

Legislative Assembly of Alberta

Title: **Wednesday, November 2, 1994**

8:00 p.m.

Date: 94/11/02

[Mr. Tannas in the Chair]

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

MR. CHAIRMAN: Good evening. I'll call the committee to order. For the benefit of the people in the gallery, this is the committee stage of the Legislature. It's a less formal stage. Members are able to take off their jackets and bring in a coffee or a juice and can even walk around the area. In the regular session you cannot walk around. You must go from the doors to your seat and back if you're leaving. We encourage the members to talk softly, if they are talking, so that we don't interfere with the speaking of the recognized member.

With that we'll begin, but first I would like to ask for unanimous consent from the committee to revert to the Introduction of Guests. All those in favour, please say aye.

HON. MEMBERS: Aye.

MR. CHAIRMAN: Opposed, please say no. Carried.
The hon. Member for Sherwood Park.

head: **Introduction of Guests**

MR. COLLINGWOOD: Thank you, Mr. Chairman. It's my pleasure this evening to introduce to you and through you to the members of the Assembly scouts from the 169th Glen Allan scout troop of Sherwood Park. We have joining us this evening 12 scouts with leaders Stuart Cameron, Curtis Clappitt, Larry Kuchmak, and group chairman Noel Gareau. Our guests are seated in the public gallery. I would ask that they rise and receive the traditional warm welcome of the Assembly.

MR. CHAIRMAN: Thank you, hon. member.

Bill 45 Alberta Health Care Insurance Amendment Act, 1994 (No. 2)

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

MR. BRASSARD: I think I adjourned debate on this, Mr. Chairman.

MR. CHAIRMAN: Okay. That's the question. Sorry, Edmonton-Glenora; we'll go with the adjournment of debate by the Member for Olds-Didsbury.

MR. SAPERS: That's the only reason I hesitated, Mr. Chairman.

MR. BRASSARD: Thank you hon. member. Thank you, Mr. Chairman. As I mentioned at the last debate when I adjourned, there were a number of concerns that were identified, and I would like to address a few of those before we go on with further debate.

The Member for Calgary-North West was concerned with the wording "if the Minister . . . is satisfied," and I would like to just change that word "satisfied" to "responsible." I think that would be more appropriate terminology, because when the Act states that the minister must be satisfied, it means that whoever the minister

of the day was would ultimately accept responsibility for that action.

There were some concerns addressed with section 8.1 regarding information disclosure, and I think that was answered in detail by the Member for Bow Valley, and I'm not going to repeat those comments.

The Member for Edmonton-Mayfield stated something that I think was quite significant when he said that we were dealing with people's lives, and I think that's very appropriate, because the need for research that this Bill addresses does exactly that. It is dealing with people's lives.

Sections 5.2 and 5.3 created some concern, but I would like to point out that it does conform completely with the freedom of information Act, which allows for the head of a public body to delegate responsibility, to respond to requests for research information. The minister, Mr. Chairman, is ultimately responsible and accountable.

Edmonton-Avonmore stated that the information is already there and could be extracted at anyone's whim. He went on to discuss things to do with sexually transmitted disease or psychiatric illnesses or what have you. Well, those comments are not quite correct. I would like to just state that I would agree that this Bill is a compromise between what is readily available and that which is necessary for research, but it certainly doesn't extend to those types of issues.

The Member for Bonnyville said that Blue Cross has the authority to define what goods and services they will provide in this Act. Well, Mr. Chairman, that's not quite right either. However, I should just point out that there is an agreement between Alberta Health and Alberta Blue Cross where Blue Cross acts as a minister's agent for delivering pharmaceutical programs for three groups: all Alberta senior citizens and their dependants, which is premium free of course; persons receiving Alberta widows' pension and their dependants, which is also premium free; and a voluntary group of individuals who cannot accept group coverage through their employment premium-paying.

A recent court challenge was levied by the Court of Queen's Bench stating that the Blue Cross agreement is of no force and effect to the extent that it provides pharmaceutical services, because there is no regulation-making power in the Act that allows pharmaceutical services as a benefit under sections . . .

Chairman's Ruling Decorum

MR. CHAIRMAN: Hon. members, the courtesy of the House is that we only have one member speaking out loud, and that right now is Olds-Didsbury. It's becoming difficult to hear him over the competition. So if we could let Olds-Didsbury continue on this important Bill.

Debate Continued

MR. BRASSARD: Okay. Anyway this Bill, Mr. Chairman, does state that the goods and services provided under the Blue Cross agreement are goods and services that are not basic health services. This, as a matter of fact, was reiterated by the Member for Edmonton-Manning, who went on to identify the four areas covered by the Bill, and I'll just identify the four of them: extended health services, the release of information to the Pharmaceutical Association for the purpose of investigating a complaint, the release of medical data to be used for bona fide health research, and the individual's consent to being contacted by the researcher. I think those are four very significant points that

were made by the Member for Edmonton-Manning, and I appreciate that.

Edmonton-Mill Woods went on further again to say that he could identify with some of the things that were happening within the Bill. He said that the task for many researchers is difficult enough in trying to gather money for research, trying to house that research in an institution, and making sure that all parties' interests are taken care of. This Bill goes some way in helping break down some barriers that I'm sure many of them have had to suffer. Further, he said: I think it's a necessary piece of legislation. So I appreciate those comments as well, because it does do exactly that.

In summary, Mr. Chairman, I would just like to say that this is a necessary piece of legislation if we are sincere about serving the best interests of Albertans through research and technology. It conforms with the Freedom of Information and Protection of Privacy Act agreed to by both sides of this Assembly. It enables the pharmaceutical people to minimize drug abuse within the system. It does not lead to a two-tiered system. It does not define core services. It does not attempt to define what services are basic health services, and section 4 is necessary to make sure that we have the authority to pay for the services that we already provide under the Blue Cross drug plan.

Thank you, Mr. Chairman. [some applause]

MR. CHAIRMAN: Edmonton-Glenora.

MR. SAPERS: I take it, Mr. Chairman, that that was for me.

MR. HENRY: No, it was for him.

8:10

MR. SAPERS: Oh, thank you.

Contrary to the mood in the Chamber this evening, Mr. Chairman, this is a very serious Bill, Bill 45. It's a Bill that the opposition does view through mixed lenses, I'd say. Nobody can really argue with the premise that we should be able to collect and then disseminate for research purposes health information. In fact, the Liberal caucus has been arguing for some time that one of the biggest problems plaguing health care in our province is the lack of outcome measures and performance measures and sets of expectations around interventions and making sure that we know in fact that we're getting value for the dollars we spend on health care, but Bill 45 goes much beyond just that simple notion of being able to collect and then distribute information for health care research. Bill 45 takes us into all kinds of dark recesses of the relationship between the government and the citizens.

One of the primary areas that Bill 45 takes us into, which is of particular concern to this caucus, Mr. Chairman, is the area of freedom of information. I'll be speaking more specifically about access to information and freedom of information as the debate proceeds, but at this particular time I'd like to bring to the attention of the Assembly section 3(c) of Bill 45 and notably subsections (5.2), (5.3), and (5.4). These subsections allow the minister to provide names of individual Albertans. These subsections allow confidential personal information about Albertans to be released based on the minister's discretion, or some would even say the minister's whim.

Now, Mr. Chairman, we have seen a couple of incidents, one just very recently, where the government has disposed of surplus computer equipment, and on the hard drives of those computers had been personal and confidential records of Albertans, some in the employ of the provincial public service, some not. We've

seen that the government has not been in a hurry to put into place standards for the collection of information, for the dissemination of information. [interjection] Thank you, Edmonton-Centre. We've seen an absence, in fact, of any particular attention being paid to the protection of privacy. It was this caucus, I'll remind the Assembly, that brought the whole notion of access to information and protection of privacy to the attention of the Assembly, and it was members of this caucus who were members of the all-party consultation team on freedom of information, who kept on raising the issue of privacy. We heard from Albertans. Even in the constituency of Calgary-Varsity we heard from Albertans about their concern with privacy. My fear and the fear of this caucus is that Bill 45 will threaten the privacy of confidential information, of health records. Health records of course, as you can appreciate, are held in particular regard in terms of the kind of information and how that information could be used or abused.

So, Mr. Chairman, at this time I would like to propose an amendment to Bill 45 that Bill 45 be amended in section 3(c) by striking subsections (5.2), (5.3), and (5.4). I have copies to be distributed to the Assembly.

MR. CHAIRMAN: For the benefit of the people in the gallery, before we can begin debate on an amendment, the hon. members have to see what the amendment is so they can follow along with the proposer, the hon. Member for Edmonton-Glenora.

The Chair would indicate that we have received the amendment to Bill 45 by the hon. Member for Edmonton-Glenora, and it carries the necessary signatures. So we would invite the hon. member to continue on his amendment.

MR. SAPERS: Thank you very much. Now that all my colleagues have had a chance to receive the amendment, you'll see it's a very straightforward amendment, and I know that it's one that all members will want to support because it speaks directly to this issue of protecting the privacy and confidentiality of medical records on behalf of all Albertans. Each one of us would otherwise have to account to our constituents why it was that we weren't concerned about the potential loss of confidence.

Mr. Chairman, this amendment removes the sections of the Act that allow the release of an individual's name in conjunction with the record of health services supplied by Alberta Health. Now, any kind of research that I'm familiar with that would be useful to the benefit of health research would be population based. It's not necessarily vital to the kind of research being contemplated by the drafters of this Act that we be able to break it down, break down every health record right down to the individual Albertan that record is about. Research generally deals with cohorts, or it deals with aggregates, or it deals with populations. If this Act is really about research, then there's very little reason to threaten the privacy and security and confidentiality of individual Albertans by allowing the minister at her discretion to release names.

Mr. Chairman, any research that's based on collective data does not require that individuals be named or that the information that can be directly related to their person be released into the public domain. The elimination of the subsections in section 3(c) will not compromise research, will not compromise the intent of this legislation as it has been presented to the Assembly, and in fact will only add to the integrity of the whole process.

We need research to determine outcomes. We need research to determine efficiency. We need research in fact, Mr. Chairman, to be certain that the money we're spending on health care is being spent in the best way possible. What we don't need is

legislation that compromises an individual's right to privacy. What Albertans have told this government, what Albertans have told every member of this Assembly who has cared to listen is that they are very concerned about privacy.

Therefore, Mr. Chairman, I submit that Bill 45 can only be enhanced by this amendment, and I would encourage all members to vote in support of this amendment.

MR. BRASSARD: Mr. Chairman, subsections (5.2), (5.3), and (5.4) are very critical parts of this Bill. It states that the minister may release information to bona fide research if the minister is satisfied that the person conducting the research will not reveal or make identifiable the name of any individual to whom the information relates without the consent of the individual.

Subsection (5.3) deals with the penalty for releasing such information, a \$10,000 fine. This member would have us remove that \$10,000 fine.

Subsection (5.4) goes on to identify all of the conditions under which information may be released. The final one, as a matter of fact, identifies the individual's consent. In other words, without the individual's consent, that cannot happen.

I talked a little in my speech earlier about research that is going on right now with 9,000 women who had received breast implants between 1979 and 1986 and another 7,500 women who underwent surgical procedures other than breast implants. They chose to do that study here because of our records. These 16,500 women would be denied that kind of research without this Bill.

So to say that removing this would be in the best interests of Albertans, I think is a fallacy, and I would encourage all my colleagues in the Assembly to defeat this amendment. Thank you.

MR. CHAIRMAN: The hon. Member for Spruce Grove-Sturgeon-St. Albert.

8:20

MRS. SOETAERT: Thank you, Mr. Chairman. I can appreciate what the hon. Member for Olds-Didsbury is saying. However, I have some concerns about the right to privacy if this research, for example, is on heart transplants and people are sharing information and suddenly it does get out because a minister goofs. We know that we have had ministers' goofs with names sometimes given even to the press. So to put all this trust in one person isn't very fair. [interjection] I know that poverty in Alberta is a Cardinal sin. Thank you, Mr. Minister. That's kind of my point exactly. Thank you for pointing that out.

I do have concerns about this. I wish you would consider this. It's an issue of privacy. My sister has worked with heart transplants, and that's an example where a great deal of research has been done and is being done. I think people have a right to privacy in the fact that their name is not used, because then it connects up with families and all kinds of situations come from people getting hold of information that they shouldn't get hold of.

As much as we'd like to think that this government doesn't make mistakes, we know that they do. We've seen that in the computer situation. We've seen it lately with the little girl who was abused. I just think it's time that we put safeguards in our Bills to protect people when it comes to an individual's right to privacy.

MR. BRASSARD: I find it difficult, Mr. Chairman, to understand this need for privacy in areas that are going to benefit the individual receiving it, yet we want freedom of information that makes known every other fact under the sun, whether it's NovAtel

or Gainers or anything else. We're talking about people's lives being saved by this kind of research, and to deny people the benefit of that research because we can't contact them, the researcher can't get in touch with them I think is ludicrous.

MR. HENRY: In response to the hon. member and with respect to the hon. member, that's one of the most paternalistic attitudes I've ever seen in this Legislature, certainly in the last two hours anyway. There is a big difference between access to information and protection of personal privacy. It's very clear. I mean, we all know that the government side of the House didn't understand the freedom of information and protection of privacy legislation that was repeatedly tabled in this House by the Member for Edmonton-Glengarry. What the concern is, Mr. Chairman, is that an individual's personal health records could get into the hands of, quote, unquote, the wrong person or could become public or common knowledge within a certain circle.

As citizens of our society and contributing members, as we all are, we have a right to a certain amount of privacy with regard to our health care. There's no doubt of the benefit of research – and I acknowledge that, Member for Olds-Didsbury – that all Albertans, in fact all Canadians and people around the world can receive is a significant benefit, and we'd like that research to go ahead. The individual, in return for getting the health care insurance and the services provided by the public purse, discloses certain information to the government; i.e., the Minister of Health as defined in the Act. Now, if the Minister of Health were to contact that individual and say: "Would you like to participate in this study?" I might have a bit of a different reaction to it.

There's a couple of instances I would like to draw to the hon. members' attention. If hon. members this past fall or summer ever got to a movie, they should have seen the movie *Philadelphia*. *Philadelphia* is a story about a very successful lawyer in Philadelphia who was a junior in his firm but up and coming, and one of his partners found out that he had AIDS, and he lost his job. The movie was about a subsequent lawsuit that the individual did win.

When I saw that movie, it was very haunting, about experiences that I came in contact with in this province just a few short years ago. Certainly acceptance of individuals who have AIDS, who are HIV positive is much better in this province than it was 10 years ago. I can remember in 1985 sitting on a professional advisory committee to the AIDS Network, and it was an assumed fact that if your employer found out that you were HIV positive or you were actually suffering from full-blown AIDS, you were no longer being employed. In fact, you could be denied other services besides employment. You could be denied housing, and we still have that because the Neanderthals on the backbenches of this government refuse to amend the Individual's Rights Protection Act to provide protection in the private sector for those individuals, but that time will come, mark my words, Mr. Chairman.

I was the executive director of the Canadian Mental Health Association in this area, that very progressive organization with a long and strong history of serving individuals long before my involvement with the organization. Mr. Chairman, in 1987, when that organization came face to face with whether it should be accepting individuals who were HIV positive or who were AIDS sufferers into its programs, it was a dilemma and it was a controversial issue. I point this out because people who have certain health problems and who access our health care system, because we don't have protection in this province for them under the Individual's Rights Protection Act and we don't have full protection under the Charter, have to watch who gets what

information about their health care because it can affect their ability to continue to function as individuals in our society.

Again drawing on my experience as director of the Canadian Mental Health Association, I can remember when members of the Progressive Conservative government of the day – I'm looking around; I think there are one or two still hanging around the Legislature. Ten years ago they said that we didn't need to protect people who had mental disabilities, that if you had a psychiatric illness, there was no discrimination happening, that you didn't have to worry about this, and that you didn't have to worry about people finding out if you had a psychiatric history, because it didn't matter. Well, it does matter, and thank goodness for the Charter of Rights and Freedoms in this country, because we eventually took this government court, the Court of Queen's Bench, and at the last minute the government backed down and said: yes, we'll amend the Individual's Rights Protection Act.

Mr. Chairman, do you know how many people in this province have experienced psychiatric illness, people who have recovered through treatment, through the support of their family and friends and community, and walk around in fear and trepidation that somebody on the job might just find out that they were in Alberta Hospital five or 10 years ago?

