to the Minister of Economic Development and Trade. This session has seen the exposure of what is perhaps the worst record of financial mismanagement

ever racked up by any government anywhere anytime: the worst in the country, the worst in North America, the worst in the world, maybe the universe. Albertans have seen company after company backstopped by the government go down the tube taking hundreds and hundreds of millions of taxpayers' dollars with them. As the session draws to a close, let's take a look at another record of mismanagement. On August 11, 1987, the Getty government provided a company called Trade-Tech Industries Ltd. with a \$600,000 guarantee under the export loan guarantee program and then poured in another \$150,000 by way of a direct loan partially guaranteed under the small business term assistance program. On March 22 this company was put into receivership forcing the payout on these two government guarantees. My first question to the minister is simply this: given that as a result of this liquidation the assets have been sold at less than 20 cents on the dollar, will the minister tell us how much this latest fiasco is going to cost the taxpayers of Alberta?

MR. ELZINGA: Mr. Speaker, contrary to what the hon. member says – and this just reinforces the inaccuracy that he has dealt in throughout this entire session – this record is not the worst in the world. In fact, just the opposite is true; it's the best. And we're the best at creating jobs. If one wants to look at the record of this government, we would go jobs, jobs, jobs, because in the last five years there have been some 107,000 jobs created in this province.

In addition to that, we've indicated in a very open way that we have involved ourselves in creating employment in the province of Alberta. We're going to continue to create that employment whether it be through our student loan guarantees or our involvement with the agricultural community through the farm credit stability program, which some 60,000-odd participants have been involved in, plus our interest shielding with the small business community or our support to municipalities. We're going to continue to do that. If the hon. Leader of the Opposition is suggesting that we should pull back so that we can go through the recessionary period such as they are in in the province of Ontario, we're not about to do that. We want to provide meaningful jobs for Albertans, and we're going to continue with that positive action that we've experienced over the last number of years.

MR. MARTIN: Spend, spend, spend. Give, give, give to Tory friends.

Mr. Speaker, I notice that he conveniently avoided telling us how much the latest fiasco is going to cost us, but we can guess: probably all of it.

This goes on. It shows you the close connection with Tory friends. It's surprising for us to also learn that a man well connected with this government Mr. Assaly was allowed to buy back the company for \$200,000 even though there were at least two other bids that were higher. In other words, he owned the company, declared bankruptcy, and got it back again. Shrewd business politics. My question to the minister is this: given that the former owner of Trade-Tech was able to get out from under a \$1 million debt load by reincorporating a new company which then bought back Trade-Tech's assets for 20 cents on the dollar, has the minister determined why this was allowed to happen even though there were two other bidders who offered to purchase the company for \$60,000 and \$100,000 more than that offer?

2:50

MR. ELZINGA: Mr. Speaker, I'm amazed again at the hon. Leader of the New Democratic Party's stupidity, because the truth of it is that we have nothing to do as it relates to the receivership of these companies. If the hon. member's not aware of that, I'm totally surprised. In the event that they go into receivership, the receiver or the receiver/manager makes those decisions. We have no impact on those decisions whatsoever because we want to make sure that everything is aboveboard, contrary to what the hon. member suggests.

#### **Speaker's Ruling Parliamentary Language**

MR. SPEAKER: Perhaps the hon. minister would be much more cautious and perhaps even withdraw the "stupid" comment, please.

MR. ELZINGA: Mr. Speaker, if the word is unparliamentary, I'm more than happy to withdraw it, sir.

MR. SPEAKER: It's just easier for question period. Thank you.

MR. MARTIN: It's okay, Mr. Speaker. I took that as a compliment coming from that minister.

#### **Loans to Industry (continued)**

MR. MARTIN: I didn't ask him to agree with it; I asked him why that happened. Surely they must be curious when they've got so much money on the hook, Mr. Speaker. Doesn't it seem a little strange to him?

My final question on this matter. This happens time and time and time again. The minister gets up and rants and raves and tells us about jobs. He never tells us about how much money they're losing. Part of this could be solved if they would do this, and this is my question. Will the minister finally agree to either insist that company owners who get taxpayers' dollars provide personal guarantees, as banks and other places do, so that they put their assets on the line or else finally admit that this loan guarantee program is a complete waste of taxpayers' dollars and get out of the business of subsidizing their corporate friends immediately? One or other.

MR. ELZINGA: Mr. Speaker, I'm more than happy to reinforce for either the sixth or seventh time what I've indicated to the hon. member before. The export loan guarantee program is based on the due diligence that the financial institutions themselves do do. We in turn do a further analysis in conjunction with the Treasury Department. For the hon. member to suggest that there is not due diligence or that there is not a thorough examination of this is totally inaccurate, as he is consistently in this Legislative Assembly.

#### **Senior Citizens Programs**

MR. MARTIN: Well, let's look at the other part of this session, from handing out money holus-bolus to friends of the government to the seniors of this province who may not have a bank account as a result of this government's cutbacks to seniors. I think this symbolizes it all about this government. Mr. Speaker, today the government's long-promised meeting with seniors took place, and like most things with this government it was all talk

and very little action. The only concrete measure to come out of this meeting was a government promise to set up a task force – I guess the Premier's seniors advisory committee wasn't enough – a promise which totally misses the point of what the seniors of our province need and want. They don't want more talk. As I say, they want the government to reverse its cuts which force them to pay for things like eyeglasses, dentures, canes, and medicine. Flowing from the previous question, I want to ask the Minister of Health: will the minister explain to the thousands of seniors in our province how it is that her government has hundreds of millions of dollars to throw down the tube to failing companies run by its friends, yet it slashes seniors' benefits that they've worked hard all their lives to achieve?

MS BETKOWSKI: Mr. Speaker, I'm happy to have an opportunity to discuss the very excellent meeting that we held with groups of seniors from across Alberta under the chairmanship of my colleague the Associate Minister of Family and Social Services. Interestingly, they were far less cynical than clearly the Leader of the Opposition is about the continuity of care, the level of commitment, and the level of desire to find a solution to ensure that we have program sustainability into the 21st century.

Clearly, the issue of health and providing health for all Albertans was one of the issues that we discussed extensively at the meeting. I believe that we have perhaps come through a bit of a bottleneck with respect to improving consultation with our seniors. We have a mechanism in place that will see major consultation. If the hon. Leader of the Opposition wishes to scoff at that, certainly he is free to do that. We happen to think it's a very important part of ensuring that our citizens are receiving the services they desire.

MR. MARTIN: Mr. Speaker, it's consultation after the fact. If you'd been consulting, you wouldn't have brought in these cutbacks to begin with. That's what the seniors want. They weren't running around the province saying: "Hey, let's have another meeting. Let's have another task force." They didn't say that in the meeting, and the minister's well aware of that.

That's my question. Does the minister really believe that this is consultation, that your having another consultation with them down the way will really satisfy seniors? Isn't it really true that what they still want is a reversal of those cutbacks?

MS BETKOWSKI: Mr. Speaker, what we discussed there today and what we resolved at a meeting was an important step, and that is to get a concerted effort with respect to seniors and a spokesman group that satisfies seniors to look at the issues of the sustainability of our programs. Certainly those very capable citizens we met with today are very much aware of the fact that our senior's population in this province in the over 65 age group will double in 30 years and our over 80 age population will triple in that same period. Certainly they want to be involved in looking at the complement of programs that we provide to seniors and want to look at programs that fit the 1990s instead of perhaps the 1970s and '80s, when they were originally constructed, and the myths that go along with that reality today.

MR. MARTIN: Mr. Speaker, if you want sustainability of these programs, stop handing out millions of dollars to corporate friends. That'll give you some money.

Now, Mr. Speaker, I want to ask the minister. Flowing from the secret report that was announced, that was discussed at

cabinet and then quickly we had these cutbacks in there, they started to talk about means testing, income testing, and all sorts of other areas. We saw step 1. I want to ask the minister this. It seems to me that this is part of the government's agenda. If it isn't, will the minister say here and now, right now, that that is the end of those cutbacks to seniors and that there will be no income testing? Will she give us that commitment now?

MS BETKOWSKI: Well, Mr. Speaker, we did certainly discuss the issue of universality at our meeting. Certainly Alberta amongst all of the provinces is in fact taking the lead with respect to the issue of maintaining the Canada Health Act and ensuring that we have the ability to offer those programs in the future. Under Canada Health Act programs basic medical services do not have any kind of income testing. That principle of universality is one that applies to the Canada Health Act by law of the Parliament of Canada.

As the hon. member may well be aware, although he forgets it all too frequently, we provide programs in Alberta which go far beyond the requirements of the Canada Health Act. It is those programs that we are looking at ensuring. We discussed this with the group of seniors that we met with for almost three hours today. We discussed the issue: what is universality in Alberta? Where are we going in these programs? Are we providing the right mix of programs for our seniors as we move into the 21st century? It is in that regard that we now have in place a very fine, a very capable communication and consultation process that will serve not only the interests of the government but obviously the interests of this province as we approach the 21st century.

MR. SPEAKER: Edmonton-Meadowlark, on behalf of the Liberal Party.

### Provincial Fiscal Policies

MR. MITCHELL: Thank you, Mr. Speaker. This Provincial Treasurer is quick and correct to criticize the New Democrat government in Ontario for having its \$10 billion deficit on an annual budgeted expenditure of \$52 billion. Believe it or not . . . [interjections] They're a little sensitive about this. These natives here are restless, as they would be in Ontario, I'm sure.

This represents a deficit which is fully 18 percent of budgeted annual expenditures. As appalling as this is, this Treasurer's record is much, much worse. My first question is to the Treasurer. How can this Treasurer reconcile his justifiable, his legitimate criticism of Ontario's enormous 18 percent budgetary deficit with the fact that his own first budget deficit was fully 34 percent of annual expenditures, his own third budgetary deficit was fully 19 percent of annual expenditures, and his own fourth budgetary deficit was fully 21 percent of annual budgetary expenditures?

3:00

MR. JOHNSTON: Well, Mr. Speaker, it's been reported to me today that the House may in fact end its session. The member of the Liberal Party opposition just asked a question that talked, I think, about the profile of this session in the context of the budget. There are a couple of profiles that the people of Alberta will probably remember as a result of the long debate we have had on the fiscal policies of this government. That can be summarized very quickly. Here in Alberta we went through a period where we did have high deficits, which were driven by oil prices that fell out of bed, as they say. We put in place a

plan, in consultation with the people of Alberta, and that plan simply took us from that very large deficit down to the one single thing that the people of Alberta asked for and got: a balanced budget. Now, the difference between the province of Alberta and the good government that the people of Alberta get from this party is that we had a plan that we were able to manage through. We set forth a course of action, we delivered on it, and accordingly we have the strongest economy, the lowest taxes of any province in Canada, and we're going to get on with buying down the debt. That's the plan, Mr. Speaker.

MR. MITCHELL: The Treasurer is in good company when it comes to creating deficits, Mr. Speaker. He's right up there with the best: the socialists of Ontario. [interjections] They're very sensitive about that record.

The Ontario New Democratic government has projected that it will incur an accumulated deficit over the next four years of no less than \$35 billion. This represents 53 percent of annual expenditures. How can the Treasurer reconcile his justifiable criticism of this huge 53 percent accumulated deficit with the fact that his own accumulated deficit over the last five years of his regime as Treasurer is 78 percent of annual expenditures of this province, using his own figures, and 114 percent of annual expenditures of this province, using the much more reliable figures from Moody's?

MR. JOHNSTON: Mr. Speaker, I don't think anybody in Alberta or in the Legislative Assembly, speaking for myself, understood what the member was saying, and that's not unusual. While I have been criticizing the ND Party of Ontario for their profligate spending, one should not forget the profligate spending of the Liberal Party when they in fact had control of the government of Canada.

Secondly, Mr. Speaker, I can say that Alberta is the only province in Canada with a balanced budget, and do you know what's happening? Investors worldwide understand that they have to be in a place where deficits, which are really deferred taxes, are not being accumulated at the rapid rate they are in Ontario, driven by Liberal Party policies and compounded by socialist party policies as well. The investors are coming here to Alberta. They like the opportunity. They like the low tax regime. They like the economic strength of this province. That's why this province is going to rebound like nothing you've ever seen before. It's here in Alberta that it's happening, and the private sector is coming in droves to support the jobs . . .

MR. SPEAKER: Thank you. [interjection] Thank you.  
Final, Edmonton-Meadowlark.

MR. MITCHELL: He talks and he talks, Mr. Speaker, but the facts never support the rhetoric.