Mr. Chairman, I'm pointing out these instances to point out to the hon. members that for some health-related concerns where the services are paid for from the public purse, individuals have not only a right but have a need to be protected in terms of their privacy, and we as legislators have a responsibility to take whatever means we can to protect that privacy. To simply have the Minister of Health of the day – and I certainly don't want to cast aspersions on the current Minister of Health. I'll go on record on this: in terms of ethics she rates in my personal view very high, and I think she would use very good judgment in terms of releasing names of patients who had received certain services to researchers. But this Minister of Health is not always going to be the Minister of Health, and this piece of legislation will be here long after she is gone and we are gone from this Legislature. We have to ensure that people who have a right to be concerned about their health care privacy do not have to worry that the Minister of Health might make an error and give the names to the wrong person, the wrong researcher and it becomes either cocktail party talk or it comes on the circuit of employers or the gossip circuit.

I'm speaking of course in support of the amendments from the hon. Member for Edmonton-Glenora. One of the ways of doing it is for the Department of Health, rather than to release the names – I've no problem with releasing information in terms of research purposes, because we have to continue research so that we can have a more effective and more efficient health care delivery system. It seems to me that if the amendment Act proposed by the hon. Member for Olds-Didsbury had in it a provision whereby the Minister of Health provided an identification number for the record and released the record without any personal identifying information back to the individual, then there wouldn't be any concern, then people wouldn't have to worry: oh, there's a research study going on about Prozac use or about Librium use or about Valium use, and, boy, I hope the right researcher gets it, because the wrong researcher, a careless researcher, or the researcher who has less ethics than I hope we have in this Legislature could get the material and misuse it or get careless with that material. We have a responsibility here to protect those individuals, and it's very easy to do that. I would urge with the strongest of words all hon. members to support this amendment.

Thank you.

8:30

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

DR. OBERG: Thank you, Mr. Chairman. As my hon. colleague from Olds-Didsbury said, I do feel that this is a critical component to the Bill. I'd like to take a slightly different tack than the previous speaker did, and I'd like to concentrate on two of the topics that he brought up.

The first one was the film *Philadelphia*, which was about the stereotypical attitudes toward an AIDS patient, and I agree with your comments on that. I found the movie *Philadelphia* very moving. However, I'd like to take a slightly different tack from this when it comes to research. As you know and you mentioned very eloquently, 10 and 15 years ago AIDS wasn't an identified entity. A person who had AIDS was stereotyped as being a homosexual. What that did was allow a whole different aspect of the population to go undetected, which was the heterosexual population.

As we know, the AIDS virus is not exclusive to homosexuals. It is also very much a heterosexual killer. How did we find out that information? The way we found out that information was to track individual patients, to interview them on their AIDS, to talk to them and find out that these people were not homosexuals; these people were actually heterosexuals. Consequently, a whole new warning went out to people when they were having sex, hence the discussion about condoms during sex. It used to just be a homosexual disease, Mr. Chairman, but now through the tracking of individual patients, it is a heterosexual disease, and now we have saved lives because we have tracked these patients. These are researchers who have gone out and interviewed patients about their sexual habits.

The second point that the previous speaker raised was that of chronic mental illness. I'm sure, as the previous speaker, who was the executive director of the Canadian Mental Health Association, would attest, there's no such thing as a stereotypical mental illness. To say that one schizophrenic is the same as another schizophrenic is completely wrong. We have to learn more and more about this disease by tracking the individual patients, by doing research on the individual patients, not on the number, not on the diagnosis. One schizophrenic is not the same as another schizophrenic. We have to identify risk factors. We have to find out what these patients are doing that is leading to their disease, what these patients are doing that is preventing their disease, and find better ways to treat it. The only way we can do that is by tracking individual patients, Mr. Chairman.

As you may or may not know, the information that is in the Alberta health care insurance commission Act is essentially a diagnosis. What these people are trying to access as researchers is the diagnosis. When someone comes to see me who has high blood pressure, the diagnostic code is 401. That goes in. If we are to track what diagnoses are being made, what kind of patient population we are talking about that actually has hypertension, or what the variations are of what physicians are calling schizophrenics, we do have to contact these people. We have to interview them. It's a critical part of research. So to say that you don't need the patient's name and you don't need the patient's contact for this research is wrong, because you do.

Mr. Chairman, I think I would certainly agree that there is a problem with releasing information. However, I am content under this Bill where it says that you have to sign a consent, which is clearly put out in this Bill, by the patient involved, that there is a fine of \$10,000 if this is released and used against the

patient or released inadvertently, which means that whether or not it's a minister or whoever, that is a fine. I am content that that is enough of a safeguard, and the reason I'm content is because I do it every day. As a medical doctor, when someone comes in and asks me to transfer their records to someone else, I sign a form that the patient has signed saying where to send these records. It happens all the time. I could be sending it to another doctor who could just as easily release it, and he is not held responsible. With the patient signing the consent form, I think the risk of a fine is more than enough. But we cannot let diseases such as AIDS and schizophrenia go undetected because we cannot contact the patients. There's a wealth of information out there, and we do need that personal access.

Thank you.

MR. CHAIRMAN: The hon. Member for Edmonton-Centre on the amendment.

MR. HENRY: Thank you, Mr. Chairman. In response to the Member for Bow Valley, I appreciate his comments, but it seems to me that the amendment here clearly states that the minister can release the names of the individuals to a researcher. I think there's a subtle point here that maybe I didn't articulate very well when I first spoke on this amendment. The point is that it's my view that the minister should have the responsibility to seek the consent for disclosure of information from the individual to whom the information pertains rather than releasing that information to a researcher, who then contacts somebody and asks him if he wants to participate in this research.

Certainly the comments made about schizophrenia and about the early tracking of AIDS are valid comments. There's no question about that. I wouldn't question the member's knowledge in that particular area, and I share his views on that, but I think there is a subtle distinction here. The minister should not be simply giving the names out and then seeking permission. The minister should be seeking the permission to give the names out. It means a little bit of extra work for the minister and for the Ministry of Health, but I think that is work and acknowledgedly a public expense that is well worth it in protecting the privacy of those individuals.

MR. BRASSARD: Well, I was going to comment. I saw the film *Philadelphia* as well, and I share the two members' sentiments.

I would just like to point out to the Member for Edmonton-Centre that under (5.4)

- (c) the Minister or authorized person contacts the individual to determine whether the individual consents to being contacted by the researcher, and
- (d) the individual consents.

So the Bill conforms exactly to what the hon. member is asking for.

Thank you.

MR. CHAIRMAN: Are we ready for the question?

HON. MEMBERS: Question.

[Motion on amendment A1 lost]

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

MR. SAPERS: Thanks, Mr. Chairman. It's a shame that that amendment was defeated. I hope it doesn't portend things to follow in this debate.

Mr. Chairman, Bill 45 is presented as a Bill that's primarily about research, as we've just debated, but there's a very troubling section in Bill 45, section 4(1), which has nothing to do with research at all. In fact, it has everything to do with a two-tiered health care system. There's a section, namely section 4(1), that clarifies what it is that Blue Cross can insure, in essence what's essential and what's nonessential in terms of health services. It clarifies what a third-party insurer can cover and what the government of Alberta would be insuring as essential health services.

Now, on October 24, 1994, Alberta Health issued an information bulletin titled: Proposed Alberta Health Care Insurance Amendment Act. The very first point in that information bulletin, number 1, reads: "Clarifies the definition of pharmaceutical goods and services provided by Blue Cross." Then after that the information bulletin is absolutely silent on . . . [interjections]

MR. CHAIRMAN: Hon. members, we have drifted away from quietude so that we're having difficulty hearing the hon. Member for Edmonton-Glenora.

Hon. member, you're on 4(1).

MR. SAPERS: Yes, it's section 4(1), not point 1. Maybe the Minister for Environmental Protection would like to listen. I know that he has a special interest in this because he used to of course have some responsibilities in this area and now as a member of cabinet I know that he'd be particularly concerned. [interjection] Well, that's a point.

In any case, as I was saying, Mr. Chairman, the first point in this information bulletin reads, "Clarifies the definition of pharmaceutical goods and services provided by Blue Cross." Then the rest of the one-page information bulletin is absolutely silent on what that has to do, if anything, with research. Of course, we all know that it has nothing to do with research at all. What it has everything to do with is the agenda of this government to force Albertans into having to buy private insurance for health. This fits very well with the government's plans to move to a full market system in health care. We've already seen how Starting Points has mentioned that. We've seen how the business plans suggest that we're going to a full market system.

8:40

This section of Bill 45 is really in response to a lawsuit which the government of Alberta lost, a lawsuit which was about the placing of a pharmaceutical drug on the insured drug benefit list for Blue Cross. The pharmaceutical manufacturer appealed the decision not to include their product. Subsequently that appeal was won by the pharmaceutical manufacturer. The government of Alberta wants to appeal that. Part of the judgment suggested that there was no authority in law for what was or wasn't on the Blue Cross list for what was or wasn't essential.

If the government feels that it's necessary to in fact bring forward an amendment to the Health Care Insurance Act to clarify this, then they should do it in a way that's very aboveboard. They shouldn't try to sneak it into a Bill that's being presented to the Assembly as a Bill about research. Section 4(1) has nothing at all to do with research. It is a section that marches us further down the road of private insurance, further down the road of eroding medicare, further away from the public administration principle of the Canada Health Act, and I think that's a very dangerous road to be marching down, Mr. Chairman. To allow Alberta Blue Cross, which is really arm's length from government, really a private entity in many respects, the right to define

what's nonessential and therefore insurable by a third party equally gives them the right by default to define what is essential.

So what we've done, Mr. Chairman, is we've moved from the Legislature representing the interests of all Albertans, defining what are essential, core, necessary, needed medical services to be paid for under the Alberta health care insurance plan, we've moved away from legislative approval for that to executive approval, to where that power was really vested in the hands of the minister. In fact, we had a previous Minister of Health, Marvin Moore, who once gloated about how it's really ministerial whim that decides what's insured and what isn't, and there's no evidence to suggest that that has changed. We're still dealing in fact with really the whim of a minister or the wish of a minister as to what's insured and what isn't.

With this Bill we're even moving away from executive determination of what's insurable, and what we're doing is we're putting that determination in the hands of private enterprise. We are creating a market opportunity for private insurance companies to move in and make the decision of what it is that will and will not be covered through the public plan, what there is profit to be found in in terms of offering private insurance. As this government continues to deinsure, to delist services such as ophthalmology services – Mr. Chairman, we've seen the government speculate about delisting all kinds of services that Albertans have come to expect as core and essential services. As that continues, they're just opening up the doors to private insurers to move in and create a full-blown, commercialized, multitiered health care scheme in this province where the wealthy and those who can afford insurance will receive benefits and those who can't will fall by the wayside.

With that in mind, Mr. Chairman, I would move that Bill 45 be amended by striking section 4(1) in its entirety, and I have copies of the amendment to circulate to members of the Assembly. [interjection] It's a really conservative one.

MR. CHAIRMAN: The Chair would indicate that we've received an amendment, which will be known as A2, regarding section 4(1), and the necessary signatures are upon it.

If you wish to speak to your amendment now, hon. Member for Edmonton-Glenora.

MR. SAPERS: Thank you, Mr. Chairman. Indeed I do, but I just have to get a copy of the Bill. Some private government member, I think, purloined my copy of the Bill in an effort to confuse me. I just have to find it. There we go. Section 4(1) reads:

Section 37 is amended by adding the following after subsection (1):
(1.1) The goods and services that may be provided under the Blue Cross agreement are goods and services that are not basic health services or extended health services.

Mr. Chairman, I bring that to your attention, to the attention of all members tonight because I think that the wording is very curious again in light of the fact that this Bill was presented to the Assembly and to all Albertans as a research Bill. There is nothing in there that suggests that it has anything to do with research but again has everything to do with the perceived need of this government to further commercialize medicine and in fact to move us out of the medicare system that is so cherished by all Albertans and indeed all Canadians.

Mr. Chairman, I would urge that all members take a look at the logic behind this amendment and accept the premise that if this Bill is about research, then this particular section has no place in the Bill. Therefore, if this Bill is going to go ahead, then at the very least let's take out the parts that really have nothing to do

with its stated purpose. As I said, if the government is so determined to erode medicare, let them do it in an aboveboard, open way. Let the government bring forward a Bill that is substantively and directly involved with commercializing health care and then let that Bill fall on its own and let that Bill be subject to debate in this Assembly.

I would urge all members to vote in favour of this amendment.

MR. CHAIRMAN: The hon. Member for Olds-Didsbury.

MR. BRASSARD: Well, Mr. Chairman, I would like to take issue with the insinuation that somehow this government is trying to slip in something pertaining to the Blue Cross plan under a confidential information disclosure Bill. I just point out that the name of this Bill is the Alberta Health Care Insurance Amendment Act, and when I introduced it in this Assembly, the first item that I identified with this Bill was that it resolves a technical problem in the legal interpretation of the mandate of Alberta Blue Cross by clarifying the definition of pharmaceutical goods and services provided by Blue Cross. There was no attempt at all to slip this in in any way, shape, or form. It's an integral part of the Bill. The section that the hon. member would like to amend or delete basically clarifies what is identified by goods and services, that they are indeed not basic health services or extended health services.

I would urge every member in this Assembly to defeat this motion.

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

DR. OBERG: Thank you, Mr. Chairman. I'd just like to comment a little bit on this. I'm very surprised at what the previous speaker said, because as the previous speaker very well knows, there are different definitions of basic health care.

8:50

MR. N. TAYLOR: Are you talking about the previous or the previous previous?

DR. OBERG: Sorry. Not Roy.

Chairman's Ruling Referring to a Member by Name

MR. CHAIRMAN: Hon. Member for Bow Valley, all the members in here do have constituencies, and you may refer to them by their constituency. Edmonton-Centre's been speaking and Edmonton-Glenora. Perhaps you could use those to clarify what you say needs to be clarified.

Debate Continued

DR. OBERG: Thank you, Mr. Chairman. As the Member for Edmonton-Glenora well knows, certain things that are covered by Blue Cross in Alberta are not covered elsewhere across Canada. The reason for that is because of part 5 of the Canada Health Act. I'm sure the member knows that things such as dentures are not covered by Blue Cross in other parts of Canada. What we are trying to do in this agreement is allow seniors to access through Blue Cross some of these things that are not available in other provinces. I'm extremely surprised that the Member for Edmonton-Glenora would deny seniors the right to some of these things purely by a definition of basic health services or extended health services. The Member for Olds-Didsbury stated that they're just clarifying the definition of what it applies to and what

it doesn't apply to. I just don't understand, Mr. Chairman, why the opposition does not want seniors to be able to access extended health care services under the Blue Cross program.

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

MR. SAPERS: Thanks. Mr. Chairman, I am taken aback by the suggestion from the Member for Bow Valley that the Liberal opposition in any way wants to erode extended health care benefits for seniors. It's not the Liberal opposition that brought in the Alberta seniors' benefits program. It's that government; it's that member's government. It's not this opposition that wanted to erode the limitation on seniors' benefits and threatened the future security of seniors. It's that government and that minister responsible for seniors' services.

Speaking to the amendment in particular, there is nothing in this amendment that would further erode – and it would be hard to imagine how you could further erode the benefits that seniors receive – the ability of seniors to access services and particularly denture services and eyeglasses. I'm so happy to hear that the Member for Bow Valley, who I know has inordinate influence on government policy, is speaking in defence of these extended health care benefits. I know then that he will be speaking against any further erosion when the Minister of Health presents to this Assembly in January the future of these extended health care benefits for seniors.

So this opposition is on record foursquare in favour of providing extended health care services for seniors. I am taken aback by the suggestion that we would be doing anything to erode those. There is nothing in this amendment that would prohibit a single senior in this province from accessing the extended health benefits that they require and deserve.

Thank you.

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

DR. OBERG: Thank you, Mr. Chairman. As I'm sure the hon. Member for Edmonton-Glenora is well aware, one of the questions that the federal government presently is grappling with is part 5 of the Canada Health Act, which is to define basic health care services. Blue Cross, as you know, cannot go outside of their mandate. By eliminating this clause from this Bill, if the federal Liberal government were to define basic health care, then we would have to limit the goods and services that are provided to senior citizens in Alberta under the Blue Cross program. So in effect, Mr. Chairman, what can happen if this amendment goes through is that the seniors in this province can be limited on what they access through Blue Cross.

MR. CHAIRMAN: The hon. Member for Spruce Grove-Sturgeon-St. Albert.

MRS. SOETAERT: I thought the Member for Bow Valley would be better informed, but he's got a few things mixed up.

Thank you, Mr. Chairman. I just want to express my concerns about the lack of support over there for striking out this one section of the Bill. To me this part just clarifies that Blue Cross insurance is for nonessential health care costs, and it doesn't need to be included in this Bill. It seems to point out that the direction of this government is definitely towards a two-tiered health care system, and I think that's something that we should be fundamentally opposed to. I know we over here are, and I know Albertans

are very concerned about the direction that health care is going in under this government: the very basics are going to be provided by Alberta health care insurance, and everyone who can afford it will purchase Blue Cross or other private health care insurance. That's not the way we want to go. Alberta health care should cover the costs of our health care needs. This government's going in the wrong direction by pointing out some things that they say should be covered and shouldn't be covered. It's time that they take responsibility for health care in this province. I'm very concerned that this is paving the way to a two-tiered health care system.