My next question is to the Deputy Premier. At what point does this government admit to losing confidence in a Treasurer who on the one hand criticizes the Ontario NDP so vehemently and so correctly for its overwhelming fiscal failure when in fact his own record has been so much worse?

MR. HORSMAN: Well, Mr. Speaker, I can assure the Assembly and the people of Alberta that the government benches have full confidence in the Provincial Treasurer and the budget he brought forward this year. All one has to do as a Canadian is compare what has taken place in other provinces. What has taken place in Ontario is not solely a factor attributable to the current New Democratic Party government. It was a combina-

tion of years of profligate spending on the part of the Liberal government of Ontario. If anybody wants to look at the situation in our country, we know that the Liberals are the ones who led this country into an expanding federal deficit to the point that it has crippled the ability of the federal government to properly offer the services that are so desperately needed, and now they're paying out almost 40 cents on the dollar just to service the national debt. That's the Liberal record, and the people of Alberta know that, and they do not want to follow that record in the provincial government. That's why we have confidence in our Provincial Treasurer, and the government of Alberta, I think . . .

MR. SPEAKER: Thank you, hon. member.  
Calgary-Glenmore.

### Economic Outlook

MRS. MIROSH: Mr. Speaker, members opposite always go on and on and on about doom and gloom. A recent report out of Toronto, Ontario, indicates that people in Ontario are very envious of Alberta and the people who live here. The report by the Imperial Bank of Commerce, one of the largest financial institutes in North America, has indicated that this province has the best economic performance in Canada. It goes on to say that . . .

AN HON. MEMBER: File it.

MRS. MIROSH: I'm going to file it. Right.

This report goes on to say that the province is expected to profit by increased oil and natural gas markets and meat processing and major growth in forestry and tourism. This is an independent report, Mr. Speaker. However, in spite of this, we have had some job losses in Calgary. I would like to ask the Minister of Economic Development and Trade if he could outline the strategies in place to offset these losses?

MR. ELZINGA: Mr. Speaker, it was some weeks ago that I filed with the Legislative Assembly the strategy that we are following as it relates to our increased trade efforts, the value-added thrusts that we have taken within the province of Alberta, our low taxation that the Provincial Treasurer just referred to, our loan guarantees, the heritage fund, and our infrastructure involvement to make sure that we have a proper communication/transportation infrastructure in place in the province of Alberta. It is paying substantial results. If we look at our economy, as the hon. member has just indicated, it's the strongest in Canada if not all of North America. We've created some 107,000 jobs over the past five years. In addition to that, we've got some \$20 billion worth of projects either on stream or taking place within the province of Alberta.

I wish to file with the Legislative Assembly, as was suggested, the executive summary by the Canadian Imperial Bank of Commerce. They have indicated that the Alberta economy will expand by a robust 3.7 percent next year, the best performance of any in Canada. Now this, Mr. Speaker, is much greater than the conservative estimate by our Provincial Treasurer, whereby he suggested that the growth would be somewhat less. We are Conservatives, and we always wish to project on a conservative basis.

MRS. MIROSH: Well, Mr. Speaker, also in Alberta I think we should emphasize the fact that we have the lowest taxes and a

lot to offer our residents. Would the minister indicate if there are other independent financial groups who have reports outlining the same Alberta economy projection?

**3:10**

MR. ELZINGA: Mr. Speaker, this latest economic summary by the Canadian Imperial Bank of Commerce is just one of many that have suggested that we are going to be the leading economic province in all of Canada. The Toronto-Dominion Bank has said that we're going to have the best performing economy. The Royal Bank has also said that Alberta takes top marks in managing their economy. The Conference Board also says that we're going to take the lead as does the Canadian Mortgage and Housing Corporation. The economy is strong, and again this is underscored by the major growth opportunities in Alberta which lie in forestry and in tourism, major thrusts of our Premier and of this government. In addition to that, it goes on to state that another of Alberta's attractions is its low taxes and the restraint that we have exercised in recent years as it relates to our own provincial government expenditures, which are also the lowest in the country. We're proud of the economy, we're proud of our management role, and we're delighted that we can provide meaningful jobs for Albertans within the province of Alberta.

MR. SPEAKER: West Yellowhead.

#### **Procter & Gamble Sawmill**

MR. DOYLE: Thank you, Mr. Speaker. When Procter & Gamble bought the Grande Cache Forest Industries sawmill last year, it promised jobs for the next 100 years. In light of this assurance, the government wrote off its \$4.5 million loan to the mill. Now we hear that Procter & Gamble is laying off 40 percent of the sawmill's employees and intends to ship timber from the sawmill's forest leases in Grande Cache to its pulp plant in Grande Prairie. I'd like to ask the minister of forestry: given this misrepresentation by the company, will the minister now agree to the Assembly that he will recover the \$4.5 million of taxpayers' money or prohibit Procter & Gamble from shipping timber from Grande Cache leases to its pulp mill in Grande Prairie?

MR. FJORBOTTEN: Mr. Speaker, since the start the sawmill at Grande Cache has had a difficult time being profitable. Under the former ownership of Fletcher Challenge it was in great difficulty, and it had an option to either close down or modernize. At that time, we convinced them that modernization was the right way to go, and in order to do that, we took preferred shares for some \$4 million to \$5 million, which went into the modernization of that sawmill. Fletcher Challenge still wasn't able to make a profit at that mill and was intending to close it. Then Procter & Gamble came along, which is an excellent company, and decided that maybe with the mixture of wood in their other FMA they could make that mill operate. They did buy the mill, and in order to allow them to purchase it, we did write down our preferred shares.

Since that time, Mr. Speaker, the mill has continued to lose money. They have assessed the wood supply clearly. I went and met with the head of Procter & Gamble, Mr. Ferraro, and found him an excellent person to talk to. They agreed that they would try and keep the mill open on a longer basis even if it was on a one shift basis. Now, I regret the jobs that are lost because of moving to a one shift basis, but I think the Member for West Yellowhead should be happy that the mill is still open and that a company like Procter & Gamble is there.

MR. DOYLE: Mr. Speaker, a number of layoff victims will not only lose their jobs but their homes as well. These workers bought company houses that CMHC would not insure and now face mortgage payments, no jobs, no insurance, and no market to sell their homes in Grande Cache's devastated economy. I point out that the government in this session voted against my Bill to establish a business development authority that would stimulate and strengthen the economy of Grande Cache.

I'd like to ask the Minister of Municipal Affairs: is the minister willing to commit in this Assembly to assisting those Albertans who stand to lose everything because Procter & Gamble now refuses to live up to the assurances of job security it made a year ago, and if not, what does he have to say to these people who would have been helped had this government passed Bill Pr. 2?

MR. FJORBOTTEN: Mr. Speaker, Procter & Gamble is as concerned about the employees as anyone, and they've come out with a package to be of help to them. I think a responsible position is taken by Procter & Gamble. We certainly have concerns as a government any time there is a loss of jobs when people have made plans, and we'll do all that we can to be helpful to Procter & Gamble to try and assure that the future is bright.

MR. R. SPEAKER: Mr. Speaker, just to supplement the answer of my hon. colleague with regards to Grande Cache.

MR. SPEAKER: Very briefly.

MR. R. SPEAKER: I want to indicate to the hon. member that the mechanisms are in place whereby economic development can be pursued by Grande Cache. Anything we as a government can do in terms of the Department of Municipal Affairs to enhance and encourage that we will certainly do. The Bill itself was not the key to their advancement economically. It was a mechanism, but there are other mechanisms similar and comparable that can achieve the very same ends, Mr. Speaker.

MR. SPEAKER: Westlock-Sturgeon.

#### **Lottery Funds**

MR. TAYLOR: Thank you, Mr. Speaker. My question is to the minister of lotteries, who can always find ingenious ways of divvying up the loot that he gets from the Lottery Fund amongst the favoured people in Alberta. The opposition has been quite successful in plugging off holes in the community enhancement grants, the Wild Rose Foundation, and that, and forcing him to set out each month what he does spend, but lately he's come up with a new gimmick called the agricultural initiatives program, which in the last month, for instance, has put about a quarter of a million dollars in my constituency in order to try to get some poor, old kamikaze Tory to run against me. Nevertheless, I appreciate the money. What I'd like the minister to do, Mr. Speaker, is here and now stand in the House and promise that from now on every grant that he puts out through the agricultural initiatives program will be listed each month in a press release.

MR. KOWALSKI: Mr. Speaker, the Member for Westlock-Sturgeon has talked about one of the many programs that are funded under the Alberta Lottery Fund. Of course, there is a reporting that is provided through the various groups and

agencies that do receive dollars from the Lottery Fund. The Alberta Foundation for the Performing Arts, as an example, provides an annual report. The Alberta Art Foundation provides an annual report. There's been an annual report of grants provided under the community facilities enhancement program. We also provide a monthly update with respect to these things. The agricultural initiatives program is just one of some 20 different programs that are provided with respect to lottery funds. The minister of lotteries works in consultation with the Minister of Agriculture and the Associate Minister of Agriculture. We have provided press releases with respect to all of these projects.

If the hon. Member for Westlock-Sturgeon thinks it's useful for us to publish one additional piece of paper on a monthly basis in addition to a regular press release that would go with each and every one of these agricultural initiatives projects, we'd be very happy to take that under consideration.

MR. TAYLOR: Thank you, Mr. Speaker. I'm glad to hear that, because I checked the last news release that just went out in the town where he gave the money out, and he made sure the news release went nowhere else.

Well, in view of this new leakage from the Lottery Fund, isn't it nothing more than a method for the minister to try to shore up and buy out the rural vote under these grants called agricultural initiatives programs while the city vote sits there slumbering peacefully?

MR. KOWALSKI: Mr. Speaker, it's really unfortunate, and I think it's a sad reflection. Under the Lottery Fund massive amounts of dollars are provided to a number of organizations within the cities. As an example, the Calgary Exhibition and Stampede gets \$4,750,000 a year. Edmonton Northlands gets an annual grant of \$5 million. The total agricultural initiatives program is \$2,648,000 for all of the agricultural societies in the province of Alberta. Now, if two agricultural societies, one in Edmonton and one in Calgary, each get twice as much for themselves as all of the 300-plus agricultural societies in rural Alberta, how can the Member for Westlock-Sturgeon say that this is fair? In fact, Mr. Speaker, if there is any bias at all, the bias is provided to agricultural societies in Edmonton and Calgary. That's really an unfortunate assessment, downright unfair and untrue.

#### **Advanced Education Funding**

MS BARRETT: Mr. Speaker, if there is any virtue at all that could be applied to this Conservative government – and I do say if – it would be one of consistency. They consistently take from the people who can't afford to pay any more and give to their corporate friends in the bailout world to help out their buddies who keep these guys in government. That's the consistency. One perfect example of this is a 12-year review of the funding that's gone to universities, colleges, and technical institutions. For universities alone, in constant dollars over that period, the funding has gone from \$5,534 down to \$4,431 per full-time equivalent student. No wonder the University of Alberta is about to declare a financial emergency. My question to the Minister of Advanced Education is this: in light of the fact that the university is almost certainly going to declare themselves in a situation of financial emergency and start laying off key people – and who knows how many more people after they get through the nonacademic staff – will the minister agree to find some extra money to provide to all the universities and colleges so

that they can serve the students who are rightfully lined up at the doors waiting for an education?

**3:20**

MR. GOGO: Well, I think most people would agree that upon examination, if one looks at the allocation of money – and I would point out that quality of education is not always in direct proportion to funds. We do now fund the highest per capita in Canada for our postsecondary system, some 28 publicly funded institutions. So this government has nothing to apologize for. This government has taken the message of the people to be fiscally responsible, balance the budget, and surely everybody has to play a role in that game. I would simply reiterate that this government has nothing to apologize for as long as we are amongst the leaders in Canada in terms of postsecondary funding, and we are, Mr. Speaker. I will continue to set benefits to the students of this province as a top priority in my portfolio.

MS BARRETT: Mr. Speaker, methinks he doesn't defend very well, because most of the indicators will prove categorically that the funding on almost any basis you want to look at has declined since 1979.

My supplementary question would be to the Deputy Premier, and it's this. As the universities, colleges, and technical institutions have to declare financial emergencies and start laying off people, I'd like a commitment from the Deputy Premier. If this happens over the course of the summer and they've got to start laying people off, will this minister agree to recalling the House in the fall and having a look at a new budget that will give enough money to these institutions so they can train the young people so they can work in the work force?