HON. MEMBERS: Question.

[Motion on amendment A2 lost]

MR. SAPERS: Three strikes, eh, Mr. Chairman?

Well, the government seems committed to passing bad laws, but the opposition is here to help. The opposition is here to at least put on the record the errors in the thinking and the defects in the drafting of the Bills that are being debated in this Assembly.

Now, Mr. Chairman, again, Bill 45 is a Bill that threatens the confidentiality and the privacy of Albertans. Albertans can have no confidence in the track record of this government that sells computer hard drives with personal information on them, this government that privatizes registries, this government that leaves applications for employment in the rafters of buildings. What confidence can Albertans have that this government is serious at all about protecting the privacy of Albertans when they haven't even proclaimed the freedom of information and privacy Act? They haven't even . . .

Point of Order Clarification

MR. RENNER: Point of order.

MR. CHAIRMAN: The hon. Member for Medicine Hat is rising on a point of order. Would you cite . . .

MR. RENNER: Thank you. Mr. Chairman, the speaker is out of order because there's no motion on the floor.

MR. CHAIRMAN: Oh, okay. Hon. Member for Medicine Hat, first of all you don't have a point of order, but there is a point of procedure here. What we have before the committee is the Bill. When an amendment is proposed, then we can only speak to the amendment. The amendment has just been defeated. The hon. Member for Edmonton-Glenora, as you are, is perfectly welcome then to speak back to the whole Bill or any item that you wish to mention or to make an amendment. He is merely giving the preamble to what we are assured is a third amendment. So he's perfectly within his rights as long as he's dealing with the whole Bill. Okay? Good.

Hon. Member for Edmonton-Glenora, thank you for your patience.

Debate Continued

MR. SAPERS: Mr. Chairman, I'm glad to see that members on the government side have finally woken up and are finally willing to participate in debate. It is an exciting day indeed for the opposition to know that we're actually going to be able to engage in some debate. Now, if only they would pay enough attention to

stay on track and follow along. I'll try to speak a little slower and use small words just to make sure that there can be no misunderstanding.

Bill 45 threatens the integrity of the privacy of Albertans. Now, as I was saying before the non point of order interrupted the flow of my debate, the government has an abysmal track record when it comes to protecting the privacy of Albertans, and we have no reason to think that they've gotten any better. Contrary to the protestations of the cabinet that they're somehow under new management, we've seen particularly of late when it comes to all kinds of issues, whether it be secret highways or secret driveways or whatever, that the government still has secrets that it keeps, but it doesn't really care very much about protecting the secrets of other individual Albertans.

So with that track record firmly in our minds, Mr. Chairman, I would move that Bill 45 be amended in section 3(c) by adding the following after section (5.7). I'll read this out while it's being distributed.

(5.8) Prior to providing any information to the person conducting the research, the Minister or authorized person shall present the information to the individual to whom the information relates and that individual shall be afforded the opportunity to correct information which that individual believes is erroneous.

Mr. Chairman, as the amendment is being circulated, I will pause momentarily.

9:00

MR. CHAIRMAN: All right. The Chair would indicate that we have before us a third amendment, known as A3, proposed by the hon. Member for Edmonton-Glenora. It carries with it the appropriate signatures. In a moment we will ask the hon. member to present his case for this amendment. This deals with section 3(c).

Hon. member.

MR. SAPERS: Thank you. I'll continue now. Mr. Chairman, this amendment I think is crucial. Every Albertan should have the right to access any information that their government has on them. Every Albertan should have the right not only to access that information but to correct it, particularly, for example, if an individual Albertan were to apply for employment that required particular vision capabilities and there was somehow a medical record that was erroneous that suggested there was impaired vision. Under those circumstances you would certainly want the right to check the record and correct it. I think that's clear to all members.

Mr. Chairman, there is nothing that would prohibit research. There is nothing that would prohibit the intent of this Bill. There is nothing in this amendment that compromises the principle of the Bill. What we have without this amendment, however, is a Bill that compromises the privacy of Albertans. Nobody's future, nobody's employment, nobody's relationship with another person should in any way be threatened or compromised because of perhaps a clerical error, because of a record-keeping error, because of a data entry error, or maybe even because of some malicious act on the part of another individual.

There are several jurisdictions the world over, 16 U.S. states, for example, where such legislation is in place, where if the government, if the state can release information held on an individual, then that individual first and foremost has the right to access the information and correct it before it's released.

Mr. Chairman, I can't imagine why any member would not support this amendment, unless of course they think that the system is so errorful, that the data collected is so in error, that it

is so corrupt that it would simply throw the whole Alberta health care reporting scheme into some kind of disrepute. Now, I'm not suggesting that's the case. In fact, I have confidence in the data collection abilities of Alberta Health, and I have personal experience with the accuracy of the records. So from that standpoint I would think that there can be nothing but confidence brought to the people of Alberta in these databases and in fact in the validity and the robustness of the research that would be conducted based on this data.

With that in mind, I would hope that all members would support this amendment.

MR. BRASSARD: Mr. Chairman, this Bill is not about clarifying records or bringing them up to date. This Bill is about research. I would remind the Member for Edmonton-Glenora that

- (a) the researcher provides the Minister with the reasons for wanting to contact the individual,
- (b) the Minister or a person authorized by the Minister is satisfied that the contact is appropriate and is for the purpose of bona fide health related research,
- (c) the Minister or authorized person contacts the individual to determine whether the individual consents to being contacted by the researcher, and
- (d) the individual consents.

There are absolutely all kinds of opportunities here to straighten out the records. I think this amendment is redundant. It's not necessary. I ask all members to defeat this amendment.

MR. N. TAYLOR: I have a great deal of respect for the Member for Olds-Didsbury, and also the Member for Bow Valley, and maybe I'm going too fast, but would an hon. member point out why it's redundant, where it's already in here, maybe the clause, that individuals are protected? If it is redundant, I will vote with you. I think it's very important and you seem to think it's important, too, that nobody's record be given away without them having some input. Who knows? We MLAs could easily have marks on our records about our sanity, and we'd like to check on that. I'd just want to know where it is. If you see it, I'll vote against my own kind.

MR. BRASSARD: Under subsection (5.4)(c) "the Minister . . . contacts the individual to determine whether the individual consents to be contacted by the researcher." That clearly gives the individual all kinds of opportunity to clarify the record because the individual is going to want to know why they're being contacted. There's ample opportunity to straighten out the record at that time, so I don't see any purpose for this at all.

MR. N. TAYLOR: I'm concerned about it, hon. member. I think that maybe with the level of cynicism that you and I have reached in our tender old years, we'd know what a researcher was up to when they called and we wouldn't be too pleased. But I think a lot of people might be sanguine – that might be one word – or maybe just not aware what it is, and I think they should have a right to see the record that the researcher is asking for. This is what bothers me.

Somebody calls up and says, "I'm doing research on measles." Then he gets the whole record. That's just what worries me. One thing you have to respect the government over there on through the years is usually the right of privacy. I'm just a little concerned that it's not tough enough.

I was wondering if there would be such a thing as maybe postponing debate or adjourning debate and cleaning it up, if it's

worth checking. Maybe the Member for Bow Valley could add something in there too. I just think that there's a lot of people that are maybe not educated to the level they should be and, when a researcher phones up, will be taken advantage of here.

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

DR. OBERG: Thank you, Mr. Chairman. Just to address a couple of concerns. First of all, the information that is collected under the Alberta Health Care Insurance Act is essentially diagnostic information. To alleviate the hon. member's concerns, information such as personal information, apart from the actual diagnosis, is not included and is not covered under this present Act. That remains in the possession of the physician at the physician's office.

If the person is to be contacted for more information, then this Act covers that in that there must be a consent signed. Once a consent is signed, the researcher will contact that patient and verify any information. A researcher, if his research is to be valid and he has to get into more information about the patient than is available here, must contact the patient and verify it.

That's the long answer. The bottom line is that the information that is available under this Act is essentially diagnostic information only. It is not the medication that you're on. It is not whether or not you've had sexually transmitted diseases or anything like that. It's purely diagnostic information only. The personal information is contained in the physician's office and is not accessed under this Act.

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

MR. SAPERS: Thanks. A couple of things I think have to be made very, very clear. Number one, the current Alberta Health Care Insurance Act allows for the collection of the most personal information: name, address, age, gender. I can think of nothing more personal and nothing that more specifically identifies individuals than their name, address, age, gender. The issue here is that that information is then linked to the diagnostic and medical interventions provided by physicians or others who bill the Alberta health care insurance plan.

So it's not just simply something as benign as knowing that the person was diagnosed as having high blood pressure, but it's knowing which person at what point in their life was diagnosed with a whole range of ailments.

Chairman's Ruling Decorum

MR. CHAIRMAN: Hon. members, it's getting difficult to hear and therefore follow the hon. Member for Edmonton-Glenora.

SOME HON. MEMBERS: Question.

MR. CHAIRMAN: No, we're not waiting for the question. We're waiting for the quiet.

MR. SAPERS: I appreciate that, Mr. Chairman.

9:10 Debate Continued

MR. SAPERS: It's a little too simple just to say that this information is somehow just hanging out there all by itself and that it's just building codes that nobody could ever trace back to individuals, because of course that's the whole point, otherwise the members are arguing against themselves when they're saying

that it's necessary to be able to release the name. After all, Mr. Chairman, that would just show their faulty logic, so we know that's not the case. I know that the Member for Bow Valley didn't intend to mislead anybody, but he was being perhaps just a little bit too exuberant in his defence of the Bill as it was written. I would ask him to pay a little more attention to the debate and of course to the amendment.

Now, as to whether or not the Bill as proposed allows for the kind of protection that this Liberal caucus is asking for, I would suggest that it clearly does not. The Member for Olds-Didsbury read section (5.4), and I'll do that once again. Mr. Chairman, that section reads:

- (c) The Minister or authorized person contacts the individual to determine whether the individual consents to being contacted by the researcher, and
- (d) the individual consents.

Nothing in that section suggests for a minute that Alberta Health would make available the health record to the individual prior to it even being contemplated that it would be released to an individual. Nothing in this section even suggests that the individual, even if they were contacted, would have the right to correct it if it were erroneous.

So if in fact the mover of the Bill is correct that that protection was supposed to be afforded under section (5.4)(c) or some subsequent subsection, then I would suggest that the government send this Bill back to its draftspeople and they have it properly constructed, because there's clearly no such protection in the Bill. Now, I take the hon. member at his word that that's the intent, but I would just say once again that that's clearly not evidenced by the way the Bill is worded. If the government sponsor of the Bill is certain that that was in fact the intent of the government, then I would suggest that they would have to vote in favour of this amendment, because all this amendment does is give effect to what was intended but what was unfortunately left out of the Bill.

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

DR. OBERG: Thank you, Mr. Chairman. The previous speaker is correct when he says that the information that is available is personal information such as age, sex, vaccinations, all this kind of stuff, but I would draw the previous member's mind to what happens when you go and fill out a form for your kid to play hockey. Some of the most critical information that is put down there is the same information that Alberta Health collects. Is your child on any medications? Does your child have any chronic diseases? Does your child have communicable diseases?

MR. SAPERS: I trust the minor hockey association.

DR. OBERG: As he says, he trusts the minor hockey association. The coaches have access to this. When my child goes to camp, I have to fill out this information, yet they are not protected by things such as a freedom of information Act, anything like this.

Mr. Chairman, I think this is a good Bill. I think we've got to get on with it. I think that if the previous member wishes that perhaps it's protected under the freedom of information Act, maybe that would be a good way to assure him of what it is. I think that it's extremely important.

So thank you, Mr. Chairman, for that.

HON. MEMBERS: Question.

MR. CHAIRMAN: The question is called.

[Motion on amendment A3 lost]

MR. SAPERS: Mr. Chairman, this is very familiar territory for the Liberal opposition, having reasonable amendment after reasonable amendment being voted down just out of hand by an insensitive government caucus. But I know, based particularly on the suggestion just presented by the Member for Bow Valley, that perhaps this government would at least care about its Premier's own flagship Bill in the last section – that being Bill 18, of course, the Freedom of Information and Protection of Privacy Bill – that the government caucus would be supportive, at the very least, of making sure that nothing in this proposed Bill 45, as flawed as we've already presented that it is, could fly in the face of that flagship Bill.

[Mr. Herard in the Chair]

Now, of course, we're all waiting with bated breath, but I see the minister from public works: oh, well, maybe; maybe not. We're all waiting with bated breath for the proclamation of that Bill, we're waiting for the appointment of a commissioner under that legislation, and we're waiting and looking forward to the day that the privacy of all Albertans is protected in law. We're also of course looking forward to the day when we have free access to information that the government has on its citizens, on its taxpayers, and of course that relates to the dealings that the government engages in on behalf of the taxpayers.

Mr. Chairman, Bill 45 is being presented by the government as a Bill that's benign, as a Bill that is really just housekeeping, as a Bill which simply allows for good research to be done. Well, nobody on this side of the House is against good research, and we would be the first to vote in favour of such a Bill if it was really that straightforward, but unfortunately it isn't. One of the most significant errors and defects of this Bill is that it in no way makes any reference to the government's own freedom of information and privacy Act.

With that in mind, Mr. Chairman, I propose the following amendment to Bill 45, and that amendment reads that Bill 45 be amended by adding the following after section 1:

- 1.1 In the event of any inconsistency or conflict between this Act and the Freedom of Information and Protection of Privacy Act, the latter shall prevail.

I will pause while the amendment is being circulated.

Mr. Chairman, I see that the government caucus is anxious to engage in debate on this, so at this time I'll yield the floor and would look forward to their comments.

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

DR. OBERG: Thank you, Mr. Chairman. My comments will be very, very brief. I just have one question, and that is: when I suggested it, how did he get it typed up so fast?

MR. BRASSARD: I would like to comment on this amendment, Mr. Chairman, because what we've been talking about is exactly that balance between the confidentiality, the freedom of information, and yet the protection of privacy Act. Members will know that the government has taken this whole issue of freedom of information very seriously. The Member for Rocky Mountain House did extensive discussions and consultation on this and brought forward an exceptionally fine Bill. I have no trouble at all recommending acceptance of this amendment, and I thank the hon. member for bringing it forward. I mean that sincerely. I thank you, and I urge all members on both sides of this Assembly to accept this amendment.

HON. MEMBERS: Question.

9:20

MR. ACTING CHAIRMAN: The question has been called.
The hon. minister of the environment.

MR. LUND: Thank you, Mr. Chairman. I only want to point out that in fact all we're doing here is adding verbiage. The Freedom of Information and Protection of Privacy Act is supreme. It automatically will do what this amendment is suggesting, so there's really no point in adding some more verbiage to an Act.

MR. ACTING CHAIRMAN: The hon. Member for Calgary-Varsity.

MR. SMITH: Well thank you, Mr. Chairman. In fact, this amendment does exactly that and continues to add additional verbiage to legislation. It is quite interesting that they would be adding additional terms and amendments to this Bill and at the same time working against the Government Organization Act, which in fact tries to streamline and reflect the realities of government in the 1990s as opposed to 1905. In effect, I find their approach to both Bills very inconsistent.

Thank you, Mr. Chairman.

MR. ACTING CHAIRMAN: The hon. Member for West Yellowhead.

MR. VAN BINSBERGEN: Thank you, Mr. Chairman. I'm somewhat puzzled now. [interjections] This is not the first time, I must admit.

I'd like to start off by stating that I would hope the members opposite would listen and pay attention to what the Member for Olds-Didsbury has said regarding his stance on this particular amendment. I have the highest regard for the Member for Olds-Didsbury, higher than I have for most members on the other side. I do have some regard for most, except for only probably a small number. I don't want to mention any names, Mr. Chairman, not even Cypress Hills. I think the Member for Olds-Didsbury has pointed the way here, and he has urged on his colleagues to vote for this particular amendment.

Now, we have the freshly minted Minister of Environmental Protection getting up and saying that this is utter verbiage and is not necessary at all and the freedom of information Act in fact is paramount. I thought that was one of the amendments that we tried to get in that was not accepted, the paramountcy of that particular Act over other Acts related to other subjects. I think that is why this particular amendment is so necessary.

I thank the Member for Olds-Didsbury for pointing the way, and I would hope that everybody will vote in favour of this one.

Thank you.

MR. ACTING CHAIRMAN: The hon. Member for . . .

MR. JACQUES: Grande Prairie-Wapiti.