MR. HORSMAN: Mr. Speaker, it would be extremely unlikely that the House would be recalled to present a new budget. First of all, we have just gone through the process of passing the balanced budget through the Assembly, and the minister has replied that there is adequate funding, a high level of funding for our postsecondary system within this province. I know that to be the case. I know that the interests of the postsecondary system and its students as well as its personnel are very high in the consideration of the minister and the government. It would be very unlikely that a new budget would be introduced particularly for that particular topic.

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

#### **Blue Ridge Lumber Mill**

MR. SIGURDSON: Thank you, Mr. Speaker. My question is to the Minister of Labour. It deals with a matter that took place on June 8 wherein 30 workers at the Blue Ridge Lumber mill in Whitecourt were laid off. I realize that times are particularly tough and that they've joined 116,000 other unemployed Albertans, but there's something particularly rotten about this particular layoff. Workers with up to eight years seniority were canned due to supposedly a lack of work, yet they were immediately replaced by students who were hired at 33 percent less wages and no benefits. Now, given that these workers have not had any assistance from the government or their member of the Legislature, I would like to ask the Minister of Labour: would she outline to the Assembly what plans she has that would help get these workers back to their jobs at the Blue Ridge Lumber mill?

MS McCOY: Mr. Speaker, any adjustment programs are dealt with by our Minister of Career Development and Employment. Nevertheless, our portfolios and our staff and the minister and I co-operate very closely in dealing with the structural changes that are occurring as we undergo a transition to the new economy. If the individuals would like to come in and discuss those sorts of opportunities, I certainly would welcome them.

MR. SIGURDSON: "Transition to the new economy." Mr. Speaker, it just goes to show that the Employment Standards Code does not protect workers in Alberta, and I would suggest that this minister is just sitting back and is prepared to let this happen.

There's another memo circulating around the Blue Ridge Lumber mill that shows that there's another series of people who are about to be laid off soon. Would you believe, Mr. Speaker, that these people that are about to be laid off will soon have their pensions vested? So what the company is hoping to do is lay off these workers in the hope to save some dollars. Now, I would ask the minister if she is prepared to use her good offices to contact the company and tell them how appalled she is with this plan of action in the hope that the second layer of job terminations will not take place. Is she prepared to do that?

MS McCOY: Mr. Speaker, the member opposite is raising a speculative question, because the event has not occurred. There is perhaps more to be discussed in laying the groundwork of what he is raising here, which are fears. Again let me say that I would be more than happy if the workers wish to come in and use our department's services and those of the Department of Career Development and Employment. That's what we're here for.

### Gambling

MR. WICKMAN: Mr. Speaker, the minister responsible for lotteries and now responsible for gambling has stated that video electronic machines will be tested at the Northlands exhibition and the Calgary Stampede and that possibly machines may be looked at in bars and such further on. In fact, in the *Hansard* of May 23 he says:

We will proceed with a pilot project later this summer that will ask for public reaction with respect to this concept, will evaluate the social impact

and so on and so forth. Will the minister inform this House as to whether there were already discussions at that time or within a few days after that date of May 23 with pubs or licensed premises as to their interest in taking these machines if the province is to proceed in this direction?

MR. KOWALSKI: Mr. Speaker, I first introduced this in a speech that I gave at I think it was the tourism association of Alberta at an annual convention that was held in Kananaskis Country several months ago. I can't recall if the date was the date that the hon. member talked about, but certainly over the last several months there have been discussions, and I certainly have initiated that discussion with a variety of groups. We will be proceeding this summer in association with the Western Canada Lottery Corporation and Alberta Lotteries. We've had discussions with the Alberta Hotel Association and a variety of other groups within the province of Alberta. We will be implementing a test program that will look at a number of questions, including public reaction, social impact, operational issues, consumer preference, and the potential for profit. We will be beginning the pilot project with venues at the Calgary

Stampede, Edmonton Northlands, and then probably upwards of 30 other locations throughout the province of Alberta. Our current plans are that the project will probably go until about October or November of 1991.

MR. WICKMAN: Mr. Speaker, the point I'm trying to make is: let's lay our cards on the table. If it's our intent to put these machines throughout the pubs and the taverns in Alberta, let's say so and not play this little game: we're going to test it here or test it there. Is the minister prepared to table in this House his overall vision or master plan as to where he sees this whole concept of gambling in Alberta heading? There has been speculation that these machines could generate as much as a hundred million dollars a year in additional revenues for the minister to control in his fashion.

MR. KOWALSKI: I would only wish that the privilege given to me as an elected representative in the province of Alberta would allow me to implement such a scheme that would see me reap a hundred million dollars a year, but such is not the case. The purpose, Mr. Speaker, of the pilot project is to in fact assess whether or not there is interest for the video lottery terminals being in place throughout this province. I repeat that the plan we have is to test, to ask the question: is there an interest? If so, what would the social impact be? What would be the operational issues? What would be customer preference? What would be profit potential? Only at the conclusion of the pilot project, when we have ascertained and asked the question of Albertans and found out what Albertans' responses are, would we in fact be in a position to make a recommendation.

I think it would be rather unfortunate if a minister of the Crown were to adopt the Liberal philosophy that you stand up and tell everybody what they want and then go and do it irrespective of what they say after you do it. That's not the way Progressive Conservatives operate. We ask questions: what do you think? We put in place the possibility for people to respond to us. We consult with the people, Mr. Speaker. We work with the people. We ask them for their views, and after we have all this incredible basket of information, then in essence we are in a good position to make a decision.

MR. SPEAKER: Thank you.  
Edmonton-Calder.

### 3:30

### Employment Training

MS MJOLSNESS: Thank you, Mr. Speaker. When the Minister of Family and Social Services announced his social reforms last November, contracts were given to private businesses to deliver the training programs at the same time employment and training programs within the government departments were being cut. While some clients in these training programs may be benefiting, others are not. For example, one business in Calgary required clients to do an exercise that I know was used in a grade 3 classroom, and another exercise teaches clients how to use the yellow pages. To the minister: given that these exercises are inappropriate and humiliating for many of the clients, how does the minister justify paying taxpayers' money to private-sector businesses for these training programs that are not flexible and are not sensitive to the clients' needs?

MR. OLDRING: Mr. Speaker, the Minister for Career Development and Employment might very well want to supple-

ment my answer. I can only say that based on the preliminary responses and the preliminary information that I have received, I noted that in Edmonton just recently they pointed out that there was a 55 percent success rate for our clients receiving employment at the conclusion of a six-week course. Obviously I would have been happier if it were 100 percent, but the fact that 55 percent of those individuals that are taking some additional training being provided by this government are able to get meaningful employment I think is a big step in the right direction.

MR. WEISS: Mr. Speaker, if I may supplement briefly for the hon. member.

MR. SPEAKER: Briefly.

MR. WEISS: I would not wish to correct the Minister of Family and Social Services, but I'm sure he would like to know that the current stats do indicate that the figures are an 85 percent success rate. As I'd indicated earlier to the Assembly, it was too early to tell at that specific time. Current figures released: 85 percent success rate.

MS MJOLSNESS: Mr. Speaker, surely a trained journeyman tradesperson does not have to learn how to use the yellow pages. My point is that these programs are not meeting all of the needs for some of the clients, and as a result their benefits are being terminated. I would ask the minister: will the Minister of Family and Social Services agree to at least conduct a thorough review of the effectiveness and appropriateness of these current training programs and make the findings public?

MR. OLDRING: Mr. Speaker, we're constantly trying to improve and build upon our social programs here in the province of Alberta. We've just, as the member pointed out, announced some very substantive changes here in the Department of Family and Social Services. The new supports for independence program is a whole new direction for us as a department. I can say that as a result of these changes, we are able to take workers and have them spend considerably more time with clients to make sure that we are establishing appropriate plans for them, appropriate models for them, appropriate goals for them. If there are instances where perhaps we're somewhat off the mark, and I suspect that that's a possibility, I can assure the member that we'll continue to strive to do better. Our intent isn't to punish people on social allowance. Our intent is to work very closely with them to help them get back into the mainstream, to help them become meaningfully employed citizens, to help them become productive Albertans once again. We believe that that's what they want, and we believe that by bringing forward the programs that we have, by working with them, by working together, we will be able to reach that objective together.

MR. SPEAKER: Thank you.

There are one or two procedural items. First, might we have unanimous consent to revert to returns and tablings?

HON. MEMBERS: Agreed.

MR. SPEAKER: Opposed? Carried. Thank you.  
The Minister of Cultural and Multiculturalism.

head: **Tabling Returns and Reports**  
(*reversion*)

MR. MAIN: Thank you Mr. Speaker, and thank you to the members of the Assembly for their indulgence. I have the annual report of the Alberta Foundation for the Performing Arts, '89-90.

MR. SPEAKER: Thank you.

The Member for Edmonton-Jasper Place, briefly.

**Point of Order**  
**Reference to a Nonmember**

MR. McINNIS: Mr. Speaker, on a very brief point of order, on April 23 of this year, I moved a motion for a return requesting the tabling of correspondence between the government and the Professional Outfitters Association of Alberta. In the course of debating this motion, I made certain remarks related to the relationship between the government and certain members of that association. It's come to my attention that a third party, a registered procedural parliamentarian by the name of Mrs. Flodia Belter, construed my remarks as suggesting that she is both partisan and a party to a conspiracy with the government. Mrs. Belter is not known to me, but I wish to make it clear to the Assembly and to Mrs. Belter that I intended to put no such suggestion forward. My comments were intended to relate strictly to a relationship between the government and certain members of the Professional Outfitters Association of Alberta, which may have become clearer if the material requested was tabled. For this reason, I apologize to Mrs. Belter for any distress she may have suffered as a result of this misunderstanding.

MR. SPEAKER: Thank you, hon. member.

Edmonton-Meadowlark, with regard to urgency under Standing Order 30.

head: **Request for Emergency Debate**  
**Forest Management**

MR. MITCHELL: Thank you. Mr. Speaker, I will not read the motion once again; I read it into the record at the outset of question period. I will, however, argue for the urgency that this motion be debated. The urgency arises from this important contradiction, a contradiction that has been pointed out, argued, clarified, specified in this document prepared by the government itself, by the Department of Forestry, Lands and Wildlife. The document I'm referring to is the Minister of Forestry, Lands and Wildlife's response to the Dancik committee review of forest management policy in Alberta.

Dancik reported about a year ago. It's taken a year for us to see this document. What this document underlines, Mr. Speaker, is this important contradiction. On the one hand, this government has launched itself on an unprecedented series of northern pulp mill developments and has allocated 160,000 square kilometres of forested lands, nearly a quarter of this province, to companies to log. On the other hand, the government admits, in this document released late last week, that it does not have the policy and the budgetary infrastructure in place to support its claims that it will be able to protect our forests and that somehow this kind of northern pulp mill development will be sustainable, whatever the government means by that.

I use in arguing for the urgency of this debate, Mr. Speaker, the government's own statements as follows. The government agrees "with the need for more staff and resources in response to the expansion of the forest industry" and that "more staff and funding are needed in forestry, fish and wildlife areas." The government states:

The timely completion of the Alberta Conservation Strategy is supported. The need for a consistent overall departmental policy and for more detailed sector policies is also recognized and accepted.

The government states that with the development of a policy for forests, a forest conservation strategy – they will place this on a priority basis. The government states, "An overall strategy for the conservation and sustainable use of resources is required." They don't have one, Mr. Speaker. They understand that "this task will be completed as the 'Alberta Sustainable Development Strategy' by the new Round Table on Environment and Economy." They don't know that.

I can go on, but the urgency comes from these clear admissions, Mr. Speaker. They need more staff and resources in Forestry, Lands and Wildlife. They need to complete the Alberta conservation strategy. They need consistent overall departmental policy and detailed sector policies. They need a forest conservation strategy. They need a policy for preservation of old growth forests. They lack a fish and wildlife inventory, which is an impediment to effective integration. The government has said that this forestry development policy is sustainable. To ensure that, it must have a forestry management policy that is effective and responsible in place. It admits in this document that it does not have such a policy. In fact, element after element after element of such a policy, it admits, do not exist, are not in place in this government.

We have a situation where pulp mill development is proceeding, logging development is proceeding, on unprecedented levels and scales in this province. It will continue to do so over the next year, Mr. Speaker, without the policy infrastructure that is necessary, without the policy infrastructure that the government itself admits it hasn't got. We can't wait till next year to come back to this Legislature to debate this particular policy issue. It must be debated today before we leave this Legislature.

3:40

MR. HORSMAN: Mr. Speaker, this is not in my submission a matter which meets the test of Standing Order 30(7)(a). It says:

The matter proposed for discussion must relate to a genuine emergency, calling for immediate and urgent consideration.

What we are asked to consider here are implications of a government department's response to a report and concerns about the effect of current forestry development initiatives on forest ecosystems. This is a matter which, while important, is certainly not one which is a genuine emergency. I would cite *Beauchesne* 389 and 390, where

"Urgency" within this rule does not apply to the matter itself, but means "urgency of debate", when the ordinary opportunities . . . and so on. However, 389 says,

The "specific and important matter requiring urgent consideration" . . . must be so pressing that the public interest will suffer if it is not given immediate attention.

Mr. Speaker, the development of forest policy and a report for considering the implications of that clearly do not fall within those heads. Furthermore, I would cite section 394 of *Beauchesne*, where it states:

A general question of the maladministration of a department cannot be considered for debate under this Standing Order.

I would suggest that really what this motion is getting to is a suggestion that the department is not being properly administered

in the development of its policies. Clearly, this does not fall within the Standing Order 30 rules, *Beauchesne*, or the traditions of this Assembly.

MR. McINNIS: Mr. Speaker, speaking briefly to the urgency of debate, I would have to say that there's no doubt whatsoever that the question of forest policy in Alberta and forestry development is a matter which is deeply bound up with the public interest, and there is a timeliness related to it. I think a case could be made that the Official Opposition has been arguing that the public interest will suffer from the very first day of this session if we do not address this issue during this session.

The first resolution debated in this Assembly on March 19 called for, in substance, the same matter that the Member for Edmonton-Meadowlark is calling for today, which was followed up by a number of private members' Bills and extensive policy documents, all pointed toward the direction that this province very urgently needs a forest policy which deals with the ecological concern mentioned in the letter written by the Member for Edmonton-Meadowlark and, in addition, to related aspects dealing with employment and with financial returns to the province of Alberta. I think we're at a crossroads, indicated perhaps by the timing of the government response to the Dancik report, that there is a recognition today on all sides of the Assembly, including the Liberal Party, that we really need to act urgently on this matter. I would say hallelujah, brother; I'm glad you joined in.

Hopefully, we will be able to debate this matter this afternoon because of many urgent forestry issues. Two members of the Official Opposition raised forestry issues in question period today. I think the public interest will suffer if it's not debated today, on this day which appears to be the last day of the session, so I urge the Speaker to give favourable consideration on the matter of urgency.

MR. SPEAKER: Having examined the matter since earlier this morning and having listened carefully to the comments from the three members who participated with regard to this Standing Order 30, the Chair nevertheless believes that the urgency of debate has not been a convincing argument, and the matter shall not proceed.

head:

### Orders of the Day

MR. HORSMAN: Mr. Speaker, I seek unanimous leave of the Assembly to deal with Government Bills and Orders during the course of this afternoon after questions and motions for returns have been dealt with.

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

HON. MEMBERS: Aye.

MR. SPEAKER: Opposed, please say no.

The motion carries, let the record show unanimously.

head:

### Written Questions

MR. GOGO: Mr. Speaker, I move that the written questions appearing on today's Order Paper stand and retain their places except for the following: 401, 402, 403, and 404.

[Motion carried]

### Premier's Trade Mission

401. Mr. Decore asked the government the following question: Who traveled with the Premier on the trade and investment mission to Europe and the United States in June 1991?

MR. GOGO: Mr. Speaker, the government will accept that question.

### Premier's Trade Mission

402. Mr. Decore asked the government the following question: How much will the trade and investment mission to Europe and the United States cost the government?

MR. GOGO: Mr. Speaker, the government will also accept that question.

### Premier's Trade Mission

403. Mr. Decore asked the government the following question: On each of the following dates where were the Premier and his advisers, or where will they be, and with whom did they meet or will they meet:

- (1) June 18, 1991,
- (2) June 19, 1991,
- (3) June 20, 1991,
- (4) June 21, 1991,
- (5) June 22, 1991,
- (6) June 23, 1991,
- (7) June 24, 1991,
- (8) June 25, 1991,
- (9) June 26, 1991,
- (10) June 27, 1991,
- (11) June 28, 1991, and
- (12) June 29, 1991?

MR. GOGO: Mr. Speaker, the government will reject 403.

### Westcan Malting Ltd.

404. Mr. Taylor asked the government the following question: As of June 19, 1991, has Walter Fischer, who was formerly involved in the construction of Prairie Malt of Biggar, Saskatchewan, been engaged or retained in any capacity by Westcan Malting Ltd., to which the government has provided loans, and is he entitled to any benefits from the operation of the plant or the acquisition of its equipment?

MR. GOGO: Reject, Mr. Speaker.

### head: Motions for Returns

MR. GOGO: Mr. Speaker, I move that motions for returns on today's Order Paper stand and retain their places except for the following: 260, 261, 262, 263, 311, 341, and 408.

[Motion carried]

### NovAtel Communications Ltd.

260. Mr. McEachern moved that an order of the Assembly do issue for a return showing the share purchase agreement dated July 24, 1990, between Robert Bosch GmbH and Telus whereby Bosch agreed to acquire a 50 percent interest in NovAtel Communications Ltd.

MR. SPEAKER: Edmonton-Kingsway.

MR. McEACHERN: Thank you, Mr. Speaker. I'd like to take the opportunity to make a few remarks about the motions for returns which I have on the Order Paper. There are four of them, and they all are on the same topic, so I thought I would just summarize a few points about the whole NovAtel/AGT fiasco, and then I won't have to comment on the others when they are brought forward. I'll just move them so that we can move along fairly quickly.

Mr. Speaker, I think the intent of the four motions for returns that I've put on the Order Paper was to try to get at the costs of privatizing AGT. There's no question, for instance, that the losses of NovAtel are tied to the changes that took place in the sale of AGT. There's no doubt that the taxpayers of Alberta had to put out extra money because Bosch agreed to buy NovAtel and then decided to back out. The incorrect prospectus that was part of the sale arrangements in September of last year cost the taxpayers money. So the whole picture needs to just be sort of summarized, it seems to me.

Now, what I'd like to say to the minister and the government is that we told you so. In the House last spring when this government decided to sell AGT, we told you that it was a mistake. If you look back now, I think we've been vindicated. It's fairly clear that when we started out, we had a company known as AGT that had for 84 years supplied the people of Alberta with very good telephone service. At the end of the sale, now, we find that AGT is owned by less than 6 percent of the population. They were given a sweetheart deal. The government has bent way over backwards to make sure that the shareholders got a good deal and still have a good deal, but the taxpayers had to pay the cost. The taxpayers are now stuck with NovAtel, the high-risk, high-tech company which was a subsidiary of AGT. Now, AGT was a big utility company that buffered the risks of NovAtel for the taxpayers of this province. I suggest that we would not have got into the kind of mess we got into had we not set about privatizing AGT.

[Mr. Deputy Speaker in the Chair]

Now, that raises the question, of course, of why the government would want to do that in the first place. Quite apart from their ideological bent to say that governments can't run anything, when in fact AGT - it was funny how the government always bragged about how good AGT was yet at the same time they think a government can't run anything. Well, I know this government has trouble running most things, but AGT was in fact doing fairly well until this government decided to sell it. Now, the reason they decided to sell it, they tell us, is not just ideological reasons but the fact that they lost the regulatory fight with Ottawa. Ottawa decided to assert its right of regulatory powers over the telephone companies of Canada. That didn't apply to AGT because it was a Crown corporation, and the government probably could have found some other mechanism to keep control of AGT.

I certainly cannot understand why they would decide to give up their ownership rights to compound the problem of losing the regulatory rights. What it really meant was that the federal government tied one of Alberta's hands behind its back, and then the Alberta government voluntarily tied the other one back there along with it. Extraordinary; sort of purposefully making yourself powerless, which is what the Alberta government has done. Yet, at the same time, they have gone about saying, "We're going to sell this in such a way that the control of this

company will stay in the hands of Albertans." The control of this company will not stay in the hands of Albertans. People or corporations can buy up to 5 percent of the corporation; 10 percent of it can be sold to foreigners. We've already had one big sale of some 56 percent of the company. By the time we've sold the other 44 percent, the small investors in Alberta and Canada will have spent all the money they want to spend on AGT. When AGT then decides it actually needs some capital for expansion, it will have to turn to bigger corporations. This government, if they last very much longer, will be back asking us to increase the amount that any one corporation or person can purchase of AGT shares from 5 percent to 10 percent or 15 or 20 or whatever.

**3:50**

Of course, it will end up in the hands of one or two of the big corporations. I mean, make no mistake. The push behind all of this, the push behind the federal government asserting their regulatory power, was the Unitel application to push its way in to taking advantage of the lucrative long-distance rates in this country. Now, Unitel is not offering anything new to the people of this country; they're not offering any new services or any new hardware that amounts to a hill of beans. What they are offering to do is to skim off some of the profits of the long-distance industries. This minister appeared at the Calgary hearings, as did I, and he mouthed a lot of nice words like he did when he was selling off AGT, when he was passing the Bill: that he was going to protect the people of Alberta, make sure that the local rates didn't go up too much, and all that sort of thing.

Having totally washed his hands of the company in terms of any kind of power over it, he cannot possibly do that. In order to help his brothers that he put in charge – and I'm talking here about Webber and Neldner, the two chief people in Telus Corporation – so they wouldn't have to get in too big a hurry to lower long-distance rates and raise monthly rates, the minister did it himself for them back in July last year, when he was the sole regulator of AGT. Absolutely scandalous. He raised the price to ordinary telephone users in this province by 20 to 30 percent monthly to all the residential and small business users of this province and, at the same time, lowered the long-distance rates, thus buying into the Unitel argument that long-distance rates are too high and local rates are too low.

Now guess what Telus is doing, the new AGT? Of course, they've already written a letter to the CRTC wondering if it's appropriate for a private enterprise company that's worried only about the bottom line to provide low-cost services to rural Albertans. Now, every one of you rural MLAs in this Assembly should go back to your ridings and tell them what you've done. Tell them what the minister has done and that their rates are going to go up and that their service is going to go down. Because that's exactly what's happening.

The minister's interventions in the Calgary CRTC hearings about the Unitel application, which the minister kindly sent me, are full of nice words about protecting the local rates and protecting rural Albertans' services. But there is in fact no way he can do that now. His hands are totally tied. He has voluntarily given up any power he has over that company. I know the government still has 44 percent of the company and could assert power over it if they wanted to, but they have voluntarily given up that power.

So, Mr. Speaker, we've ended up with the worst of both worlds. We no longer have the big utility, the monopoly company that provides good service to the people of Alberta at

a good rate. We've lost that. We've given it to less than 6 percent of Albertans at fire sale prices so they can make big profits. We've abandoned service to the population of Alberta and just left the telephone industry in Alberta in limbo while CP and Ma Bell fight over who's going to control the telephone industry in this province or in this country. The Unitel application hearing process is where that fight is taking place. Now, so far Alberta is not technically included in that fight, but if Unitel wins, as I suppose they will, given the bent of the federal government, then the next application will be to include Alberta in that so-called long-distance competition, and we will see a continued deterioration in the service to Albertans at higher prices for local residential users and for rural Albertans particularly.

**MR. STEWART:** Mr. Speaker, the hon. member has made some wide-ranging comments with respect to the whole matter of Telus, the privatization of AGT, and I cannot let those comments go by without at least some general facts with respect to that privatization.

In fact, Mr. Speaker, privatization of telecommunications is happening throughout the world. It's happening with socialist countries, and it is happening because of the need to respond to the changing circumstances in telecommunications, which like it or not, hon. member, include competition. Indeed, Albertans favour competition, provided that that competition is on a fair playing field, and that's the argument that we are making as an intervenor in these hearings and will continue to make in order to preserve universal access to telecommunications services, reasonable rates, and quality service.

Insofar as the privatization itself is concerned, AGT prior to privatization was not bringing one dollar to the taxpayers of Alberta, not one dollar. Mr. Speaker, as a result of privatization \$335 million went to the bottom line for the taxpayer; \$600 million came into the Heritage Savings Trust Fund. The 44 percent interest in shares in Telus that are still owned have appreciated by \$100 million. The taxpayers have received \$40 million by way of dividends. About \$1.5 billion to \$2 billion of previous loans and guarantees in favour of AGT have been removed from the backs of the taxpayers. The capital investment that's required in the future, about \$3 billion in the next five years, will not have to come from taxpayers anymore. It'll come from risk-takers and investors. In fact, rates have come down, not gone up, come down. Services have been expanded, not contracted, expanded. That's a fact that the hon. member may just want to check. Every Albertan had the opportunity to participate in the privatization for as little as \$150 because we made that opportunity available to all Albertans.