MR. ACTING CHAIRMAN: . . . Grande Prairie-Wapiti. I couldn't remember the Wapiti part.

MR. JACQUES: Yeah, I'm going to be outraged, Mr. Chairman, absolutely outraged.

Mr. Chairman, I rise to support this amendment. This amendment makes sense. [interjections] Yes, it does. This

amendment makes sense. It clearly sets forth and distinguishes between any doubt that might be put forward in terms of conflict. It's simple, it's straightforward, and it preserves the integrity of the Freedom of Information and Protection of Privacy Act.

Thank you.

HON. MEMBERS: Question.

MR. ACTING CHAIRMAN: The question has been called. Hon. members, we're voting on amendment A4, an amendment to Bill 45 as moved by the hon. Member for Edmonton-Glenora.

[Motion on amendment carried]

MR. SAPERS: Mr. Chairman, I am practically speechless. Practically speechless. This is in fact a day that I will have to tell all of my constituents about, the day that the government finally, finally supported an amendment from this side of the House.

Mr. Chairman, we have debated Bill 45 in committee now at some length. We have raised many objections. We have raised many concerns. I personally am not satisfied that those concerns are adequately addressed; however, I am confident that the government and, more importantly, the officials within Alberta Health are aware of those concerns. I know that they will be ever vigilant to make sure that in spite of the flaws in the legislation they will do the best they can to protect the integrity of information held on individual Albertans. With the inclusion of this amendment indicating the paramount nature of the freedom of information and privacy Act, we know that in spite of the fact that that is still not the law of this province – in any case, we know that all members of this Assembly and all officials within Alberta Health will conduct themselves as though it were, and that is why that last amendment was so important and why I'm so pleased that it has received the approval of this Chamber.

Mr. Chairman, Bill 45 continues to be a flawed Bill, although in principle it does have some merit. I would hope that the research which has been spoken about by members opposite materializes and that our health system becomes a system that is guided much more by health research and health outcomes than it has been in the past.

Thank you.

HON. MEMBERS: Question.

MR. ACTING CHAIRMAN: The question has been called.

[Title and preamble agreed to]

[The sections of Bill 45 as amended agreed to]

MR. BRASSARD: Mr. Chairman, I move that Bill 45 be reported when we leave committee.

[Motion carried]

Bill 49 Civil Enforcement Act

MR. ACTING CHAIRMAN: The hon. Member for Lethbridge-West.

MR. DUNFORD: Thank you, Mr. Chairman. I'm pleased to rise this evening and begin the debate in committee on Bill 49, the

Civil Enforcement Act. I would like to say that during the debate at second reading I believe I had elaborated on the main points within this Bill and perhaps would leave it at that. The proper procedure is to now move this Bill's passing at the committee stage.

MR. ACTING CHAIRMAN: The hon. Member for Edmonton-Strathcona.

MR. ZARIWNY: Thank you, Mr. Chairman. I'd like to say a few things about the Bill. The government has not clearly explained the need for such a Bill, and I'd very much like the member who sponsored it to go through that explanation.

Our present system has worked well, and although it may need fine tuning, it does not necessarily need the complete overhaul that's suggested in this Bill. The government has not demonstrated how such a substantial cost savings can be realized. There has been no proof that this Bill will make the system easier for creditors. In fact, there's the possibility that it may make it more difficult, especially in those instances where a seizure is involved. That's another area that I'd very much like to have addressed.

9:30

The sponsor of the Bill mentioned that it would eliminate the liability arising from negligence in seizure activities. It is debatable if the government can rid itself of this liability entirely. However, the government should describe how many claims and what the total amount of those claims is that are brought against the government for this reason. It is likely to be negligible.

There are a few other areas that I'd like to address as well, and they're principle concerns. The provisions of the Bill dealing with garnishment fail to reflect the Bank Act requirement that a writ served on a branch of a bank applies only to the accounts maintained at the branch served. It doesn't address that.

In addition, I believe that there are some significant conceptual and practical difficulties with the proposed method permitting seizure against joint sponsors or joint accounts. I'd particularly like to address that one in some detail. In the case of a garnishment the Bill has introduced a concept of making joint accounts fair game, and the enforcement debtor is deemed to have an equal share of the account unless others who share in that account can prove that their share is higher. You're talking about a third party here. Although this may sound good at first glance, it would prevent a debtor from simply hiding funds in a joint account, where there are some serious dangers. Now, the innocent third party is going to be forced to defend the exact amount of their share of that account. So you brought in an innocent third party here. I don't think that's necessary. Now, this has the potential to endanger partnerships throughout the province. The present system places the onus to prove the debtor's share of the joint account through the established practice of an examination in aid of execution.

In addition to that the garnishment rules and provisions of the Act affecting third parties places too much responsibility and potential liability on the garnishee. The provision should be amended to protect a garnishee who makes a bona fide effort to identify funds being garnished. In addition to that, we have not had an opportunity to canvass the public on this particular matter. All garnishees should have at least a 10-day period similar to that proposed by the Act in respect of employers between the service of garnishment summons and the time that garnishment becomes binding.

I would also prefer some consistency between the Civil Enforcement Act and the Personal Property Security Act, otherwise known as PPSA, to whatever extent is possible. Now, one of the principal merits of the proposed draft Act is the opportunity it presents to make the law and procedure in this area consistent and rational. So for that reason you should be complimented. Divergences from the system established pursuant to the PPSA may inadvertently reduce the advantage significantly.

Now, I understand that the Alberta Law Reform Institute has been canvassed on this Act. I would like to repeat one of their major concerns, and that's the fact that many areas that are presently found in the legislation would now be set by regulation under this Bill. Although they support this particular Bill, they also have that major concern.

A prime example and one that I mentioned last time I spoke to the Bill is part 10, which replaces the Exemptions Act. That has very detailed legislation with many powers of regulation found in Bill 49. Sections 106 and 107 are long areas of regulatory powers as well.

With those few remarks I conclude my presentation. Thank you.

HON. MEMBERS: Question.

MR. ACTING CHAIRMAN: The question has been called.

[Title and preamble agreed to]

[The sections of Bill 49 agreed to]

MR. DUNFORD: Mr. Chairman, I move that this Bill be reported when we rise from committee.

[Motion carried]

Bill 53
Social Care Facilities Licensing
Amendment Act, 1994

MR. ACTING CHAIRMAN: The hon. Member for Edmonton-Mayfield.

MR. WHITE: Thank you, Mr. Chairman. The fundamentals of this Bill are really quite simple. It has the effect of allowing the unformally trained to deal with six children all day in one location without any supervision or any kind of regulation as to how the children are to be cared for. Personally I have some difficulty with this. Actually, I have a great deal of difficulty with it. Having come from a family of seven children myself, I know it can be done, but the older usually take care of the younger. There is no provision in this Act at all to make sure that occurs.

I would like to be able to amend this Act, but the effective amendment certainly would not pass the scrutiny of counsel. It would have the effect of gutting the Act and returning to the regulations that we have had and built in this province starting perhaps about 15 years ago with a major push in the last seven to 10 years. I believe that the regulations have been hard fought for primarily by the women of this province, and they are good provisions.

When I started in government service almost 12 years ago now, I had no feeling for this area, coming from, as I said, a family that was fairly substantial. We never did have any need for child care. There were lots of us around, and the biggest problem we ever had when we tried to go somewhere was to count heads to

make sure that we were all in the same car going in the same direction. So we didn't have that difficulty, but it certainly does occur in other families and certainly does occur now much more than it has done in the past with the advent of both parents working and the odd hours. So there is child care required.

Now, I have to admit that I'm fundamentally a city dweller and don't have a great deal of experience in what occurs in the country, so I have to admit that perhaps there is some area to be a little less stringent with the rules in the country as opposed to the city.

The Bill is in fact, in the words of the House leader, another permissive Bill. I believe personally that it is overpermissive. It allows too much for the individual. It allows just altogether too much leeway for those – and we know that they exist in this society – who do not take proper care of their charges and their children. There has to be something in the law to protect children, particularly in the early childhood years, such that they have this protection and they have a caring environment that provides some stimulation for their interest and provides enough care so that they don't feel alienated.

9:40

So, Mr. Chairman, I will be one that will not be supporting this Bill, as it is just fundamentally wrong. Until such time as the other side or anyone can prove to me that the direction of the last 15 years has been absolutely the wrong direction and they can point to some reasonable body of study or they can report to me that there have been a lot of people that have come to them and said: please, please, please, please take away the last 15 years of regulation and the adoption of all of these hard fought restrictions on how one can care for their children away from their own home – prove that to me, and show that there's a great body of interest out there in the public that says: yes, this is what we want; get out of my face government; don't regulate me any more than you have. Prove to me that those people are talking not only about themselves but that they're talking about a lot of other people that don't have the same wherewithal to care. Then I could consider passage of this Act.

Thank you, sir.

MR. ACTING CHAIRMAN: The hon. Member for Lethbridge-West.

MR. DUNFORD: Thank you, Mr. Chairman. I voted for the principle of this Bill at second reading because I do believe in the principle of it, but I also have to acknowledge . . . [interjections] My colleague is listening in a rather relaxed manner, Mr. Chairman, and it threw me off for a moment.

I would have to say that of all the Bills that have been introduced in this fall session, this one has generated the most interest in terms of calls and letters to my constituency office. I've been trying to come to grips with what the essence of the problem is with this particular Bill, because I also have to say in fairness to the minister and to the government and to the members of this Legislature that I'm not sure all of the calls that I've been receiving have been from parents. I think there's been a lobby, as is their right, from day home providers. They have impressed on me the fact that these are serious, well-meaning, and caring people that do in fact have concerns, and I think we need to address them here at the committee level.

I am an urban dweller in representing Lethbridge-West, and I recognize that the situation I'm faced with might be somewhat different than would be experienced by some of my rural col-

leagues. I would be prepared, if there were a real difference, as I suspect there might be, to consider some sort of an arrangement whereby there might be a different set of standards for urban areas and for rural areas. Now, I don't have the experience in order to be able to determine what those different sets of standards might be, but I think it would be certainly in the numbers.

The concern that has also been addressed to me is the fact that in an urban setting with the pressures that people have in getting to and from work, there will be a tendency on the part of a parent to put their child in a home that is convenient. Now, I believe that there is parental responsibility in this situation and that it is the parents' responsibility to analyze, to investigate, to audit, to do whatever, where their child is, because ultimately it is their responsibility, but I'm not sure that all parents will take that opportunity. So I think we need to reflect again on an urban setting as to whether or not we want to increase the numbers in the manner that we have.

There might be an underlying issue to this whole thing as well, and it might be one in terms of cost-effectiveness. The situation there is that if we are trying to reduce subsidies to parents in this particular area, then I would in fact support such an initiative, but I think then that we should probably deal with it directly. If what we're trying to do here is pull \$7 million, for example, out of the system, then I think we should be up front and then say to parents who are contemplating putting their children into a day home situation that subsidies will no longer be applicable. I'm not sure just what the numbers of children are in this province that that would affect, but I would make the argument that it's likely to be minimal. The information I have is that probably 80 percent of children that are in child care in this province right now are in some sort of private system. It could be a grandparent. It could be an aunt. There are all kinds of children that are being taken care of very adequately by some sort of private arrangement that the parent has made.

Certainly we're well aware of the day care situation that exists here in Alberta, and in fact Alberta probably is the model for the rest of the country in terms of a day care situation. So what we're talking about, then, is a percentage of children that fall between these two ends of a spectrum, if we could view it that way. So I doubt that the impact on those people would be all that serious in terms of the numbers.

I'm trying to think of other concerns that have been expressed. I think the last one would be increasing the numbers to six in a home, which clearly puts Alberta then, I believe, in a field by itself with that particular number. If those six, three of them under the age of two – and, again, I've never been really a babysitter, and I've not had any child of mine involved in this kind of situation – it's just my gut feeling that it is asking a lot of a person to undertake that kind of a responsibility. I'm afraid that there will be people who will look at the dollars and want to avail themselves then of offering that particular service, and whether they can handle it or not I'm really not sure.

So I would like some reassurance from the minister during this debate that the move that we're making here at this particular time is one that will benefit parents and children in this province and that we are not opening up something here that we may regret later.

MR. ACTING CHAIRMAN: The hon. Member for Edmonton-Rutherford.

MR. WICKMAN: Thank you, Mr. Chairman, and thank you for the opportunity of saying a few words. I'm going to keep it relatively short.

Mr. Chairman, the last member spoke some words of wisdom, and the member is departing just when I'm going to say something complimentary to him. The last speaker pointed out some of the difficulties that I believe that caucus is feeling right now, some of the problems that they're encountering, and it's some of the same difficulties within our caucus, and that is that in rural Alberta there is a different attitude towards child care within the home than there is in urban Alberta. The previous speaker spoke in terms of a two-tiered system: one for rural Alberta, one for urban Alberta. Yes, I made some similar comments during second reading. I also made some comments pertaining to the possibility of enabling legislation to allow the municipality to make the final decision by passing a bylaw as to whether this was indeed appropriate for that particular community.

I would trust that the minister will take those comments of the previous speaker to heart, take them back to his department, and come forward at a later date. Possibly this Bill should not be passed during this session. At the same time, it would allow our two spokespersons within the area of social services to seek further input from the community, which they're presently doing. That allows us, of course, to strengthen our arguments.

So on that note, Mr. Chairman, I'm going to move that we adjourn debate on Bill 53.

MR. ACTING CHAIRMAN: The hon. Member for Edmonton-Rutherford has moved that we adjourn debate on Bill 53. Are we in favour? Please say aye.

HON. MEMBERS: Aye.

MR. ACTING CHAIRMAN: Opposed? Carried.

9:50

Bill 54

Alberta Corporate Tax Amendment Act, 1994

MR. N. TAYLOR: Speaking on this Alberta Corporate Tax Amendment Act, I can't quite understand and maybe the minister could inform me why the Alberta royalty tax credit comes under the Corporate Tax Act. I know it's been there for some time, but it seems to me to be a regulation – it's a tax, but a royalty tax credit. Maybe that would be one of the first things I could ask the minister: how it ended up there rather than in the royalty structure, because my impression is that the royalty tax credit applies on the amount of production, not the amount of profit. So I wondered why it's in the tax thing at all. Wouldn't it be easier to apply if it was part of the royalty system?

[Mr. Tannas in the Chair]

The second area that I'm interested in addressing is: I notice they reduced the rate of credit available from 85 percent to 75 percent. Now, the second thing I'd ask: is this an indication of what's going to go year to year? Is this a plan to go down another 10 percent a year from now and another 10 after that? So I'd like to know whether that's part of a long-term plan of slowly getting out of the business of being in business or getting out of the business of helping small oil companies; in other words, letting them get on their feet if it's planned to be phased out. I think it would be better for the oil industry to know what's going to be phased out over the next five or 10 years than to keep wondering whether or not it's going to come up from year to year, because it makes it more difficult for financing.

The third question I would like to toss in the minister's direction: has there been any thought at all of equating the ARTC to the FOB price in Houston, or the world crude price, let's put it this way. It could be Brent crude; it doesn't matter. Brent is B-r-e-n-t, by the way. That saves *Hansard* having to send a letter down to me and back again. Brent crude, of course, is world known, or accepted as a world pricing, as are some others. Has the minister thought: why couldn't we have our credit based on the price of oil? If oil were to go to \$30 a barrel, surely we don't need the – admittedly, you'd reach the \$2 million a lot faster, but I'm not too sure that it's necessary to subsidize forever small oil companies. I think that maybe there would be a long-term plan that they could look at. This plan I think originally started in 1974, so it has done well, and it's served a lot of companies. I've been associated with a number of them that have been quite helped by it.

There was one last thought I wanted to throw to the minister. Well, maybe I'll just sit down now. I think I might be trying to feed the whole bale of hay. Maybe I should just wait until the minister has answered, and then maybe I'll have a couple more to come at.

Thank you very much.

MR. CHAIRMAN: The hon. Minister of Energy.

MRS. BLACK: Thank you, Mr. Chairman. On behalf of the Provincial Treasurer, the sponsor of the Bill, I will try to respond to the questions of the hon. Member for Redwater.

To answer your first question as to why this is under the Alberta Corporate Tax Act, it does follow through with the taxation filing of corporations on an annual basis, and I believe that when the original statute was prepared back in, I believe, the 1980s, it was set up because of the fact that it becomes part of the annual taxation filing that comes through. As you remember, when we had the difficulty with the federal government in those dark years of Mr. Trudeau, as you are well aware – you were in the industry at the time – we had to work on making a point. Clearly that was I believe why we put it into the Alberta Corporate Tax base legislation. Your suggestion is something that we can look at at a later date, but in fact it is under the Alberta Corporate Tax legislation, and it becomes part of the tax return filings. That is why it is in that statute base.