Mr. Speaker, those are the facts with respect to the Telus privatization, and they're facts that we will recognize and all Albertans recognize as being very favourable to the taxpayers of Alberta as well as allowing a company to pursue its mandate in telecommunications for the benefit of all Albertans.

Mr. Speaker, I feel I should deal specifically with the Motion for a Return 260 brought forward by the hon. member. The motion for a return makes reference to an agreement between Robert Bosch and Telus. Well, technically there was no agreement dated July 24, 1990, between Robert Bosch and Telus. I mean, Telus wasn't even going at that period of time. I presume that the hon. member meant to say the agreement between Robert Bosch and AGT Commission dated that day. There was in fact an agreement, and that agreement and all of the rights to it were, of course, assigned to Telus Corporation at the time of the privatization's effective date, October 4, 1990.

The original agreement contained a clause that was actually requested by Robert Bosch, whereby the terms of the agreement would remain confidential and not be released without the consent of Robert Bosch. In fact, it worked both ways. Obviously, in a competitive environment Robert Bosch and corporation did not want the arrangement they had made broadcast to their competitors. They did make two exceptions with respect to the release of information relative to the agreement. One was to provide details for the purposes of the press release, which was agreed upon between AGT Commission at that time and Robert Bosch corporation. The details of that transaction were set forth in that press release. Secondly, all of the details that were required for the purposes of the prospectus were in fact agreed to and consented to by Robert Bosch in order that the prospectus could contain all of the facts that were necessary in order to comply with the securities legislation. All of the essential terms of the Robert Bosch/AGT agreement were disclosed and had to be disclosed as part of that prospectus.

4:00

Upon the closing of the offering, a transfer of assets took place to Telus, and of course all of the rights of the agreement to which I have referred and the corresponding conditions and restrictions that go along with that were assigned as part of the agreement to Telus Corporation. At the time that Bosch withdrew, the agreement was the property of Telus Corporation, not the government. Therefore, Mr. Speaker, firstly because of the confidentiality clause and secondly because the agreement, which is of course now void, is not the property of the government, it is necessary for us to reject the motion, and I urge all members to do likewise.

MR. DEPUTY SPEAKER: The hon. Member for Edmonton-Kingsway, to close debate.

MR. McEACHERN: Just to wrap up, then, on this point. The minister chose to throw out a few statistics which I had fairly carefully stayed away from to kind of summarize things. But in lieu of that, I'll have to just throw a few of them back at him. Sure, the Alberta government had a lot of money into AGT, but it was doing a very good job for us, and once we've sold it, we'll never be able to afford to buy it back again. As to the company getting new borrowings, they didn't have to get that from the taxpayers. AGT was a sound company, backed by the government of Alberta, and they could have borrowed money on the stock markets or anywhere else.

Just some of the quick costs that he was sort of throwing around, what a wonderful deal the sale was. How about the \$50 million that the Bosch deal cost us? When we bought back a company that we'd previously owned, we had to throw in an extra \$50 million. How about the fact that the installment plan cost us \$30 million or \$40 million in interest and payments that we'll never see? How about the brokerage and advertising fees of some \$35 million? How about the \$15 million or so, maybe more, that the employee plan of three shares for the price of two will cost? How about the fact that when we took over NovAtel again, we also took on an obligation of \$525 million in guarantees for NovAtel? How about the fact that it cost \$169 million and you told us at the time that all the losses were included in it? How about the fact that they lost \$204 million shortly after you'd told us that? I think it's been a lousy deal, and I think the Bosch deal is one of the mistakes that caused this government to think they were getting away with something

when in fact they weren't. I think that the members of this Assembly should decide that the minister could at least release some of the facts in detail to let us know exactly where we do stand with this mess that he's created.

[Motion lost]

### Telus Corporation

261. Mr. McEachern moved that an order of the Assembly do issue for a return showing documents or studies showing the anticipated cost of the sales of Telus shares
- (1) through the Alberta installment program, and
  - (2) through the Alberta Government Telephones employee purchase plan.

[Debate adjourned June 20: Mr. McEachern speaking]

MR. McEACHERN: Mr. Speaker, I've made most of my comments on this whole picture, so I will at this stage rest my case and ask the minister to release what information he had promised us on this question.

MR. STEWART: Well, Mr. Speaker, I'm delighted to get to the amendment which I propose to this motion for a return and to talk about the substance of the motion for a return itself. I think the hon. member and I could debate for some time the actual facts with respect to it, but for the purposes of the record, he and I will probably sometime over the summer have the opportunity perhaps to get together, and we could review those numbers and make sure that we understand one another in that regard.

Mr. Speaker, one of the difficulties is with respect to the wording of Motion 261 as it's drafted. It makes it necessary for us to propose an amendment so that the motion for a return as amended may then be accepted. All words after "showing" be deleted and the following substituted therefor: "the anticipated cost of the sale of Telus shares through the Alberta installment program." This amendment, which I have circulated to all members, is one that if passed will enable me to accept the motion for a return.

The amendment is required because, firstly, the cost of the sale of Telus shares through the installment program is essentially the opportunity costs that are associated with the second installment that is not due until the end of September. So we're talking in terms of the prevailing interest rates throughout that period of time. Interest rates, of course, have varied over this past year, and we still have to speculate ahead to September 30 to see what sort of interest rates will prevail. We cannot, therefore, forecast the interest rate, and therefore to the extent that this is an element of cost and essentially the element of cost with respect to the installment certificate, we cannot accept the motion for a return in stipulating that. Any other costs that are associated with the installment program are essentially included in the costs that are requested in Motion for a Return 263, which of course I'm prepared to address in due course.

Secondly, the amendment that is required is because in the second portion of the motion for a return reference is made to the Telus employee purchase plan. This is strictly a Telus program. It's not a government program. The shares were not shares that were held by the government. They were what they call treasury shares of the company, and all costs in connection with the employee share purchase agreement are costs to Telus. They're not costs to the taxpayer. Therefore, it's necessary to delete that portion of the motion for a return.

The amendment, Mr. Speaker, has been placed before all members, and I would respectfully move that amendment.

MR. DEPUTY SPEAKER: The hon. Member for Edmonton-Kingsway, on the amendment.

MR. McEACHERN: Yes. I wanted to thank the minister for his analysis and his answer. Just one point though. He says that this cost of the employee purchase plan is a cost to Telus, and technically I can only take his word for it. It was not clear when the program was proposed as to just where the costs would settle, but the fact that they are a cost to Telus doesn't really, in a sense, alleviate our concern on this side. It's still a cost to the people who at one time held that company, and that is all the people of Alberta, who owned AGT. It's now been sold into the hands of a few people. The company will be that much poorer, and the users of telephones, which is all of us, will have to pay that much more to make up that loss. Because make no mistake; there is a loss to the overall population and an advantage to those employees who chose to take it up. When you consider that the plan was just one of the techniques the government used to try to get the employees on side with the sale, so that they wouldn't back the union to be against the sale, I find it quite scandalous.

I will, however, accept the amendment and accept the information and whatever comes out of it as at least a partial answer to some of my questions.

[Motion as amended carried]

MR. STEWART: Mr. Speaker, in connection with that motion, I'd like to table the response to Motion for a Return 261 as amended.

MR. DEPUTY SPEAKER: Does the Assembly agree?

HON. MEMBERS: Agreed.

MR. DEPUTY SPEAKER: Opposed? Carried.

#### **NovAtel Communications Ltd.**

262. Mr. McEachern moved that an order of the Assembly do issue for a return showing the annual audited financial statements for NovAtel Communications Ltd.

- (1) for each year that Alberta Government Telephones was a 50 percent shareholder, and
- (2) for 1989 and 1990.

MR. STEWART: Mr. Speaker, in response to Motion for a Return 262, I just wish to point out that the Alberta Government Telephones Commission's financial statements historically included NovAtel, and they've been filed each and every year in this Assembly in accordance with the statutory requirements. The Auditor General has either audited the company directly or indeed has confirmed the audit in each case. The Auditor General and of course previous ministers of this portfolio and myself have always been available to the Public Accounts Committee to respond to any questions with respect to those reports.

#### **4:10**

During 1990, which was the year of the privatization, of course, Telus owned NovAtel for approximately one-quarter of the year. The AGT Commission owned it for the other. So the

other portion of the year has to be part and parcel of the AGT Commission annual report. Discussions are being held between the AGT Commission and the Auditor General with respect to the appropriate manner in which those should be made available to the Assembly, and we await that advice from the Auditor General. So, Mr. Speaker, all I can say is that the financial statements with respect to NovAtel and indeed the Alberta Government Telephones Commission, which still is in existence and owns the shares of NovAtel at this point in time, will be filed in the Assembly in accordance with the normal statutory requirements that are required in that regard.

Therefore, Mr. Speaker, I urge all members to reject Motion for a Return 262.

MR. DEPUTY SPEAKER: The hon. Member for Edmonton-Kingsway, to conclude debate.

MR. McEACHERN: Yes, Mr. Speaker. NovAtel was half owned by Alberta Government Telephones and half owned by Nova Corporation up until about mid-January of 1989. As the minister says, there was some reference to it in the AGT annual statement, but it was usually a footnote and just one number. What we're asking for here is that the Auditor General, who must have done an analysis – or if not the Auditor General, some other auditor must have done an annual report on that company for the AGT Commission, and they must have those documents. I cannot believe that the only thing that went to the AGT Commission was one number, one little statement.

I'd also like to point out that while there is the problem with 1990 that the minister mentioned, the fact that Nova Corporation owned half of NovAtel for about the first half of January is a pretty feeble excuse for not having the Auditor General audit that company and put out a full audited annual statement for the year 1989, because after all they did own it for 11 and a half months wholly and totally and the Auditor General, according to his mandate, should have been auditing that company. So I can't understand why the minister can't release more information than he's offering, which is nothing.

[Motion lost]

#### **AGT Privatization**

263. Mr. McEachern moved that an order of the Assembly do issue for a return showing the documents detailing all expenses associated with the sale of Alberta Government Telephones, including underwriting and selling commissions, printing, legal, registration, and advertising costs.

MR. STEWART: Mr. Speaker, Motion for a Return 263 uses certain language that I think would require me in all good conscience and responsibility to suggest it be changed by way of an amendment, but in essence, the thrust of the motion is accepted in the various areas categorized in the motion that relate to expenses associated with the sale of the shares of Telus. The motion for a return is basically so broad and all-encompassing that when it talks in terms of "detailing all expenses," even down to the last nickel, I think, essentially, it's the expenses identified in the motion that are the basic costs which the hon. member is after. Therefore, I am proposing the amendment which has been circulated to all members, which addresses this concern that I've just mentioned in the motion for a return. It's an amendment that if passed, Mr. Speaker, will allow me to accept the motion for return as amended:

That an order of the Assembly do issue for a return showing expenses associated with the sale of Alberta Government Telephones, including underwriting and selling commissions, printing, legal, registration, and advertising costs.

[Motion as amended carried]

MR. STEWART: Mr. Speaker, with the permission of the Chair I would like to table the reply to the amended Motion for Return 263.

MR. DEPUTY SPEAKER: Does the Assembly concur in this request?

HON. MEMBERS: Agreed.

MR. DEPUTY SPEAKER: Opposed? Carried.

#### **Landfill Site at Long Lake**

311. Mr. Mitchell moved that an order of the Assembly do issue for a return showing a copy of the hydrogeological evaluation of the Long Lake regional landfill site.

MR. KLEIN: Mr. Speaker, I'll accept that motion.

[Motion carried]

#### **Health Care Payments outside Canada**

341. On behalf of Mr. Chumir, Mr. Wickman moved that an order of the Assembly do issue for a return showing how much was paid by the Alberta health care insurance plan for medical services rendered to Albertans outside of Canada, and of that total, what was the amount paid for each main classification of service or treatment for the 1985-86, 1986-87, 1987-88, 1988-89, and 1989-90 fiscal years?

MR. GOGO: Mr. Speaker, on behalf of the hon. Minister of Health, the government accepts Motion for Return 341.

[Motion carried]

#### **Peat Leases**

408. On behalf of Mr. Taylor, Mr. Mitchell moved that an order of the Assembly do issue for a return showing the names of all those who have peat leases in Alberta and the size and location of each lease as of June 19, 1991.

MR. GOGO: Mr. Speaker, on behalf of the hon. Minister of Forestry, Lands and Wildlife we accept Motion for Return 408.

[Motion carried]

head:

#### **Government Motions**

##### **Constitutional Reform Committee Travel**

21. Moved by Mr. Horsman:

Be it resolved that in carrying out its responsibilities a member or members of the Select Special Committee on Constitutional Reform, as selected by the committee, may travel outside the province of Alberta for the purpose of certain consultations with other governmental committees which are deemed by the committee to be of assistance in the furtherance of an Alberta position on the Constitution,

following the conclusion of the public hearing process of the Select Special Committee on Constitutional Reform.

MR. HORSMAN: Mr. Speaker, a brief word of explanation I think would be in order.

When the Select Special Committee on Constitutional Reform was established, the motion confined the members to travel within Alberta; it did not provide for the opportunity to travel outside the province. This motion is in response to requests from other provinces to have some members of the committee possibly, I should say, travel to meet with them to discuss constitutional reform. It is hedged about carefully in that it will only be following the conclusion of the public hearing process within Alberta that any such travel would be contemplated, and of course we would make sure that it was done reasonably. It's not for the purpose of having the whole committee travel, but selected members of the group would do that. This results from discussions within the committee itself in our efforts to try and work our way through with our fellow Canadians the current constitutional situation in which we find ourselves.

[Motion carried]

#### **Pacific Northwest Economic Region**

22. Moved by Mr. Horsman:

Be it resolved that

- (1) pursuant to Motion 18, agreed to by the Assembly on June 21, 1991, the following members of this Assembly be appointed by the Assembly to the delegate council of the Pacific Northwest Economic Region:
  - Hon. James D. Horsman, MLA,
  - Mr. Bill Payne, MLA,
  - Mr. Ray Martin, MLA, and
  - Mr. Frank Bruseker, MLA;
- (2) Mr. Horsman be appointed as a member of the executive committee of the Pacific Northwest Economic Region; and
- (3) in the event a member is not able to attend a meeting, an alternate be designated.

MR. HORSMAN: Mr. Speaker, this flows from Motion 18, which was passed by the Assembly on June 21, naming the four members contained in the resolution and providing that I would act as the member of the executive committee of the Pacific Northwest Economic Region.

[Mr. Speaker in the Chair]

Mr. Speaker, an amendment has been circulated as well upon advice that it would be necessary for members to be compensated for their activities and expenses.

- (4) that the members of the council be remunerated as would members of a category B committee of the Assembly.

Pursuant to the provisions of the Assembly, it would be a category B committee of the Assembly. That amendment I would move at this time.

4:20

HON. MEMBERS: Question.

MR. SPEAKER: Is there agreement of the House to go forward with the question, including the amendment?

HON. MEMBERS: Agreed.

MR. SPEAKER: Opposed? Carried unanimously. Thank you.

[Motion as amended carried]

MR. HORSMAN: Mr. Speaker, I would seek unanimous leave of the Assembly to deal with Bill 55 in second reading at this stage.

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

HON. MEMBERS: Aye.

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

head: **Government Bills and Orders**  
head: **Second Reading**

**Bill 55**  
**Miscellaneous Statutes Amendment Act, 1991**

MR. ROSTAD: Mr. Speaker, I would like to move second reading of Bill 55, Miscellaneous Statutes Amendment Act, 1991.

As I mentioned in the introduction, the Act contains numerous corrections, additions, and this year a few quasi-substantive items.

I would like to acknowledge the Member for Edmonton-Strathcona and the Member for Calgary-Buffalo for the consensual procedure in working in accommodation to bring these amendments together in this statute, and with that, I move second reading.

MR. SPEAKER: Edmonton-Highlands.

MS BARRETT: Thank you, Mr. Speaker. In rising to support the motion for second reading, I would like to alert the Assembly that it comes as a bit of a surprise to me that we would be doing all three readings in one day. No one is to blame for this, I understand. I would just like to put one caveat, and that is that if we move it through committee as well, I request that we do not do third reading this afternoon but do it this evening in the event that there is any potential problem that people haven't had a chance to see since its final draft was circulated this afternoon.

Thank you.

MR. WICKMAN: Mr. Speaker, we support the Bill for second reading. I just want to highlight one particular aspect of the Bill that I'm particularly pleased with that I hope doesn't go unnoticed, and that's the provision to allow the municipalities to now enact the appropriate bylaw to designate handicapped parking and to provide for enforcement. Provision for enforcement of handicapped parking is something that groups for persons with disabilities have fought for for years. It may go unnoticed in that type of Bill, which tends to be seen as minor, but that is a very, very significant change to a lot of Albertans.

[Motion carried; Bill 55 read a second time]

MR. HORSMAN: Mr. Speaker, I would request unanimous leave of the Assembly to deal with the same Bill 55 in all its phases today, and in making the motion, give my undertaking to the Assembly that third reading will not be dealt with until this evening's sitting of the Legislature.

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

HON. MEMBERS: Aye.

MR. SPEAKER: Those opposed, please say no. The motion carried unanimously.

head: **Government Bills and Orders**  
head: **Committee of the Whole**

[Mr. Jonson in the Chair]

MR. DEPUTY CHAIRMAN: Good afternoon. I would ask the committee to please come to order.

**Bill 55**  
**Miscellaneous Statutes Amendment Act, 1991**

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

HON. MEMBERS: Question.

[Title and preamble agreed to]

[The sections of Bill 55 agreed to]

MR. ROSTAD: Mr. Chairman, I move that Bill 55, Miscellaneous Statutes Amendment Act, 1991, be reported.

[Motion carried]

MR. HORSMAN: Mr. Chairman, I move that the Committee of the Whole rise and report.

[Motion carried]

[Mr. Speaker in the Chair]

MR. JONSON: Mr. Speaker, the Committee of the Whole has had under consideration certain Bills and reports Bill 55.

MR. SPEAKER: Having heard the report, do you concur?

HON. MEMBERS: Agreed.

MR. SPEAKER: Opposed? Carried. Thank you.

head: **Government Bills and Orders**  
head: **Third Reading**

[It was moved by the members indicated that the following Bills be read a third time, and the motions were carried]

No.	Title	Moved by
1	Seniors Advisory Council for Alberta Act	Musgrove (for Getty)
2	Forest Development Research Trust Fund Amendment Act, 1991	Fjordbotten
3	Forest and Prairie Protection Amendment Act, 1991	Cherry
4	Social Work Profession Act	Mirosh
5	Mines and Minerals Amendment Act, 1991	Black

6	Oil and Gas Conservation Amendment Act, 1991	Black (for Payne)
7	Turner Valley Unit Operations Amendment Act, 1991	Gogo (for Tannas)
8	Livestock and Livestock Products Amendment Act, 1991	Isley
9	Arbitration Act	Evans
10	Powers of Attorney Act	Rostad (for Schumacher)

4:30

**Bill 11****Apprenticeship and Industry Training Act**

MR. WEISS: Mr. Speaker, it is an honour to move third reading of Bill 11, Apprenticeship and Industry Training Act.

MR. SPEAKER: The Member for Edmonton-Belmont.

MR. SIGURDSON: Thank you, Mr. Speaker. This is the last opportunity we're going to have to debate this Bill, and it's a very important Bill for people that go through the apprenticeship system in Alberta.

Mr. Speaker, at second reading stage I noted that Bill 11 is certainly an awful lot different than the discussion paper that was put out by the minister last year, and I think there are a lot of people involved in the apprenticeship system who are thankful that the Bill was so very different than that discussion paper. It's amazing, because were the people that were involved in the apprenticeship system those people who have gone through that system and are now successful journeymen tradespeople, designated professionals under an Act that would refer specifically to lawyers, doctors, opticians, they may have been treated somewhat differently, I think. There would have been a process of greater consultation, and I think the government, thankfully in this instance, backed off bringing in the kind of legislation that was outlined in the discussion paper.

Mr. Speaker, these people that go through the system are professionals. They've dedicated a good period of their lives to study certain programs. Whether it's a program that allows one to call oneself an electrician, a plumber, a pipe fitter, a bricklayer, or whatever you might have, these people are professionals in their areas.

I still have a couple of concerns about this particular Bill that will soon be statute in our province. That's the area of those people that are non journeymen tradespeople, where through the exemption clauses contained in Bill 11, they'll be able to work in areas where they may not be qualified. I have a great deal of concern about that with respect to this Bill and especially in light of Bill 36, the Safety Codes Act. I think the latitude in both Bill 11 and Bill 36 will be such that we could have nonqualified people call themselves something they are not and then, perhaps through the latitude that's given accredited agencies and corporations in Bill 36, go out and inspect places that they are not qualified to inspect.

Mr. Speaker, I would hope that in the closing remarks the minister hopefully will make, he will give one further consideration to this Bill, and that is this. In Bill 11 we have the appointment of the Alberta apprenticeship and industry training board in section 2, and that describes that "the Lieutenant Governor in Council shall appoint a board in accordance with subsection (2)" that will consist of a number of people who "are knowledgeable with respect to training in trades and occupations," and it goes into section 3 and talks about the functions of the board. Well, I know the minister and I have had some discussions about

the roles people should be playing, but I think it's vitally important that those people on the board that are knowledgeable in the area of certain trades be appointed as soon as possible so they can have some input into the makeup of the regulations. I think the minister could well use their wise and sage counsel when formulating those regulations that will affect how the apprenticeship programs and the trades operate in the very near future.

So I hope the minister will respond to that. I know he does have a great deal of concern about the apprenticeship program. If the minister would comment on that and give us in this Legislature his assurance that the board will indeed have input on writing the regulations, I know that would go a long way in satisfying my colleagues in the New Democrat Official Opposition and those people that are involved in the trades and the apprenticeship programs.

Thank you.

MR. WEISS: Mr. Speaker, if I may, in closing remarks, first of all thank the hon. member and members of the opposition who have exchanged input and, in particular, for their important dialogue in bringing the Bill to the present stage as we have it.

Mr. Speaker, Bill 11, which will govern the apprenticeship training system in Alberta, after considerable public and industry consultation has developed, as indicated by the hon. member, the full range of programs that we see in the Bill. Now, the extensive consultation which occurred during the development of the legislation has continued from the date of introduction of, I believe, April 22, 1991, and will continue through to the development of the regulations. I think it's important that that's been brought out and to the hon. member, but I want to comment on it specifically.

I believe the Apprenticeship and Industry Training Act represents this government's continuing commitment to advancing the skill level of Alberta's work force through progressive and flexible training legislation. More importantly, for the legislation which will come into effect on January 1, 1992, I've made the commitment that the regulations which make up a major portion of the legislative framework will be in place on that date as well. I'm sure the hon. member will be interested to know, Mr. Speaker, that they'll be developed in co-operation, as I've said in the past, with business and labour.

Now, a preliminary draft of the regulations will be widely circulated in the near future to those interested or affected by the legislation, including all the organizations I mentioned in previous remarks and which I won't repeat at this time, the provincial and local apprenticeship committees in particular, and other government departments as well. More importantly, Mr. Speaker, the Alberta Apprenticeship and Trade Certification Board will be closely involved, particularly in the development of the regulations to which the new Alberta apprenticeship and industry training board will be responsible. Meetings and workshops will be held to gather and consolidate the input from the stakeholders in the system.

Mr. Speaker, I believe we've worked very hard to establish a balance in meeting the interests of all participants in this system, and we'll continue to ensure that this balance is maintained. I believe I've honoured that commitment and would once again like to thank all those who have co-operated throughout the entire summer. As I say, I look forward to working with all hon. members to see the Bill in its conclusion.

[Motion carried; Bill 11 read a third time]

4:40

**Bill 12**  
**Rural Electrification Long Term Financing**  
**Amendment Act, 1991**

MR. SPEAKER: Drayton Valley.

MR. THURBER: Thank you, Mr. Speaker. I'd like to move third reading of Bill 12, the Rural Electrification Long Term Financing Amendment Act, 1991.

MR. SPEAKER: A question with regard to Bill 12, West Yellowhead.

MR. DOYLE: Thank you, Mr. Speaker. I stand up on behalf of the members of the Official Opposition in opposition to this Bill. This Bill gives no leadership for young people or for any person to move into rural Alberta when they remove the very generous programs of the past, the 3 and a half percent interest for the installation of electrical services and other services in rural Alberta.

I spoke on this Bill coming in. I put forth amendments to it. Of course, with the strength of the government – and many of them from rural Alberta sat there and never said a word, Mr. Speaker. They don't seem to mind that we're going to put pressure on young people moving to rural Alberta and any other person who wants to settle in rural Alberta. I wish they had stood up and said why. I was pleased that finally yesterday the Member for Calgary-Millican stood up and asked about the new rates that TransAlta is going to be causing to citizens throughout the province, pointing out that they just got a 31 percent increase and it makes a total increase of 42 percent in 14 months. Well, very clearly, this points out to people that rural members from the government side of this House care not about people who move to rural Alberta but care only about how they can pay for those debts they've caused by giving to their corporate friends like Mr. Pocklington and others. They've stripped the seniors. Now they're going to cause young people and people who want to move to rural Alberta a tremendous cost to set up a new rural farm service or to set up any business they might want to put into rural Alberta.