Secondly, you asked about the ceiling coming down. Clearly when you're in a phase of looking at fiscal realities within the province, all sectors of the province must participate in the process of balancing the budget, and the energy industry is not immune from that anymore than any other group. So the ceiling was cut 20 percent on this program, and I don't feel that's unreasonable. I think it is a reasonable request. I suppose no one really liked it, but that's reality. They say that the oil industry has to participate in the fiscal realities that the province faces along with everyone else. So one thing we did do was provide a three-year notice on the program. Instead of putting a program in for five years with no idea as to what would happen at the end of it, it is on a three-year basis. There's three years' advance notice, so financial planning can in fact take place with the corporate sector. Any changes to the plan would be notified three years in advance so that the long-term investment changes or strategies could be in fact implemented instead of waiting till the last minute. We didn't put a five-year plan in place this time; we put a three-year plan. It's very simple. It was laid out in the Budget Address that came down in February.

I think the program has been very successful. Clearly, in the Auditor General's report, he asked us to look at different mechanisms of looking at measures of how successful a program is. If you look at the province of Alberta and you realize that this program is probably geared mostly to junior and intermediate companies, mainly juniors, you can see that the reinvestment in the province is taking place through the land sales that our records state again this year, as they were last year, and the activity levels that are occurring in the province. That translates into employment and economic opportunities for associated industries in the service area, et cetera, to participate in the province. So I think it's been a very successful program to see dollars flow. It only applies to Alberta royalties; it doesn't apply to someone's royalties in another province or another jurisdiction. So it sees dollars coming back into the economy on a rotation, back through and reinvestment, and clearly we can show those numbers.

As an example, Mr. Chairman, we moved from 4,000 licence applications in the previous fiscal year to over 8,000, and that means jobs and that means activity and prosperity in the province of Alberta. So clearly these dollars are coming back into the economy, and we can justify that through just going out and looking at the activity levels within the province of Alberta, but we could do that on a more formal basis in our reporting.

10:00

MR. CHAIRMAN: The hon. Member for Redwater with a few more flakes of hay.

MR. N. TAYLOR: I thought I'd throw a little oats in with it this time, because you know Alberta's famous for its racing oats. I raise some of them, so I can't help but get a free dib in there for that. Put oats in our nags and they make those Medicine Hat ones look like they've been nailed to the floor when they pass them. I was just trying to wake up the fellow who was trying to kiss me yesterday.

However, Mr. Chairman, back to the debate on our agenda now. I'm still bothered by the fact that this study, in spite of the Auditor General's reports and Auditor General's recommendation – I believe number 29 in the last report said, "The government has no basis for assessing and reporting on the effectiveness of the Program." That's been brought up a number of times by the opposition in the last couple of years. In fact, I may look back here a bit.

January 1, 1992, way back in 1992 before the last election and before we had all these fresh new faces in the back, we asked if a study had been made on the ARTC's impact on job creation. Again, after the election, October 13, 1993, the hon. Member for Red Deer-North said, "The government will be sharing the information after it's completed, and it would just be premature to release it now." He was referring to the feasibility of ARTC's retention and what increasing drilling activity had taken place.

What's bothering me, Mr. Chairman, is that many employees, many of the people in Alberta – nurses, teachers, students – have all been asked to suck in their belt and do their bit. The oil business has been remarkably free of this, mainly due to a lot of world increase in prices, I'll admit, and also the oil industry is grinding along, creating jobs. But what has happened in the last three, four years, maybe only the last two, three years . . . I think the hon. member for Calgary north as well as the other Calgary – what's Murray's?

AN HON. MEMBER: Calgary-Varsity.

MR. N. TAYLOR: . . . Calgary-Varsity would note that in the last two years oil companies and small little companies in Alberta are actually investing a great deal overseas and outside the country, something they never did before. Now, what I'm afraid I wouldn't like to see, and I don't think the taxpayers of Alberta would like to see, is these royalty tax credits used to fund growth outside the province. Now, somebody can say, well, growth anywhere is helping, and I'm sure it is, but this is a tax incentive that's given by producing Alberta crude, and it should be tied to what they do in reinvesting in Alberta.

The Liberal Party's argued for some time that although the ARTC is not a bad idea, royalty credit back for small companies – and I must take back something I said earlier about not being tied to crude prices. It is tied to crude prices. The hon. member could have taken me to task and then hung me up by the heels. I appreciate her being so kind to me, because I had made a boob on that particular issue. It is actually tied to prices, although it should have more steps in it than it has. But what it isn't tied to is the reinvestment back in Alberta, into more drilling, even more land purchase. It's not tied to that.

Now, the hon. member, very blissful and very kind that she is, has said from time to time:

I'm sure . . . dollars that have been returned under the ARTC program that have been reinvested back into the industry directly. I feel relatively comfortable . . .

Relatively comfortable. I guess that's just short of falling asleep. . . . to say to you that those dollars are being reinvested and are going back in for new plays and more prospects to be developed.

March 1994 *Hansard*.

Well, I just don't think that's enough. I think, being an old oilman myself, that they're smooth enough to convince the Minister of Energy that indeed they are putting it back in the ground, putting it back in Alberta. I would think she should have studies and she should have studies initiated, the ones that the hon. Member for Red Deer-South said that he was keeping secret for a while. I'd like to know what she knows now or if she still believes, if she's still as sanguine and happy with the assurance of the petroleum association's "Don't worry; we've got it all under control; we're putting the money back into Alberta." That it's not flitting here, there, to the Russian tundra or the Argentine pampas or wherever the small companies might be going.

MRS. BLACK: Mr. Chairman, clearly each time I give a report on energy activities within this House, there's almost an element of noninterest from the Official Opposition. I have told hon. members many a time in this House of the activity levels that have occurred again in this last two or three years, in particular the last two years, and the difference between the last five-year time frame and how the activities have spurred up. Keep in mind that the activity is also based on the market. This is a market-driven environment.

When I look at the market today, I realize that this year, except for one week's land sale, lease bonus sale, every lease bonus sale this year has surpassed the previous year. In fact, just recently we had the highest lease sale in Alberta's history since, I believe, 1979. I don't have my note with me. I usually have it in question period.

In addition, what we also have experienced – when you compare the '92-93 fiscal year to this fiscal year of '94-95, we've gone to where we went into 9,000 wells last year in western Canada, and this year we will surpass 11,500 wells in western Canada. What that translates to is, as you know from your experience in the industry, that every time you put a rig out, you

have a minimum direct on the rig of 75 working positions. Then you have the service sector that surrounds that. We can say today that direct employment opportunities are well over 30,000 to 40,000 jobs in the last year and a half.

Now, Mr. Chairman, what we have in this is we have a Bill that has taken 20 percent off the ceiling on this program, reduced it by 20 percent. What this does is it gives the juniors, mainly, and the intermediates an opportunity to recycle those cash dollars back into the system. I don't think it's any big surprise when you look at the lease bonus sales that have occurred last year and again this year that we have already on a year-to-date basis comparison surpassed last year's numbers. This year we have had to increase the number of lease bonus sales that we allow every second week. We used to allow only 350 parcels to be posted. We've had to up that to 500 parcels every second week, and we still cannot keep up with the demand.

So dollars are being reinvested, and companies do not reinvest those dollars into land lease bonus sales unless they're prepared to develop them. Mr. Chairman, if there's no development, in five years those leases revert back to the Crown and they could be resold. So clearly they do not get involved in lease sales unless they're prepared to develop the lease, because it's a very costly thing if you don't develop it. That goes back in the Crown pool, and we can resell that in five years' time. To me that's a strong indicator of the sustainability of the work in the province.

10:10

Also, three years ago we didn't have a very good market for our gas, the gas production and exploration or development on gas. With the expansion of the pipelines through the Pacific northwest and down through the Iroquois in the eastern leg, we've seen a market where we've added a bcf of gas a day on export out to service a new market. Today we've gone, Mr. Chairman, from a 4 percent share of the U.S. market to 12 percent. Twelve percent. People have said to us that Alberta can't deliver; Alberta industry cannot deliver to service that marketplace. Well, clearly the reinvestment on the drilling activity has proven for the last two winters that the Alberta producer can in fact not only cover Alberta and Canada but deliver it and take an additional 8 percent of the U.S. market share. So if someone needs performance measures, I think clearly – and maybe we haven't put those into enough reports – we can show that that money is truly being reinvested back into Alberta to develop this industry and is clearly benefiting all Alberta.

I would argue with people when they say that it's not coming back in, because I don't know where else you would see such an activity level in North America as you would in Alberta. I mean, you look at the IPL expansion that's coming on by the end of this month. Another 170,000 barrels of crude are going to be going across this country from Alberta. From Alberta. So when someone talks about reinvestment opportunities, it's happening here. There are not all these companies going offshore. The development is happening here: over 11,500 wells this year in western Canada and over 85 percent of them are in the province of Alberta. That's performance. That's employment. That's economic prosperity. It's right here in Alberta. So please don't ever indicate that the activity is not here in the province, because it is.

MR. N. TAYLOR: Mr. Chairman, the hon. member sort of opened it up. What she is mistaking is the total prosperity of an industry that is no doubt prosperous and is adding a lot to Alberta.

That's in a global sense. In fact, the industry is going to get \$275 million back from their taxes from the Alberta government.

It's rather intriguing that the minister's own cabinet ministers used the very same argument for agriculture to reduce the subsidy. There used to be the Crow offset given to cattle feeders. Supposedly it was put in in order to compensate for the higher price of grain because of the Crow rate. Therefore, the government, Mr. Chairman, put in an offset, or a subsidy if you want to call it that, to feed cattle. Well, when they took the subsidy away, it was on the grounds that the industry was doing so well it didn't need it anymore. So the minister comes out now and decides how wonderful it is, so we should keep the subsidy.

Now, it gets a little difficult – and being in the oil business myself, I'd kind of hate to turn the minister loose where there were any nonoilmen, because they would say, "Well, sure you're bragging." If it's doing so well, why do they need \$275 million, when even a couple of years ago, when times were rougher, they got \$262 million? In other words, what are we doing subsidizing an industry that's getting better and better and richer and richer and doing more and more drilling and so on? We didn't do it with the cattle raisers. We told them that we were going to take it away.

So I don't think the minister's argument is valid, and what I think the minister should be looking at is to see – and this is the only question I was asking her – if we are sure that . . . That little \$275 million I'll admit is small for the gross production of the oil industry. The oil industry does – what? – barrels of oil, equivalent to about a million barrels a day, doesn't it? That's 20 simoleons.

That's \$20 million a day times 300 or 400 days, which is about \$7 billion, \$8 billion gross a year. So if you're doing \$7 billion or \$8 billion gross a year, \$200 million is a very, very small percentage.

What's worrying me and what's bothering me is when other industries out there, when we're trying to say that you should have a level playing field and should be competitive and everything going along fine – what are the arguments that we can make outside of the minister's one that, well, things are going good so therefore it must be working. Two hundred and seventy-five million a year will fund a lot of schools, quite a lot of kindergartens, raise our health plan. It just seems to me that the minister isn't making a solid enough argument as to why we have to retain it.

I feel we should retain it all right, for some reason, but only – this was couple of years ago, I felt – until we could study a new system. Her department refuses to do a new system. We still keep feeding the same horse in the barn, and there's no evidence that we need to give it that much oats. I would like to see the minister commit to the House that the study that the Member for Red Deer-South said would be coming on a couple of years ago – I'd like to see that type of study. Any other place where I've done oil business in the world, they're pretty careful, pretty strong in making sure that the money that you make goes back, if they're giving you any kind of incentive. I know the oil industry has put in a heck of a lot of money, and there's no question that's because they're making money. But I still wonder why \$275 million.

Now, I want to go on to a second part. She raised the other thing, and I think this has an effect. I was recently down in Toronto, turning some of those capitalists upside down and shaking them by the heels and trying to get some money to put into Alberta and various other places around the world where I can lose it for them. I was trying to convince them that they would get more charm and more mileage out of spending through

me than any other way. But I was surprised to have a couple of big-wheel financial underwriters – they're normally very right-wing. You know, the poor are that way because God needs to have the poor. Don't tax us, tax the poor because they don't know what the hell to do with money anyhow. Leave us with the money, that type of thinking.

Then all of a sudden three of those financial houses said to me that the Alberta government is putting too much land on the market. You're in a panic. You're selling on the market. Consequently, you're dumping all this gas development on what you're talking about, and we've got more gas flowing through the pipelines, but we're getting less. We're depressing the price of gas. They said: "Any smart Okie or Texan wouldn't sit there and dump all the land onto those Crown sales that you're talking about. We would hold back."

So I was just wondering if the minister has any advisers in her department telling her what these big Montreal capitalists told me, that we are fire-selling our resources and putting ourselves in a position – because we get 25 percent of the revenue from natural gas and then given bonuses on top of that of \$275 million a year – of selling natural gas at a lower rate than we would have if we didn't put as much land on. I guess it boils down to the question: does the minister put land up as fast as the industry requests it? Is there any kind of a plan to hold it back so that indeed the gas market isn't flooded and we aren't cutting our own throats?

MRS. BLACK: Mr. Chairman, just to quickly answer the hon. member's concerns over land bonus sales. Clearly, one would have thought with the high demand for postings that the price per hectare would have gone down dramatically. In fact, just the opposite has occurred; the average price per hectare has gone up. So the traditional models have not prevailed through this time.

There has been a shift from where we had a total imbalance between supply and demand of gas on the market. The market has made a major correction and has brought supply and demand back into balance. Clearly, we are in a deregulated system. The government – and I hope you're not suggesting that we become intrusive like we used to be and start to try and manipulate the market forces. The market will correct itself. It is not the role of the government to intrude into market environments. We are in a deregulated system, and the market will make its corrections. Clearly, I think we've seen that occur these last few years, particularly as we've seen initiatives such as the clean air strategy in the United States, where we're doing fuel switches, where we have a product that is in demand to accomplish those fuel switches, and we are able to respond to that. This government will not intrude in the marketplace. It must prevail, and we will maintain a deregulated system. So I don't want you to feel that I would be promoting any kind of intrusionary measures, because we will not do that.

10:20

Your other question: do we automatically meet the demand for postings? No. The volume is too high, and we have not been able to keep up with it, quite frankly. We have gone and, as I say, expanded it from 350 postings every two weeks to 500, and we still can't keep up with the demand. Again, the average price per hectare has in fact gone up when you would have thought it would have possibly come down. That's not been the case. So clearly, I think, when you buy land, as you know, you buy it to develop it in the future, and there is an element, I feel, of confidence in the sustainability of the activity levels within the province of Alberta.

I also wanted to comment on your remark with regard to the Auditor General's report. I think it was recommendation 29. I believe the Provincial Treasurer has already said that we accept the Auditor General's recommendation.

MR. CHAIRMAN: We have five people standing, talking. We only want one standing and talking.

The hon. Member for Redwater.

MR. N. TAYLOR: I love talking to the minister, but selling everything you have just because somebody walks down the street is not intruding into the marketplace. Marketplace means getting the most you can for what you're selling. If selling everything that you've got or selling it without any restraint is truly intruding in the marketplace, I would take the opposite view that if you sell or dump surpluses onto the market, you are asking for depressed prices. That's what we're getting.

MRS. BLACK: No, we're not.

MR. N. TAYLOR: You're getting cash because you're selling – it's like the farmer that sells all the wheat or all the hay that's in the field immediately. Naturally, he's got some cash in his pocket, more cash than he would have, but there are no assets left.

Those assets of natural gas that we are fire-selling out now belong to the people of Alberta, and just to be able to give the impression that we're growing fast – it's another form of taxation. Getting rid of our children's and our grandchildren's heritage as fast as we can is not the proper thing. You are intruding in the market. I say my philosophy and the philosophy of those people I talked to in Toronto, where you would hold it back a little unless you saw that the gas market needed it – in other words, we're selling gas and depressing our own market – is the proper way. That way you're playing supply and demand. We're intruding in the market by dumping everything out there as fast as we can get it.

[Mr. Clegg in the Chair]

Now, Mr. Chairman, I notice everybody's looking at the clock, but I don't know what for. If you want to adjourn debate, I would be very glad to. [interjection] Oh, you want to go to a question; do you? Well, maybe we will then. Okay.

MR. DEPUTY CHAIRMAN: Ready for the question on Bill 54, Alberta Corporate Tax Amendment Act?

HON. MEMBERS: Question.

[Title and preamble agreed to]

[The sections of Bill 54 agreed to]

MRS. BLACK: Mr. Chairman, on behalf of the Provincial Treasurer I move that Bill 54, the Alberta Corporate Tax Amendment Act, 1994, be reported.

[Motion carried]

Bill 55

Loan and Trust Corporations Amendment Act, 1994

MR. DEPUTY CHAIRMAN: The hon. Member for Edmonton-Mayfield.

MR. WHITE: Good guess. Thank you, sir. Bounding to my feet, wanting ever to please the government, and speaking in favour of this Bill; however, one should not miss the opportunity to say a few things about the matter. [interjections] That's right. Well, even though Mr. Day is in the room, we'll still agree with him.

The opposition supports this Bill for a number of reasons in that the Canadian Western Bank is a very positive initiative in the province of Alberta. It is a success story. It certainly supports banking as a very important part of business. Homegrown banking: of course, everyone knows that when you can speak to the head office of the banker right at home, it's a whole lot easier to understand what the business is about. You can really get the feeling of a successful business, and of course that makes a great deal of difference. So we support that.

The operations of North West Trust have been successful as of late. It may be because of a number of factors, Softco and all those sorts of things. We don't really know why, but at this point it's to a state that the government definitely needs to get out of this business, and there's no question that it should not be in this business. I don't think the government really wanted to be in the business in the first instance, but it was an election that was made at the time.

Not being here at the time and not knowing what the exact circumstances were, this member cannot do a great deal of comment about getting into the business, although others certainly could and may have some difference of opinion as to getting in it in the first place or letting the markets be markets. As the hon. Minister of Energy said earlier about the energy markets, perhaps the government should have allowed the markets to be markets and let North West Trust fold at the time, but that's water under the bridge at this point.

North West Trust in combination with the Canadian Western Bank could be a major player and challenge the big five in this area of business and in this area of western Canada and should be in fact fostered. Bill 55 allows the acquisition of all the shares of North West Trust and the numbered companies that go along with that corporation, so as to allow that to occur. We agree with that. We support the headquarters of the Canadian Western Bank to be in Edmonton.

MR. HENRY: In Edmonton-Centre.

MR. WHITE: I'm reminded by Edmonton-Centre that it is in Edmonton-Centre, but it's to serve all of Alberta. In fact, I'm sure the members from Calgary would agree. Edmonton or Calgary, so long as it's in Alberta and serving Albertans, we would all agree that it's the right thing to do.

The cost to the taxpayers of some of the severance packages and the like are a little bit disconcerting for this side. It's hard to swallow. We know that even though he happened to be a longtime personal acquaintance of mine, Mr. Campbell, it is difficult for me to believe that the worth of an individual is that great, particularly when you look at the salaries of himself and Mr. Farnell versus the salary of the superintendent of the Treasury Board. Perhaps there's a little different bent and there's a little more pure business acumen required in North West as opposed to simply lending institutions with the Treasury Branches. I think it's not that great that the average between these two is between \$276,000 and \$269,000 a year versus the Treasury Board, which is a little less than what a cabinet minister makes. Well, then you compare what a cabinet minister must go through to earn those funds. You wonder: a wholly-owned subsidiary,

99.9 percent of the shares held by the Treasurer, in fact. Well, you wonder. Gee whiz, I mean, in the great scheme of things, in the rollbacks – and here's a case where a substantive rollback – a statement could have been made in Alberta for Albertans and probably could have lent a little more credibility with some of the other cuts further down the line, that we all know the government made. Whether they had to or not is up for debate in other Bills and certainly in the budgets.

10:30

You look at the asset base of some \$800 million and maybe now some \$900 million, depending on how you evaluate them, of North West and their subsidiaries, N.A. Properties and the like, and you look at the value asset of some 10 times as much or slightly less than 10 times, eight to 10 times as much, of \$8.2 billion under the superintendent of the Treasury Branches, yet that person is receiving a third, or a little better than a third, 40 percent. Now, something's not right in Dodge here. However, that being said, we've discussed that in the past. The members opposite know full well of what I speak. They're aware of the inconsistencies. With this Bill that will end too; we understand that.

Revisiting some old news again, we understand, too, and recognize that North West was the one that was pumped up by some of the income and the funnel for some of NovAtel's loans. We know that. There were, of course, the fees attached to those for placing the funds. It's more foul water under the bridge, but it in fact is foul water that we'll never see again certainly because freedom of information is not retroactive.

[Mr. Tannas in the Chair]

North West Trust lost in one year in the order of \$1.3 million. You wonder about the competence on the Bancorp mortgage. Remember that? Lost those funds with virtually very little reporting of the whys and wherefores and the personalities involved, in fact where the funds went. We have some difficulties with that.

We also have some difficulties with North West Trust being the recipient of a lot of fees, management fees and the like, for Softco, that corporation that was used to divest the government assets in land and basically get rid of a lot of the losers. [interjection] Well, yes, certainly someone had to do it, and if you have to, we would have thought it would have been done by either a fully private corporation on a bid or on a negotiated basis such that we know they got the best deal or what would be an arm's-length arrangement or with someone like the Treasury Branches – the arms of the Treasury Branches certainly have some experience in this area – so that you knew the profits weren't going astray. Either you do it on a competitive basis or you do it in house. This halfway between is always the way where it leaves it open to say: who actually made the money here, and did it go into salaries or to pay some Bancorp profits or the like?

We should, however, end on a positive note here. All of that being said, all of that water being now under the bridge and long gone and in some cases forgotten, although this side of the House shall not forget and shall not allow Albertans to forget the indiscretions of the past, this goes some measure to correct those so that North West Trust is truly in the private sector. It is no longer a partially severed arm of government. It is fully at arm's-length so as to not have any further special arrangements, save and except those ones that can be made by commercial arrangement on a competitive basis with any other bank.

Mr. Chairman, I want to again say on the record that this is one of the few very good, positive moments of this session, and I commend the government for moving on this matter.

MR. N. TAYLOR: I have some questions here. It bothers me a bit. I'm not quite as enthusiastic as my colleague because of a few things. One is that the severance package given Gary Campbell and Donald Farnell was \$1.1 million. They voted that in when the government had 99.9 percent of the shares, which is a big golden parachute. I'm not sure what's done is done, because when you roll and look over at the agreement – I gather the closing date apparently of the agreement is December 31, 1994. What I'd like to know, and maybe the hon. member could answer it. I'm going to pose a couple of questions I'd like to know before I can vote for it. This golden parachute, that \$1.1 million given Gary Campbell and Donald Farnell, has that been accepted . . .

Point of Order Relevance

MR. CHAIRMAN: The hon. Member for Medicine Hat.

MR. RENNER: Thank you, Mr. Chairman. Relevance: 23(b). The previous speaker got going far off topic in talking about North West Trust and the dealings of North West Trust. I was going to raise a point then, but since the member had indicated that he supported the Bill, like all members in this House I was looking forward to getting to a vote on this Bill. I kept putting off standing up and raising a point of order, thinking he was going to wrap up his presentation and then we could get on with it. Now we have another speaker starting on the same area that has really nothing to do with this Bill. While the Treasurer indicated this Bill would be part of legislative change required for the change in ownership in North West Trust, this Bill in fact amends the Loan and Trust Corporations Act, and North West Trust quite frankly is not even mentioned in this Bill. I question why this member would be asking details about the sales agreement on North West Trust when we're supposed to be discussing Bill 55.

MR. N. TAYLOR: I think the hon. Member for Medicine Hat jumped the gun or moved too quickly. I was just starting out. It is very unlike him to move very fast, so I was quite surprised that he would leap to his feet before I got to the point.

See, you must remember that Bill 55 is designed to amend the Loan and Trust Corporations Act to allow an Alberta-incorporated loan or trust corporation to continue as a loan or trust corporation in another Canadian jurisdiction.

Why North West Trust, for the hon. member's benefit – and I hope I'm not sounding too pontifical on it. Why this is necessary is that a bank is chartered under Canada-wide rules. North West Trust, which they amalgamated with, is incorporated under Alberta rules. So when you put the two together, you have an hermaphroditic critter, more or less, that then has to have their bylaws changed so it can qualify, the trust assets and the bank assets, to operate Canada-wide. So that means they come here to our Legislature to ask that the Act be changed so that indeed the resulting merger of these two things can then do business anywhere in Canada. Before it couldn't. See, when you merge a bank and a trust company, the bank being under federal law and a trust company being under local law – so this is what this is intended to do. That's why it's very important to find out about North West Trust, because North West Trust was owned by the Alberta government.

10:40

MR. CHAIRMAN: Hon. Member for Redwater, I think that that's very interesting, but if my hearing serves me correctly, I understand the thrust of the original part of Medicine Hat's point of order was that you were asking about the golden parachutes of a couple of individuals.

MR. N. TAYLOR: I hadn't finished that. I wanted to ask something about it, but I hadn't. I'm sorry. If I might make my point. You see, the golden parachute at one point \$1.4 million: it's gone. It's fine. But when you do a merger, and if you look at the press release that the government put out on October 12, 1994, it mentions it. What I'd like to find out from the minister – and I'm asking the minister over there now. That's one of the questions, and I only have two questions, really. I'm just giving a background. One of the questions is: was this golden parachute set aside and absorbed by the Alberta government – because they own 99 percent of the company – did it go in the merger and, therefore, does the bank have to pay it, or are we paying it before it's merged in? In other words, who pays the golden parachute? Is it paid by the merged entity after the merger, or is it paid by the Alberta government before the merger? That's all I need to know. I'd like to know who paid it. Now, chances are – and I'll be the very first to admit – that if the bank pays it after the merger, they probably took it off the sale price. But it doesn't say in the sale who pays it, and I think it's fairly important.

There's a second question, unless you want to answer that one first.

MR. CHAIRMAN: Hon. member, I'm sorry to intrude again. I'm not sure that the point of order has been answered in the sense of what this has to do with this Bill. I can't disagree with you that it's an important matter, that it's worthy of asking the government questions about, but I'm not sure why it fits into this Bill.

Is that not your point, Medicine Hat?

MR. RENNER: Yes, Mr. Chairman.

MR. N. TAYLOR: Okay, then we'll go back. The whole point of introducing, making amendments to Bill 55 is to be able to allow the new critter that we have formed. In other words, if we don't pass this, the merger doesn't go through. The Canadian Western Bank is buying one of our critters, which we own 99 percent of, and contingent on that was that we pass this legislation so that therefore the new product of the two together could operate. Maybe I'm moving too fast, but that's the whole point of the Act: we're putting this together so that the new thing can go. Now, there are two questions that come. If we're amending the Act, after all, the Loan and Trust Corporations Act has to have some reason for being amended, and why it's amended is that the deal won't go through with the Canadian Western Bank on December 31 unless this Act is passed.

MR. CHAIRMAN: Hon. Member for Medicine Hat, are you rising on the same point of order, or is this a new point of order?

MR. RENNER: No, it's the same point of order, Mr. Chairman, because I don't think you've given a ruling on that point of order, and if you have given a ruling, then I don't think the hon. member has honoured that ruling.

MR. CHAIRMAN: No, I have not given a ruling yet.

MR. N. TAYLOR: I'm trying to get all the information I can.

MR. WICKMAN: Mr. Chairman, on that point of order.

MR. CHAIRMAN: I think we've heard a fair bit, hon. Member for Edmonton-Rutherford. If you'd just hold for a second.

It seemed to me that the issue of the golden parachute, which was the beginning of the question, was the beginning of the objection, while you say that it is indeed relevant and therefore does not offend 23(b). You're saying this Act facilitates the transfer, and that is where the golden parachute will come in.

MR. N. TAYLOR: That's right.

MR. CHAIRMAN: So there is a connection. You have a second question?

Debate Continued

MR. N. TAYLOR: I know, Mr. Chairman, that they can refuse to answer or they maybe don't know the answer. I don't know. I'm just saying: what happened with the golden parachute in the transfer? Did we absorb it and take it out of the way before the merger, or are we expecting CWB to take it over after the merger? That's the number one question.

Now that we've cleared the deck, we understand what we're doing. This merger will not go forward. This is why they made it December 31, 1994, hon. member, because this Act had to pass in the Legislature, otherwise the merger wouldn't go ahead. In that company are two very interesting things. One is the golden parachute: who pays for it? And I'm not trying to embarrass the government. Far be it. They've done that themselves. The point is that I just want to know what happens to a \$1.4 million golden parachute. Who pays for it?

The second one, hon. member, if you want to look at it – and I'm not trying to give an education in corporate mergers here, but I've done lots of them. We have another thing that's very intriguing. Section 169 in this new Bill allows the corporation, which is any corporation, subject to the approval of directors to "make a personal loan to . . . the spouse of an officer of the corporation . . . or a relative of the spouse" without the need for full security.

AN HON. MEMBER: Point of order, Mr. Chairman.

MR. N. TAYLOR: Well, why was that put in there? [interjections] Well, that's part of the Bill. Why was that put in there? [interjections] Looks like the Chinese mounted police.

MR. CHAIRMAN: Hon. Member for Redwater, is that your second question?

MR. N. TAYLOR: Yeah, that was my second question. What's the point of amending section 169, which is surely in this Bill? Maybe the hon. Member for Medicine Hat, who is becoming a bit of a corporate lawyer on his own there, could look into that. Why was section 169 amended to allow relatives and spouses to get personal loans without the need for full security? Because, you know, I'd kind of like to get in on this.

MR. CHAIRMAN: Okay, then. The two questions?

MR. N. TAYLOR: Mr. Chairman, I'll ask the question again then. When can I expect an answer to these two? Can I get any

kind of a commitment that they'll have a written answer sometime, say, in the next week to those two questions?

MRS. BLACK: Mr. Chairman, just for clarification on the particulars of the commercial arrangement. They're not part of this piece of legislation, so the relevancy is not really within this Act. However, I think it's probably better served under Written Questions on the Order Paper that those types of questions come forward or even in question period. So I'll leave that to the hon. Member for Redwater.

In the second case I think if you read clearly section 169 with regard to the ability to make personal loans, if you go beyond, this is an amendment where

if the loan qualifies as an investment under section 199 and

(iv) except in the case of a loan to an officer or prescribed employee of the corporation, the loan is at fair market rate.

Then carry it over, and what's already there is that "the loan is fully secured, other than by promissory note." So it's not an unsecured situation. I think if you read subsection (v) under that same section 169, you'll see that security in fact is in place.

MR. N. TAYLOR: I just want to make it really clear, because of course the government can carry the day anytime. It's just that I want to be on record in *Hansard* having asked these questions and have on record what their answers are. I'm not trying to get them in jail or anything like that. I smell something that's not quite right here, and I just want to make sure that they answer the questions whatever way they wish, just as long as they answer.

Now, I understand I can put a written question on to see what happened to the golden parachute, but you must remember that this has been rushed through in order to try to make the merger go through. Can I get any kind of a commitment from either the House leader or the Minister of Energy that that answer will come through before the end of November? Can I get a written answer before the end of November? Because the sale becomes law at the end of December. So if I put a written question on the Order Paper next week, within the next, say, 30 days following, can I expect an answer? You don't have to answer, because that'll be on the record too. Whatever you wish.

10:50

MRS. BLACK: Mr. Chairman, the Minister of Energy is not in charge of this file. I'm only answering the question in a backup situation tonight. I would suggest that the question should go to the Provincial Treasurer. I'm not in a position to make that kind of commitment. I would suggest you put in on the Order Paper in the form of a written question.

HON. MEMBERS: Question.

MR. CHAIRMAN: Question's been called.

[Title and preamble agreed to]

[The sections of Bill 55 agreed to]

MR. CHAIRMAN: The hon. Minister of Energy on behalf of the Provincial Treasurer.

MRS. BLACK: Thank you, Mr. Chairman. On behalf of the Provincial Treasurer I move that Bill 55, the Loan and Trust Corporations Amendment Act, 1994, be reported.

[Motion carried]

Bill 56

Nova Corporation of Alberta Act Repeal Amendment Act, 1994

MR. CHAIRMAN: Are there any comments or questions?
The hon. Member for Redwater.

MR. N. TAYLOR: This of course is something that has been near and dear to the hearts of many oilmen for many years. For some of the ones maybe not that familiar, Nova has led a charmed life for years here since the former Social Credit government put it together. It was neither fish nor fowl. It was not regulated by the utilities board, yet it had exclusive rights to transport all gas within the province to the borders of the province so that it could be sold.

Now, this Bill here – I wanted at least a couple questions, because in effect it does what the oil industry has wanted for years. It puts Nova under the PUB, but the trouble is, as we just recently learned with the hon. Member for Barrhead-Westlock and a few other things, the PUB is moving all over the place now. I mean, at the time this Bill was prepared by the government, I'm sure they thought the new board would be under way and there'd be no problem. But we're in a particularly ridiculous position now of voting for a Bill when the new board is not under way to control the rates. I'm not suggesting you hoist it and come back after Christmas or anything, but I would be intrigued to understand just what – if the government and the Minister of Energy are gone, my God, what are we doing this Bill for when there's nobody here to answer?