Mr. Speaker, on behalf of the Official Opposition, we oppose this terrible Bill that is really going to cause the downfall of people who are moving to rural Alberta.

[Motion carried; Bill 12 read a third time]

**Bill 13**  
**Municipal Statutes Amendment Act, 1991**

MR. SPEAKER: The Member for Dunvegan.

MR. CLEGG: Thank you, Mr. Speaker. I'm pleased to move third reading of Bill 13, Municipal Statutes Amendment Act, 1991.

[Motion carried; Bill 13 read a third time]

**Bill 14**  
**Historical Resources Amendment Act, 1991**

MR. MAIN: Mr. Speaker, I am moving third reading of Bill 14, the Historical Resources Amendment Act, 1991.

MS BARRETT: Mr. Speaker, this debate was extensive in second reading and in committee. I would just suggest that the

Bill really should be called "user fees for museums and other educational institutions Act." I for one plan to vote no.

[Motion carried; Bill 14 read a third time]

**Bill 15**  
**Alberta Foundation for the Arts Act**

MR. MAIN: Mr. Speaker, Bill 15 is the Alberta Foundation for the Arts Act, and I would move third reading.

MS BARRETT: Mr. Speaker, I stood in support of the principle of this Bill in second reading and had hoped that the minister would take my comments seriously and move to democratize the structure of it. I have no objection to one single agency. I do have an objection to the funding not being a formula basis that comes through the Assembly. I do have an objection to the appointments. I wish the minister had moved to amend the Bill to democratize it. I certainly regret that I could not be in town at that time to move amendments; otherwise, I would have.

So while in principle in support of a single agency for the funding of the arts, we regret that the minister has seen fit to put in place running this new agency a man who served as assistant deputy minister in his own Department of Culture and Multiculturalism. That to me is like a political appointment. Already we're into making a political mess out of this. Not we; I should say they, Mr. Speaker, the government. I wouldn't condone such a thing. I don't understand why it is that when the Official Opposition presents, I think generally on a nonpartisan basis, some really good alternatives that will get you guys off the political hook, you don't go with them every once in a while. It's the Conservative government that will pay the price for this. You know, all they had to do was take the ideas we've been advocating for several years and write them in before you even introduced the Bill and take full credit. I don't understand why they don't do that. Nonetheless, they have chosen not to do that.

While I remain in principle supportive of the single agency approach to funding for the arts for grant purposes, because the Bill comes to us in third reading unamended, I regret that I must now vote against this. I would urge all members of the Assembly to vote against the third reading because it comes to us unamended.

MR. SPEAKER: The minister in summation.

MR. MAIN: I will say a word, Mr. Speaker, just to set the record straight. The prime objective of this Bill, in addition to providing efficiencies in funding, was to in fact move the decision-making power on arts granting from the political arena into the realm of citizen-appointed boards and board-appointed peer juries. That moves virtually every nickel of arts granting from this government into that sort of method. The gentleman the hon. member refers to is in fact the executive director, the staff person supporting the activities of citizen boards and peer juries. A good Bill; a good plan.

[Motion carried; Bill 15 read a third time]

**Bill 19**  
**Lottery Fund Transfer Act**

MR. JOHNSTON: Mr. Speaker, I move third reading of Bill 19.

[Motion carried; Bill 19 read a third time]

4:50

**Bill 20**  
**Rural Electrification Revolving Fund**  
**Amendment Act, 1991**

MR. THURBER: Mr. Speaker, I move third reading of Bill 20, the Rural Electrification Revolving Fund Amendment Act, 1991.

MR. DOYLE: I stand in opposition to this Bill on behalf of my colleagues the New Democrats.

We very clearly debated this Bill in the House; no changes were made. It's a very critical Bill, again, to rural Alberta and stops the development in rural Alberta of young farmers and other people who want to start family farms. The rate was for many years at 3 and a half percent, very generous by this government and the government before them, and helped in the development and easing in of restructuring family farms and building new farms. Yet rural members of the government sat here and made fun, visited, while we debated, and they paid no attention to what this was going to do to rural Alberta.

It also states, Mr. Speaker, in (3.1) that if land is sold by its owner to that owner's son or daughter and the loan was approved before July 1, 1991, the interest rate remains at the rate of 3 1/2%.

I find it very strange that this government would feel that only the son and the daughter are part of the family or part of a family unit. Indeed, in many cases it could be a brother or sister or a mother and father taking over if somebody was ill on the farm. There are many more people in the family than just the son and daughter, Mr. Speaker. Again, this raises the interest rate of 3 and a half percent, puts it into the regulatory rate. We've been advised that it will possibly be 7 percent, but the rate will be able to float, and in no way will it help the development of rural Alberta.

So I would ask all members of the House to defeat this Bill that's going to restrict people from moving to rural Alberta.

[Motion carried; Bill 20 read a third time]

**Bill 21**  
**Rural Utilities Amendment Act, 1991**

MR. SPEAKER: Drayton Valley.

MR. THURBER: Thank you, Mr. Speaker. I'd like to move third reading of Bill 21, the Rural Utilities Amendment Act, 1991.

MR. SPEAKER: West Yellowhead.

MR. DOYLE: Thank you, Mr. Speaker. I stand in opposition to this Bill along with my colleagues the Official Opposition New Democrats with the hope that the House would join us in defeating this Bill.

Again, it's restructuring of the Rural Utilities Act in order to allow the rates to increase from 3 and a half percent to whatever percentage some certain bodies would decide to move it to. It also states, Mr. Speaker, that the director at some point can turn down a lien note if he assumes that at some time in the future the applicant could not afford to get power. The Bill is one that is going to again restrict the development of natural gas, water and sewer, and underground power in rural Alberta. I find it very hard to believe that the members here in the Conservative caucus of the government of Alberta will not stand up and defend the people of rural Alberta but will allow them to be

discriminated against not only by the increase in power rates but now by the increase for installation of their rural services.

[Motion carried; Bill 21 read a third time]

[It was moved by the members indicated that the following Bills be read a third time, and the motions were carried]

No.	Title	Moved by
22	Wild Rose Foundation Amendment Act, 1991	Kowalski
23	Environment Council Amendment Act, 1991	Evans
24	Municipal Taxation Amendment Act, 1991	Clegg
25	Pacific Western Airlines Amendment Act, 1991	Kowalski
26	Planning Amendment Act, 1991	Clegg
27	Rural Districts Act	Clegg

**Bill 28**  
**Hail and Crop Insurance Amendment Act, 1991**

MRS. McCLELLAN: Mr. Speaker, I move Bill 28, Hail and Crop Insurance Amendment Act, 1991.

MR. SPEAKER: The Member for Vegreville.

MR. FOX: Thank you, Mr. Speaker. I'd just like to offer some comments on this Bill with respect to the GRIP program.

I believe the minister has undertaken to review some of the rules that are in place with respect to the program during its first year of implementation. One of the things most people would be interested in is just how the premiums are going to be collected. Is there going to be any flexibility in the way the premiums are collected? I'd like to urge the minister to consider some of the suggestions that have been made with respect to the premiums being deducted from applicable sales as they're made throughout the balance of the crop year instead of making all the premiums due and payable on a specific date, say November 1, and interest charged at a rate to be set from that point on. Now, I understand that's been under review. It may already have been implemented, but I would like to make that submission to the minister, because I think it would make the program a lot easier for farmers to pay for, especially in times when sales are slow and prices are not good. If indeed yields are not good in some areas of the province, meeting the premium obligation may be a difficult thing for some producers. It would also make the program, in terms of the payment portion of it, a lot more similar to the western grain stabilization program that farmers have become accustomed to over the years.

So I'd like to make that suggestion to the minister and hope we can get a commitment from her to do an ongoing review of the program to make sure changes that need to be made will in fact be made before the program is defined for the coming season.

MRS. McCLELLAN: Mr. Speaker, I would very briefly comment and assure the member that we will be carrying on the ongoing review. Indeed, it is noted that the flexibility is there for us to make decisions in this interim year, and we will do that.

I would thank all members who participated in the debate on this Bill.

[Motion carried; Bill 28 read a third time]

5:00

**Bill 29**  
**Loan and Trust Corporations Act**

MR. JOHNSTON: Mr. Speaker, I move third reading of Bill 29.

MR. SPEAKER: Calgary-Mountain View.

MR. HAWKESWORTH: Thank you, Mr. Speaker. Just a couple of brief comments. I'm still skeptical about the general direction this government is taking with its loan and trust corporations legislation, and I continue to be concerned about the overall general erosion in the regulatory framework governing loan and trust companies, our banks and insurance companies. I think this is uncharted territory. If we were concerned about experiences in years gone by, the regulatory framework that was established was put in place for very good and prudent reasons. I've not been convinced that the overall direction being taken by the provinces and the federal government in the end is going to be as supportive of the public interest as their proponents would have us believe.

Nonetheless, the legislation has gone through second reading and committee. I wish the Provincial Treasurer well in making the legislation work. I'm sorry to see that restrictions on foreign ownership of our financial industry are being removed as part of the implementation of the Mulroney/Reagan trade deal, and I don't think the provisions in the Bill are really going to create the kinds of restrictions that are intended or that the proponents seem to be attributing to them. I don't think they're going to have the success they're attributing to them.

I guess sometimes you just have to watch the stream flow and hope it's going to reach the sea without flood and all the other things that go with it. This seems to be the direction deregulation of our financial industry is taking us, and I can only say that I hope the proponents taking us on this course are going to have the success they think they're going to have.

MR. SPEAKER: Provincial Treasurer, summation.

MR. JOHNSTON: Mr. Speaker, it was as much the reference to Bob Dylan watching the stream flow as opposed to watching the river flow that prompted me to get into it, not to celebrate his 50th birthday but perhaps to talk more particularly in juxtaposition to what the Member for Calgary-Mountain View said.

Mr. Speaker, let me say that I think this piece of legislation has been founded on very important principles, principles which are now commonly found to be reasonable, tested, and applicable not just here in Alberta but across all financial sectors worldwide. As I've said before, we're in the global competitive world, and for our companies and our entities to operate effectively, to be competitive in international trade and have access to financial services, is one of the most important parts of the competitiveness of this province. That's why it's important that this legislation, after a long process of testing, now comes to fruition – even more important in light of the changes and the pressures we're facing from the federal side itself. It does not go without some notice that two different Bills have been introduced in the last week by the federal government which deal with insurance regulation and amendments to the

Bank Act, moreover some subtle pressures to suggest, for example, that the federal government should have the jurisdiction to deal with securities legislation. In the province of Alberta we have to be prepared to leap with full force into the next century, and that's why this legislation is a compendium of all those ideas.

I would rather lead than be led, I'd rather set the tone than follow, and this piece of legislation, Mr. Speaker, in the context of trust and financial services legislation across Canada, does just that. It is an important piece of legislation reflecting the new regulatory tests and will certainly prepare Alberta and position us well for the balance of the decade ahead.

I certainly endorse third reading of this Bill and ask all Members of the Legislative Assembly to support it.

[Motion carried; Bill 29 read a third time]

**Bill 30**  
**Securities Amendment Act, 1991**

MR. ANDERSON: Mr. Speaker, I move third reading of Bill 30, the Securities Amendment Act, 1991.

[Motion carried; Bill 30 read a third time]

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

HON. MEMBERS: Agreed.

MR. SPEAKER: Opposed? Carried. Thank you.

head: **Introduction of Special Guests**  
*(reversion)*

MS BARRETT: Mr. Speaker, thank you very much to members of the Assembly. I appreciate the opportunity to introduce two people to you who just flew up from Calgary primarily – well, no, exclusively – to listen to the debate which will now occur on Bill 31. They are seated in the public gallery. They're Mr. Scott Oberg and Mr. Sandeep Dhir, respectively the vice-president and president of the Mount Royal College Students' Association. I'd ask them to rise and receive the welcome of the Assembly.

head: **Government Bills and Orders**  
head: **Third Reading**  
*(continued)*

**Bill 31**  
**Universities Foundations Act**

MR. GOGO: Mr. Speaker, I move third reading of Bill 31, the Universities Foundations Act.

MR. SPEAKER: Edmonton-Highlands.