MR. DAY: Why are you talking to it, Nick? We're all equipped to handle it.

MR. N. TAYLOR: You're all equipped to handle it. Okay. I notice the minister of public works there grinning. Well, I guess this is the blind leading the blind here, or the bland leading the bland. I have never been able to figure that one out.

As you probably know, preparatory to going under the regulatory axe, if you want to call it, to Nova, like a snake that swallowed its own young, it split itself into three parts. Isn't that what Gaul did? Or was it five? Caesar had trouble with Gaul because it split itself into five. They split this into three parts so that two parts wouldn't be regulated and only one part would be regulated.

I think we were all wined and dined by Nova executives – wasn't it this spring that they took the opposition out one time and then the government out another time? Between chocolate-coated strawberries and Grand Marniers we were informed that this bifurcation, these three companies would be created, and it would be the greatest thing that ever happened since sliced bread as far as Alberta was concerned. [interjection] That's right, yeah. It was a great party at the Westin, in a proper place where capitalists are going to introduce the fact that they're going to have three children overnight. I am a little intrigued. I know the hon. Member for Red Deer-South, who has dodged the early part of the evening when the questions were tough and is now starting to come fresh and raring to go when everybody's slowed up a little, said that he's equipped to handle . . .

AN HON. MEMBER: Mr. Chairman, false allegations.

MR. N. TAYLOR: Oh, Red Deer-North. I'm sorry. I'm very sorry, Red Deer-South. That's one of the worst insults you've had for some time. I retract it. Member for Red Deer-North, I

hope you will buy me a drink for giving you that honour, for mistaking you for the wrong riding.

To go on a bit further, has there been any kind of study to see if indeed the proper amount of assets have been transferred to the regulatory branch? Or are we just getting a small amount of it, a little bit that's left over?

MR. DAY: May I quote directly and then I'll give the reference for the quote. It's a brief quote.

[I] support the intent of this legislation. It reflects and responds to the desires of producers that Nova Gas Transmission operate as a freestanding entity and fall under the jurisdiction of the Gas Utilities Act and be subject to the regulation of the PUB in order to eliminate the perception that rates charged by Nova Gas Transmission actually subsidize Nova's nonregulated businesses. This was an issue that . . . had been dealt with in part . . . in Bill 29. . . . [I] certainly . . . support this Bill . . . This is housekeeping.

And the quote is by one Dr. Percy, MLA for somewhere in Edmonton, the critic on this Bill. That's not our side supporting it. That's the support of the Member for Edmonton-Whitemud. From time to time he's correct. From time to time we acknowledge it. It's been an interesting session watching the Member for Redwater stand up and blither on on virtually every topic and every Bill under the sun tonight. That's the quote. I'll quote his colleague on it, and I hope that would address the concerns and the intent of the Bill.

MR. CHAIRMAN: The hon. Member for Redwater.

MR. N. TAYLOR: Well, we were having a fairly civil debate till the hon. member showed up. However, he has always had a long tradition of being able to pour water on troubled oil. It'll take awhile for him to think that one through.

AN HON. MEMBER: Or is it the other way around?

MR. N. TAYLOR: No, no. Water on troubled oil. Or as my old granny used to say, he could start a riot in a nunnery.

The fact of the matter is that I didn't say I was not supporting it. I was just asking, granny, if there is any study that has been made to see whether the assets transferred that come under this Act, the regulatory Act, are indeed what you wanted it to be.

SOME HON. MEMBERS: Question.

MR. N. TAYLOR: Just a second. I just wanted to note for the record, because *Hansard* would have a blank – I just wanted to note in *Hansard* that no answer was offered. That's all.

Thanks.

MR. DAY: Talking about the Bill and relevancy, the last good period of time the member's been talking on this and other Bills. He's been phrasing and trying to prepare questions for question period, which is fine. We're talking about the Bill. We've addressed the intent of the Bill, along with the critic on the Bill from the opposition, and I think we should move on.

HON. MEMBERS: Question.

MR. CHAIRMAN: The question's been called. We're ready for the question then.

[Title and preamble agreed to]

[The sections of Bill 56 agreed to]

11:00

MR. DAY: On behalf of the Member for Calgary-Mountain View I would move that Bill 56 be reported when the committee rises and reports.

[Motion carried]

MR. DAY: Mr. Chairman, I would move that the committee rise and report.

[Motion carried]

[Mr. Clegg in the Chair]

MR. TANNAS: Mr. Speaker, the Committee of the Whole has had under consideration certain Bills. The committee reports the following: Bill 49, Bill 54, Bill 55, and Bill 56. The committee reports Bill 45 with some amendments. The committee reports progress on Bill 53. I wish to table copies of all amendments considered by the Committee of the Whole on this date for the official records of the Assembly.

MR. ACTING SPEAKER: Thank you, hon. member. All in favour of the report?

HON. MEMBERS: Agreed.

MR. ACTING SPEAKER: Opposed, if any? Carried.

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

Bill 41
Government Organization Act

Moved by Mrs. Soetaert that the question for second reading be amended to read that Bill 41, the Government Organization Act, be not now read a second time because the Assembly feels that the Bill does not recognize the need for the Legislature to approve the creation and establishment of government departments and the delegation of powers, duties, or functions to any person.

Moved by Mr. Collingwood that the motion for second reading be further amended by adding the following: and that by not so recognizing this, the Bill ignores the fundamental principles of democracy and negates the importance of public participation in decision-making through access to information of government organizations.

[Adjourned debate October 31: Mr. Day]

31. Moved by Mr. Day:

Be it resolved that the debate on second reading of Bill 41, Government Organization Act, shall not be further adjourned.

MR. ACTING SPEAKER: All in favour of the motion by the hon. Government House Leader, say aye.

SOME HON. MEMBERS: Aye.

MR. ACTING SPEAKER: Opposed, if any?

SOME HON. MEMBERS: No.

MR. ACTING SPEAKER: Carried.

[Several members rose calling for a division. The division bell was rung at 11:04 p.m.]

[Ten minutes having elapsed, the Assembly divided]

[Mr. Deputy Speaker in the Chair]

For the motion:

Ady	Fischer	Paszkowski
Amery	Forsyth	Pham
Black	Friedel	Renner
Brassard	Gordon	Severtson
Cardinal	Havelock	Smith
Clegg	Hierath	Stelmach
Coutts	Jacques	Taylor, L.
Day	Jonson	Thurber
Doerksen	Langevin	Trynchy
Dunford	Lund	Woloshyn
Evans	McFarland	

Against the motion:

Beniuk	Sapers	White
Henry	Sekulic	Wickman
Hewes	Soetaert	Yankowsky
Leibovici	Taylor, N.	Zariwny
Massey	Van Binsbergen	Zwozdesky
Percy		

Totals:	For – 32	Against – 16
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[Motion carried]

MR. DEPUTY SPEAKER: Hon. Government House Leader.

MR. DAY: Well, not only on the subamendment but on the reasoned amendment and on second reading, it is regretful that we had to come to this stage of looking at closure. But, Mr. Speaker, when members opposite spend as much time in second reading on this Bill as on Bill 19, the education Bill, when they indicate there is no way in the world that they're going to let this pass, when they say that they're just going to let it continue forever . . .

Point of Order Relevance

MR. DEPUTY SPEAKER: Point of order, hon. member.

MR. WHITE: Mr. Speaker, point of order. Relevance, 459. We're in fact speaking to the subamendment; are we not?

MR. DAY: I'm addressing the subamendment directly. When they say all those things, and that's why they bring in the subamendment.

MR. DEPUTY SPEAKER: The hon. Member for Edmonton-Mayfield has raised the point of order on relevance, 459. Hon. Government House Leader, do you wish to respond to relevance?

MR. WICKMAN: I'd like to speak to it, Mr. Speaker.

MR. DEPUTY SPEAKER: In the limited amount of time that we have at hand, I think that if we try to finely define relevance and go after each other in, as I said, the limited time, it will be

marginally useful to the outcome of this Bill. Inasmuch as the hon. Government House Leader has only a very few seconds, how relevant that might be is truly a moot point.

So I would invite the hon. Government House Leader to make as good use of the remaining moments as he can.

MRS. HEWES: Mr. Speaker, Edmonton-Rutherford wants to speak to the point of order.

MR. DEPUTY SPEAKER: Well, I'm sorry. I did make the ruling.

Debate Continued

MR. DAY: Mr. Speaker, when they brought the subamendment out and we looked at it, it was indeed just a reflection of the same so-called reasoned amendment, and it reflects what they had said openly, that there was no way, any way they were going to let this Bill go ahead. They were going to do everything they could to stop it. While they were debating, some members even admitted they hadn't read it. So in the interest of taxpayers' time and dollars and efficiencies, we have to do what is the only sensible thing to do. After close to 10 hours of debate at second reading, the same amount of stalling that was put on a very hugely significant Bill, Bill 19, we have to do the responsible and reasonable thing.

DR. PERCY: Mr. Speaker, I'm rising to speak to the subamendment. The subamendment I think should be read just so they will understand the principle point here, because we oppose this Bill on principle. This Bill

ignores the fundamental principles of democracy and negates the importance of public participation in decision making through access to information of government organizations.

The reality, Mr. Speaker, is that this Legislature provides a valuable set of checks and balances so that one can address the issues, so that interested groups can have their views heard through their MLAs in this Legislature. One group's vested interests are another group's stakeholders. Time after time after time we have heard arguments: oh, that's only special interest groups speaking. Well, virtually everybody in this province from the perspective of members on that side of the House is a special interest group. The reality is, Mr. Speaker, they're citizens. They have concerns about the democratic process. They view a Bill like 41 as negating their fundamental rights to be heard in the Legislature, to put to the test Bills, legislation brought forward.

11:20

What this Bill does – and we certainly see it in subsequent Bills, particularly Bill 57 – is allow extraordinary powers to a minister; for example, through the delegated regulatory organizations. Now, again the issue here is: ministerial power without ministerial accountability. We have seen, Mr. Speaker, time after time when issues have been brought up regarding conduct of ministers, their response has been, "Well, that's a board; we're not responsible," or "Well, that's an issue; we'll send it to the Ethics Commissioner." There has been no sense of ministerial accountability, no willingness to accept ministerial responsibility and do what is the honourable thing on occasion, which is to say: "Yes, a mistake was made. Yes, I will resign." That doesn't happen in this Legislature. It happened in Ontario, it happens in Nova Scotia, but it doesn't happen here.

Now, the reality is that when you go through this Bill and you ask what vehicles are in place for citizens to have their concerns

heard about these delegated regulatory organizations, there are none. They can appeal to the minister. Well, Mr. Speaker, we had an hon. member in this House attempt to phone the Premier. After all, the Premier had said: just call me if you have a problem. Well, our hon. member called and called and called. After the fourth runaround she was told: well, he's too busy, but we'll make sure that whatever you have to say is put in the document, and he may read it on the way to China. That's access? Well, not where we come from.

The purpose of democracy is to have competing perspectives heard. The purpose of democracy and the purpose of a Legislature: it's a marketplace for ideas and debate. Well, the only debate we've heard thus far, actually, has been on mud flaps, believe it or not, Mr. Speaker, when many members on that side of the House were willing to stand up and speak about mud flaps. On the other hand, when it comes to Bill 19 or it comes to Bill 41, there is profound silence on that side, an unwillingness to stand up and discuss the principles of the Bills and defend them, because they know in many instances that the principles embodied in this Bill are indefensible. That's why, in fact, they're using closure, to put a lid on the discussion.

Now, one other point bears discussion, Mr. Speaker, and we've heard this time after time from members on that side of the House and in fact from a member on this side of the House, and that is: democracy is costly. If you carry their argument to the limit – and in fact Bill 41 starts it and Bill 57 carries it to the extreme – you can just sit home at your computer. It'll be a minister through order and regulation that will be conducting the business of this House.

MR. DUNFORD: Agreed.

DR. PERCY: You see, that's exactly the attitude, and I hope that is on record.

The perception is that the Legislative Assembly really isn't relevant to the conduct of business, and I think that's true, Mr. Speaker, if you had an ideological perspective on what you want to do. If on the other hand you'd actually like to listen to citizens, hear what they have to say, and do what they want, perhaps you might want to listen to them in the Legislature, have them through their members bring various perspectives forward and have MLAs represent the wishes of their constituents. What this Bill does is negate the power of MLAs to bring forward the wishes of their constituents. It negates the ability of MLAs to hold ministers accountable for what is done. It basically allows government by executive decision-making. This is not the United States. This is not in fact Mussolini's Italy. This is in fact a parliamentary democracy where MLAs have a right to discuss issues, to represent their constituents.

Those rights, those privileges of MLAs are being incrementally removed. All members of this House, even members on the front bench, because we've had an example within the last week where a person sitting on the front bench suddenly ended up in the second row, everybody in this House, their rights and privileges in terms of being able to address the legitimate concerns of their constituents, will not be heard. Decisions made by Executive Council will not be subject to scrutiny. Ministers will not stand up and accept responsibility for what they have done or what agents in their department have done. That is in fact the consequence of this type of legislation.

Now, again, let me come back to the point brought forward by the hon. Minister of Labour, the hon. Minister of . . . [interjections]

Speaker's Ruling Decorum

MR. DEPUTY SPEAKER: Order. [interjections] Order. We would appear, hon. members, to be here for some time. I wonder if we could bring the noise level down so that the lungs of the hon. Member for Edmonton-Whitemud will not be unduly strained and that we could all hear.

Debate Continued

DR. PERCY: Thank you, Mr. Speaker. An hon. member on the other side of the House said: read the Bill. Well, I have and that's why I'm here, and that's why I'm arguing against it in principle.

Now, let me address the issue that has been made by the Minister of Labour, by the minister of environment, and by the hon. Member for Lac La Biche-St. Paul. The essence of their argument is that democracy is costly, and because it is costly, we should abrogate it and do away with it. That's the argument if you carry it to the extreme.

The bottom line, Mr. Speaker, is that the purpose of this Legislature is to debate ideas, to force the government to defend what they're going to do. They don't do that. In principle what they ought to do if they're going to bring forward a designated regulatory organization is bring information forward that says: "Look, this is a more cost-efficient way of doing it. This will save taxpayer money. This will be more responsive and reflect what consumers want when they demand services from the government." They don't do that, because after all when you believe this in ideological terms, that's an end in itself. You just do it because it's the right thing to do.

Well, if the object of government restructuring is to deliver government services more efficiently, which one hopes it is, then why don't we see any elements in this Bill that allow public input into the types of DROs that will be set up? Why don't we see mechanisms of accountability? Because again it says that ministers will be accountable in this Bill. If you look at Bill 57, they're not accountable if anything is done by those entities in good faith, and I've never heard anybody stand up and say in bad faith: I'm going to, you know, pick your pocket. It'll be a first when we hear that.

If we had ministers here who accepted responsibility and if we had a first minister here that accepted responsibility and held his ministers to a high level of conduct, we might feel a little more charitable and a little more willing to accept on word what they're arguing in principle. The reality is: we don't see any evidence whatsoever of ministerial accountability. We see a Bill here that basically hides what government's going to do through regulation.

Even elements of this Bill which one would think on one hand are worthy of praise – the centralization of authority for the granting of loan guarantees in the Treasurer's office – on the other hand aren't carried to the proper extreme: remove the ability of the Treasurer to make loan guarantees through Treasury Board minute or a directive, which is fundamentally secret because you don't see what the consequences are for a year and half down the road until you see the public accounts. They didn't remove those elements of it. So every element of this Bill basically works to enhance the power of the Executive Council, to reduce the powers of the Legislature to scrutinize what is being done by the executive cabinet.

Members of the Legislature here are elected to represent the views of their constituents. They're here to represent the views of various stakeholders. What this Bill does, then, is remove access to information in terms of what is happening and how

whatever restructuring is going to occur is going to be undertaken. This was all done, Mr. Speaker, under the guise of good housekeeping. Well, this is not good housekeeping; this is basically a demolition of what we view as government accountability.

With those words, Mr. Speaker, I will conclude my comments and turn it over to my colleague.

11:30

MR. DEPUTY SPEAKER: The hon. Acting Leader of the Official Opposition.

MRS. HEWES: Thanks, Mr. Speaker. I just want to get my opposition to this Bill on record. Before this session began, the hon. House leader indicated, not only to the Liberal opposition caucus but also to the public, that this would be a fairly brief, truncated session of housekeeping Bills. I wanted to believe that, as I want . . .

Point of Order

Allegations against a Member

MR. DAY: Point of order, Mr. Speaker.

MR. DEPUTY SPEAKER: The hon. Government House Leader is rising on a point of order. Would you please cite.

MR. DAY: Standing Order 23 is quite clear about allegations, Mr. Speaker. I never . . .