MS BARRETT: Thank you, Mr. Speaker. I would like to speak for a few minutes on the Bill. This Bill no longer enjoys the support of the Official Opposition New Democrats. I would like to cite the reasons.

First of all, in second reading and committee the minister did not ever adequately explain why it is that only universities should qualify for this type of legislation which enables them, subject to the rules or the ruling, I suppose, of Revenue Canada, to accept donations and be able to hand out tax credits like any other charitable organization. He's argued that it's because universi-

ties have a primary research component, and he is right. But nowhere in the legislation does it say that the money collected by the universities foundations has to be used on research. In fact, because of the looseness of the Bill, the money can be used on operating. Now, the fact of the matter – and I raised this earlier in question period today – is that funding for all our postsecondary education institutions has suffered a steady decline since 1979. I've read it into the record before. Let me just give you the highlights one more time.

In 1978-1979 funding for universities in constant dollars on the basis of full-time equivalent students was at \$5,534. It is down to \$4,431. The same is true for every college and technical institute. Every one of the 28 institutions for which the minister has responsibility has suffered chronic funding cuts. Now, you think about it. If the universities can offer charitable tax receipts, basically, for donations given to them, then guess what's going to happen. They will be able to go and collect money that will not be available to the colleges and technical institutions. In other words, we're doing a dual-class system. Now, I acknowledge that research is a distinguishing factor, but if it was purely for research purposes, then the Bill should say that.

#### 5:10

Let me explain to members of the Assembly why they even need money in terms of research. It is because the formula funding which funds the capital equipment upon which much research is conducted has also fallen, in some years as much as 32.5 percent, which was in 1987-88. The next year it was cut by 26.4 percent, two years later by 10.24 percent. We are talking about a band-aid solution to a problem that is made chronic by government policy. This is not a solution. It is not going to work. Worse yet, it is going to pit one organization against another. If the minister had come in with a Bill that really put grounding into his argument about the research and gave the other institutions the right to hand out tax receipts for donations they are able to collect, one's concerns might be allayed.

I still have one other concern which the minister did not answer in either second reading or committee, and that is how we will be able to prevent, even though this is an interim measure – a sunset clause is built into the Act – the corporate sector or certain components thereof from ultimately directing research by virtue of their donations. Students at universities, colleges, and technical institutions all share this concern; so do faculty, by the way. They are very concerned because they don't want to be controlled by external forces. They want to be autonomous agencies. The possibility of that being maintained is diminished by this Bill, particularly in light of the fact that the Bill is not accompanied by equivalent rights being granted to colleges and technical institutions.

Mr. Speaker, I'll tell you what I would suggest. I know the universities are strapped for money, and I feel as though we're between a rock and a hard place because they need money, but so do the colleges and technical institutions. What we should do is drop this Bill and restructure our tax system (a) so it ain't the lower and middle-class people paying all the bills and we try to get some money out of the rich folks who don't pay any, (b) to get the corporate sector to make its contributions and get its tax credit, so to speak, right into the General Revenue Fund so this minister and the minister of finance have the money to give the universities, colleges, and technical institutions so they don't need this Bill. In the meantime I do not think any university is going to be totally strapped if this Bill does not pass today, because (a) we still don't have an answer about the tax receipts from Revenue Canada, and (b) their fund-raising drives are all

going on in any event on an equal footing with the colleges and technical institutions.

Finally, I would argue that if the universities, colleges, and technical institutions were able to get together through the summer to make a concerted proposal to the government and there was general harmony, I think I could say on behalf of the Official Opposition that the chance that we could pass the Bill speedily in a fall sitting would be very good. I would now urge the government to contemplate doing that. Please don't start pitting one more group of people against another group of people. The Conservative government has done that time and again. I thought they had learned their lesson; obviously not. Please don't pass this Bill. I urge you to vote with me and say no to third reading.

Thank you, Mr. Speaker.

MR. SPEAKER: Minister, summation.

MR. GOGO: Thank you, Mr. Speaker. I very much appreciate the comments from the hon. Member for Edmonton-Highlands. I'd like to make comments in response, sir, in closing debate. I'd say at the outset that very clearly Alberta, with its 28 institutions and its \$1,051,000,000 budget, is now amongst the highest in the nation in per capita funding in terms of postsecondary education. I want that to be very clear for hon. members of the House.

Secondly, I've indicated time and time again that the taxpayers of this province have probably reached the zenith of their ability to contribute to the postsecondary system. Almost 90 percent of the total budget comes from the taxpayers of Alberta; the other 10 percent is from tuition fees. I've suggested to all institutions that they search for ways of attracting funds. I hope hon. members bear in mind that we are amongst the highest, if not the highest, in terms of funding of our postsecondary system for a very good reason, and that is the participation rate. The participation rate of our postsecondary system is the highest in the nation. I mentioned just the other day, Mr. Speaker, that British Columbia with 3.1 million people has 4,000 less university students than Alberta. If you look at degrees, we have amongst the highest in the nation. I want to say that the hon. Member for Red Deer-North, the Member for Fort McMurray, the Member for Vermilion-Viking, and certainly Lethbridge Community College have made similar representations.

I'd like to explain, so it's abundantly clear to hon. members, the purpose of the Bill called the Universities Foundations Act. The Member for Edmonton-Highlands mentions section 3(b) with regard to the use of the funds. Agreed, educational and research activities are included in the Bill. Mr. Speaker, if one looks at the past 11 years under the endowment and incentive fund, funded by the Alberta heritage fund initially, some \$410 million has gone forward in matching grants to the postsecondary system. Hospitals would love it, libraries would love it, but it's been restricted to the postsecondary system because our priority has been the postsecondary system. Under Bill 31 which is proposed, no institution that accesses Bill 31 – that is, our four universities – will have access to the endowment and incentive fund. They will forego that right. In reviewing our endowment and incentive fund over the past 11 years, only two projects would have qualified under this Bill. In other words, whoever donated to the endowment and incentive fund put strings on it that it had to be directed a certain way, either their name on the door, their name on the building – like Scurfield Hall, or whatever – or a given program. The proposal here, assuming Revenue Canada accepts this legislation once it's

passed, is that 100 percent of the contribution would be deductible in the year it was given. That is aimed only at contributions of perhaps a million dollars or more, so they're very significant contributions.

A contributor under Bill 31 would not have access, as I've said, to the endowment and incentive fund. They would be restricted to that. The other thing that I think is most important is section 12 of the Bill. Right now a member donating under the endowment and incentive program or to a postsecondary institution can direct where those funds go. Bill 31, in effect, puts our four universities as agents of the Crown. Hon. members, I'm sure you're aware that when you make a donation to the Crown – in this case the institution would be an agent of the Crown in the right of Alberta – you have no say; you cannot direct where those funds will go. That is a major caveat, Mr. Speaker. People who take advantage of Bill 31, if they do – and it's up to the institutions or the foundations that are formed to see whether they do – will not have any authority to direct, and that's why section 12 is very clear: "When providing grants . . . or personal property to a university, a foundation," which is what this Bill is about, "may consider the general directions" – may, not shall – "of persons who have made gifts." People now do that with donations to the Crown. I don't know how often the Crown respects those rights.

Reference was made by the Member for Edmonton-Highlands to formula funding. We now contribute some \$32 million for capital equipment, furniture, and utilities in our system. In other provinces, Mr. Speaker, that's rolled into operating grants. We're one of four provinces who have formula funding, and we're the highest of the four. Sure, we'd like to see it higher. Equipment is wearing out. I don't question that. The fact of the matter is that in this year's budget, which has now been approved by the House, there's some \$32 million of which \$10 million goes to the University of Alberta.

Mr. Speaker, I think that with the passage of this Bill – and as the hon. Member for Edmonton-Highlands rightly pointed out, under section 17 there's a sunset clause. In 1996, at the end of the fiscal year, the Bill in effect will end its life. What will determine whether or not it continues is the success of this Act. I would point to British Columbia, which has a similar program, and the medical research foundation of Canada: the only two in existence in Canada. I think that with the adoption of this Bill, we will see that the universities of this province that are involved primarily in research, be it medical or otherwise, will have an opportunity and a challenge because no dollars will come from the government; all dollars must come from within these foundations. To my knowledge, there's not 10 cents that will come from the taxpayer. The challenge will be to the universities of this province, to get out and hustle and convince people of the merits of research in education within their institutions to attract those funds.

Mr. Speaker, I think this is the first step in what I believe and perceive to be a successful road to the future to maintain the quality of education and research in the universities of Alberta. I would urge members to support the Bill.

[Motion carried; Bill 31 read a third time]

5:20

**Bill 32**  
**Special Waste Management Corporation**  
**Amendment Act, 1991**

MR. KLEIN: Mr. Speaker, I would like to move Bill 32, the Special Waste Management Corporation Amendment Act, 1991.

MR. SPEAKER: The Member for Edmonton-Highlands.

MS BARRETT: Thank you, Mr. Speaker. With respect to this Bill, all of the objections that were made by the Official Opposition New Democrats in both second reading and committee continue to apply. The Bill will not enjoy the support of the Official Opposition.

[Motion carried; Bill 32 read a third time]

**Bill 33**  
**Landlord and Tenant Amendment Act, 1991**

MR. ANDERSON: Mr. Speaker, I'm pleased to move third reading of Bill 33, the Landlord and Tenant Amendment Act, 1991.

[Motion carried; Bill 33 read a third time]

**Bill 35**  
**Family Life and Substance Abuse Foundation Act**

MS BETKOWSKI: Mr. Speaker, I move third reading of Bill 35, the Family Life and Substance Abuse Foundation Act.

MS M. LAING: Mr. Speaker, the Official Opposition vigorously opposes this Bill. We believe it will constitute an absolute waste of money, that all the provisions in the Bill could be dealt with under AADAC, that AADAC has been underfunded and if, in fact, they were to have the money that will go to this foundation, they would be able to put into place the programs recommended by the commission that recommended the establishment of this foundation.

Our concern is that it will simply establish a parallel bureaucracy that will be a waste of money. Today we had questions about AADAC having to close a treatment centre because it did not have funding for the program. So we have concerns that AADAC is not being adequately supported while we have a parallel structure being established that can only cost more money, that AADAC will have to apply to for funds.

More importantly, we also have a concern about the subject matter of this foundation. I would suggest that we need a family life and poverty foundation to look at the many, many stresses and factors that work to destroy family life.

In closing, I would say we absolutely and totally oppose this Bill.

[Motion carried; Bill 35 read a third time]

**Bill 36**  
**Safety Codes Act**

MR. SPEAKER: Rocky Mountain House.

MR. LUND: Thank you, Mr. Speaker. I rise to move third reading of Bill 36, the Safety Codes Act.

MR. SIGURDSON: Well, Mr. Speaker, here we are at third reading of Bill 36. I'm sure the Member for Rocky Mountain House was wondering, as I was, if we would ever get to this point. We've gone through the second reading process where we discussed the principle of the Bill, and we went through committee stage trying to amend the Bill because the Bill does have some significant concerns for a number of people concerned about safety in our province. Unfortunately, the amendments

the government brought in at committee stage did not sufficiently deal with all aspects of the Bill, and there are still some problems with this piece of legislation.

Mr. Speaker, there are two areas of concern, as I said at second reading stage, that with my amendments at committee stage we tried to address. We've got to again address those concerns. It's the area of accountability and accreditation. The Bill that's before the Legislative Assembly is far, far, far too permissive. There are going to be gaping holes in the area of accountability. I see this as a Bill that's going to allow the government to get out of its responsibility of checking certain programs and premises and passing it off and saying, "Oh, we don't have to provide that service anymore." This is an opportunity for the government to say, "Well, let's pass this accreditation inspection on to an accredited corporation." I think part of what we're doing here is forcing certain corporations to apply to become accredited corporations or forcing certain municipalities to become accredited municipalities rather than the government taking on the responsibility of saying, "Yes, we have the responsibility of providing a safety inspection in this area."

We now have the perfect ducking-out clause here. They're saying, "Oh, we don't have to provide that responsibility." Look, if we don't provide the responsibility, what's going to happen is that we're going to force upon corporations and municipalities the responsibility of providing their own inspections. This is just the opportunity to say, "I haven't got it; it's not my job." Well, who's accountable? Who's accountable? Not the government. I think that in the area of safety inspections, the onus is on the government to have either the role or the employee who goes out without a conflict of interest and provides an inspection at a premise to make sure that indeed that area is safe.

Mr. Speaker, before I get into the area of accreditation and given the hour, I would adjourn debate.

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

HON. MEMBERS: Aye.

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

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