MR. DEPUTY SPEAKER: I'm sorry. You said it too fast for me to hear.

MR. DAY: I said Standing Order 23 is very clear in terms of 23(h), making allegations. As the member had said wrongly, I did not say every Bill was a housekeeping Bill nor did I say the session would be truncated or short. I never said that. I said we had some work to do. I said a lot of the Bills were housekeeping, a lot of the Bills were to do with government achieving their business plans. That's what I said, Mr. Speaker.

MRS. HEWES: Mr. Speaker, my understanding from the House leader and from my meetings with him was that this was not anticipated to be a long session, that this was not anticipated to be a session with Bills of substance of any kind whatsoever. And you know, Mr. Speaker, I believed him, because I want to believe that the hon. House leader is telling me the truth, that he would in no way present anything to me that would be devious or underhanded or in any way would undermine the process of this House. The hon. House leader indicated this to me, and I accepted that, sir. All I am trying to say to this House in my defence or in my objection to this Bill is that I believed him, and that lured me into a sense of security that was simply unfounded. [interjections]

MR. DEPUTY SPEAKER: Order. The hon. Government House Leader has raised an interesting point about "makes allegations against another member." The Chair has some difficulty dealing with that. However, the hon. Acting Leader of the Opposition has made it quite clear that what we have here is not a true breach of Standing Order 23(h) but a difference of opinion as to who said what and when and under what set of circumstances.

So with that in mind, hon. members, I would invite the Acting Leader of Her Majesty's Loyal Opposition to continue.

Debate Continued

MRS. HEWES: Mr. Speaker, I was of the understanding that this would not be a session of substantive Bills, that in the spring session we had dealt with many matters of great importance and then in this fall session we would be dealing with matters of less importance that would be necessary to tidy up certain affairs of how we conducted our business, and I believed that. I believed that, and then . . . [interjections]

MR. DEPUTY SPEAKER: Order.

MR. DAY: Bill 41.

MRS. HEWES: Mr. Speaker, I don't need the gratuitous comments of the hon. House leader. I really don't need these. [interjections]

Speaker's Ruling Decorum

MR. DEPUTY SPEAKER: Order. Hon. members, I beg your indulgence in the sense that we have but a few moments to spend together on this Bill. Let them be pleasant moments.

Truthfully, here we have the address to the subamendment. The Chair will confess to going at some length to avoid relevancy and, now that I'm up on my feet, would caution the Government House Leader to temper his enthusiasm for all the things that he wishes to say and save it for when we get to some further item on the Bill.

Meanwhile, Her Majesty's Loyal Opposition Acting Leader.

Debate Continued

MRS. HEWES: Thank you, Mr. Speaker. I believed that the hon. House Leader was expressing fact when he said that these were housekeeping items. In fact, as we read them, they are not. This Bill is a substantive Bill. This Bill and Bill 57 are fundamental changes in the way government operates in this province. In fact, they are both an erosion of government and of democracy as we have known it in the past.

The citizens of Alberta I submit have not had an opportunity to understand, to peruse these Bills, to learn and think through what the consequences of these Bills may be today, tomorrow, or in 25 years from now. I submit to you, Mr. Speaker, that they will be significant changes in how government relates to the citizens of Alberta.

Mr. Speaker, I've been in this House for some years, as have you, and I have tremendous respect for the House and for the notion of representation and for the notion of accountability of the elected officials, and that is eroded by this Bill. That will change as a result of this Bill, and I'm not sure that all of the members on the opposite side of this House and on this side of this House, a few of them, understand that or have taken the time.

The hon. House leader suggests that we have not read the Bill. Trust me, hon. House leader; I have read the Bill, as have my colleagues in this caucus. We've read it carefully, and we understand the details of it.

Mr. Speaker, the citizens of this province are becoming aware of what is happening. Slowly they are becoming aware of what is happening in this province and the way that this government is dealing with them and is writing legislation that will write them out of the representative process.

I'm curious as to why members of the government are not defending this Bill. We have seen very little from the members

of the government in defence of it, speaking in support of it. I've read the *Hansard*, and I see almost nothing, just zero, as though they're accepting something that is inevitable because their cabinet, their ministers are telling them that this is the way to go. I wonder if they understand that their role and their responsibility will vanish. I wonder if they really know that. I wonder if they really see that in the democratic process the role of the representative in government will vanish as a result of this kind of action. Mr. Speaker, I wonder if they understand their obligation to their constituencies to describe to them what this Bill means and what Bill 57 means as we go along and what the consequences of those Bills are, because they are strangely silent, and their silence in this regard tells me that either they do not understand or they are fearful of resisting what this front bench is saying to them. Because when you resist, in fact we see what happens. [interjections]

MR. DEPUTY SPEAKER: Order. Hon. members, could we show some respect for the House and keep our repartee to ourselves as opposed to sharing it.

11:40

MRS. HEWES: Thank you, Mr. Speaker. This Bill and Bill 57 clearly take powers away from the Legislature. They take powers away from the Legislature and from the citizens of Alberta through their representatives. They invest powers in the minister. This Bill in particular invests powers, unnatural powers in my view, in the Treasurer. I believe the citizens of this province have a need to understand the consequences of these Bills, and I intend to use everything at my hand to make sure that they understand what this government is doing to them.

I am concerned that the members on the other side don't seem to be caring, don't seem to have any initiative or any incentive to defend or to speak to this Bill. Do I assume from that that they are totally in support? If they are, then I believe the citizens of Alberta must know that and that we must inform them of that, because I believe the consequences of this Bill, Mr. Speaker, will be dire indeed and will erode the business of government in this province. [interjection] Ah, he's doing it again, is he?

Point of Order

Allegations against a Member

MR. DEPUTY SPEAKER: Sorry for the interruption. The hon. Government House Leader is rising on a point of order. You'll share with us the citation?

MR. DAY: Yes. Again, Mr. Speaker, I really hesitate to do this because I'm enthralled with the remarks by the member opposite. By the way, if she wants to hear members speak, I don't know why she doesn't give us a chance.

Now I would address the allegations, allegations that have been addressed under 23(h). [interjections] And that little yapper over there is so high on something, she can't keep her mouth shut.

MR. DEPUTY SPEAKER: Hon. Government House Leader, I think it might be appropriate to withdraw that remark.

MR. DAY: I withdraw that remark. It was inappropriate, Mr. Speaker.

The allegation has been very clear here, Mr. Speaker, on the point of order, which is 23(h). [interjections] I'm trying to speak above the roar across there. The allegation of silence among members speaking on this Bill. This is silence? Government

members speaking to this Bill so far: Calgary-Varsity, the Minister of Family and Social Services, Bow Valley, the Minister of Justice, Calgary-Currie, Medicine Hat, Red Deer-North, and the minister of advanced education. That is not silence.

MR. DEPUTY SPEAKER: The hon. Government House Leader has indicated that somehow the speaker was making an allegation against another member. However, I think what you were saying is that there isn't an allegation against a specific member, so I can't rule in favour of what you intend.

If we could now let Her Majesty's Official Opposition leader please complete her speech.

Debate Continued

MRS. HEWES: Mr. Speaker, there are other members of my caucus who want to speak to this. I simply want to get on record as supporting the subamendment to the reasoned amendment. I believe this is a bad Bill. I regret that members of Her Majesty's government do not seem to recognize their responsibility to their constituents. They do not seem to have taken the time to educate their constituents as to the consequences of this Bill, and I think this is an abdication of their responsibilities as members in this House. This Bill is an erosion of democracy in Alberta, and I think we will all rue the day if this Bill passes. I am saddened to see that the government believes they must invoke closure in order to accomplish their desires, which I believe are wrong.

Thank you, Mr. Speaker.

MR. DEPUTY SPEAKER: The hon. Member for Calgary-Varsity.

MR. SMITH: Well, thanks a lot, Mr. Speaker. It gives me great pleasure to rise and report to you that having discussed this Bill in great detail with the other members of the government, not including the vast array that have already spoken, I would like now to publicly thank all those members for giving me their confidence in allowing me to address this Bill in support of the government.

Mr. Speaker, there's no question in my mind on the reasoned subamendment that . . .

Point of Order Relevance

MRS. SOETAERT: A point of order, Mr. Speaker.

MR. DEPUTY SPEAKER: There's a convergence of thought here on the subamendment. Do you have a point of order, Spruce Grove-Sturgeon-St. Albert?

MRS. SOETAERT: The point of order is relevancy.

MR. DEPUTY SPEAKER: Citation please.

MRS. SOETAERT: *Beauchesne* 459, relevancy. He has to speak to the subamendment, Mr. Speaker.

AN HON. MEMBER: He is.

MRS. SOETAERT: No, he's not. [interjections]

MR. DEPUTY SPEAKER: Order, hon. members. I think that we had the same thought. I did ask in a visual kind of way, and he did bring in the thought of the subamendment. So what we'll have to do is determine by the course of his speech that in fact he's dealing with the subamendment.

The hon. Member for Calgary-Varsity on the subamendment.

MR. SMITH: Well, thank you, Mr. Speaker, for that kind direction. Indeed it's so difficult to marry relevance to a subamendment from the parties opposite, because in fact much of what they're doing is irrelevant to the process that is represented in this House.

Debate Continued

MR. SMITH: In fact, speaking to that subamendment it's very clearly evident that change is not for the faint hearted, and we have the faint hearted here tonight. The importance of what this government is doing is responding to Albertans in such a manner as to put them more in touch with the government that they have elected. In fact, just as a small businessman – certainly not having the privilege of serving on a great and vast multinational corporation such as the CNR or not being an eloquent lawyer or indeed being blinded by the world of the academe – and a guy trying to represent the people of Calgary-Varsity and being able to come in here and have the privilege of being able to carry a Bill like this through with the subamendment that has been brought up, it strikes me as quite unusual, Mr. Speaker, that this group would in fact be so ill-informed and poorly guided as to put forth subamendments and amendments to the Government Organization Act.

Point of Order

Allegations against a Member

MS LEIBOVICI: A point of order.

MR. DEPUTY SPEAKER: The hon. Member for Edmonton-Meadowlark is rising on a point of order. Would you share the citation?

MS LEIBOVICI: Allegations, 23(h).

MR. DEPUTY SPEAKER: This is allegations against a member.

MS LEIBOVICI: Well, he indicated that we were ill-informed, and as a part of a whole I take it that I am, then, as a member ill-informed. I would like the member to withdraw that or to prove that we are in fact ill-informed, if he is making that allegation.

MR. HENRY: Mr. Speaker, speaking to the point of order. I also cite . . .

MR. DEPUTY SPEAKER: No. I think, hon. members, that what we have here is . . . [interjections] Order. The hon. Government House Leader only a few moments ago made a similar suggestion, and the Chair at that time indicated that if there's talk about a whole group, that's hardly an allegation against a specific member. As painful as that might be or as untrue as one may think that allegation is, providing it doesn't then exceed the parliamentary language that's permitted, I think we have to suffer those slings and arrows.

Having said that, hon. member, we would ask you to craft the remainder of your speech such that it will not be considered by those who are undoubtedly listening to you as being provocative.

MR. SMITH: Well, the ears are a little sensitive, Mr. Speaker, and indeed there are none so blind as those who will not listen.

11:50

Debate Continued

MR. SMITH: The interesting part, Mr. Speaker, particularly with the subamendment, is that we have offered not only the members opposite, who are quick to jump to their feet to repudi-

ate that it was me that was ill-informed – it must have been somebody else. We've invited them for a technical briefing. We've talked to the media about a technical briefing. We have not had a great lineup at the door for further explanation of this Bill. In fact, de facto, the members opposite and the media have no problems with this Bill, and neither the subamendment, the reasoned amendment, nor all these things that indeed us guys in the oil patch and guys who are trying to represent 28,000 voters in Calgary-Varsity – we just don't really put up with all this stuff. We just like to see business done in an orderly fashion that allows good representation of the people that were so gracious to allow me this privilege of representing them.

In fact, when I went out on the campaign trail, they didn't tell me that I was going to have to come up and speak to subamendments to a reasoned amendment to a Bill that's house-keeping at 11:48 in the evening. They said: "Go up there. Govern in a responsible fashion, and let us know what you're doing."

In fact, Mr. Speaker, 18 months after that glorious day on which I was so privileged to be able to serve Calgary-Varsity, a recent leadership poll confirmed a 62 percent approval rating of this leadership. It's an amazing thing. It's an amazing thing that we Conservatives become the proponents of change to the cacophony of discord expressed by members opposite. It's just, you know, shocking that here we are trying to implement change, change not for the sake of change but change for a better Alberta, change in an area that allows the businessmen of the community, the people who are involved in occupational health and safety, the people who are involved in professions and occupations a direct voice in self-governance, in discipline, and the ability to be involved in the running of their own business.

Mr. Speaker, I'm sure that in Highwood, a rather gracious town just down from Okotoks and around the corner from De Winton, High River – take 22X and go through – you will find people that have talked to you and said: how can I get more involved in the subamendment, and how can I get more involved in trying to take this out of play and actually get to the core of what my business is and the regulations that affect my business and not all the shim-sham and chicanery of the legislative process of subamendments and reasoned amendments? Get up there, govern, and get on with the job. That's what we're doing. I mean, that's the challenge that's been put forth to me from the people from Calgary-Varsity.

The inconsistencies that come from the critics on the side opposite are amazing. We have, in fact, a number of people jumping to their feet when some waft of ill information goes out. One of the persons that has distinctly spoken against this Bill is the same person who less than two hours ago, after having three amendments on a Bill put through, Bill 45 – goes for three; that's cleaned up; hits the fourth amendment. What was the fourth amendment that this government accepted? What was it? Well, it was a challenging amendment, Mr. Speaker. I'm just doing this so I can keep clear in my mind the subamendment to the reasoned amendment to the Bill. In fact, he hits the fourth amendment; he hits the big home run. Yes, sir. What is the home run? The home run is that the freedom of information Act will supersede Bill 45. We agreed to it and brought it in.

Well, it's quite interesting, because quite frankly, Mr. Speaker, all this good individual had to do through the . . .

Point of Order Relevance

MR. DEPUTY SPEAKER: Order. [interjections] Order. The hon. Member for West Yellowhead is rising on a point of order. I can almost anticipate it, but, please, your citation.

MR. VAN BINSBERGEN: Relevance, Mr. Speaker. *Beauchesne* 459.

MR. DEPUTY SPEAKER: I think, hon. member, that several hon. members who were following you – and I've no doubt that everybody was – were thrown off with the relevance of Bill 45 to the subamendment to the Bill that we have at hand. Perhaps you would draw that to our attention so that we could see how it's relevant, either that or move on.

MR. SMITH: Well, thank you, Mr. Speaker, because in fact the road from Calgary to Jenner can be taken in many different routes, and you don't always have to take the straightest line.

Now, Bill 45's tie to the subamendment is . . .

MR. DEPUTY SPEAKER: Is the hon. Member for West Yellowhead rising on a further point of order or on the same one?

MR. VAN BINSBERGEN: Mr. Speaker, in my view the hon. member hasn't dealt with the first point of order. He has not explained why he is waxing eloquently – and I hate to clip his wings – on Bill 45.

MR. DEPUTY SPEAKER: Hon. members, I think that is a reasonable question, and what you are saying is: you want an explanation of the Speaker's ruling. Well, I was ruling that I had some agreement with the perception that maybe this was not relevant and then invited the hon. member to either continue his speech in a different line or tie it in so that it is relevant.

Debate Continued

MR. SMITH: Mr. Speaker, the fact is that in section 13 – and this would change with the subamendment. Everything of the freedom of information Act overrides what's in this Bill, the Government Organization Act, Bill 41. So, in fact, thank you for allowing me to make that link. I appreciate them listening so well. That's why . . .

Point of Order Relevance

MS LEBOVICI: Point of order.

MR. DEPUTY SPEAKER: The hon. Member for Edmonton-Meadowlark is rising on a point of order. Would you cite?

MS LEBOVICI: Well, the point of order is again *Beauchesne* 459, relevance and repetition. I guess what the hon. member has just demonstrated by his performance of the last 15 minutes is in fact how mockery can be made of this democracy that we have. The point is that the subamendment does talk about the fundamental principles of democracy, and the importance of public participation in decision-making is what it is all about. I think, as I indicated, that by the performance that we've just seen, he does not of course believe in the subamendment, and that's why he had this particular performance to put forward.

MR. DEPUTY SPEAKER: Well, the Chair was listening to the hon. Member for Calgary-Varsity, and as I understood it, as he spoke about how he was elected and the expectations that he had and the voters had and spoke in terms of the democratic process, I thought he was relevant to what I read in the subamendment. However . . .

MS LEBOVICI: I guess the problem I had in listening to it was that perhaps the intonations of the member seemed to indicate that he was not quite serious.

MR. DEPUTY SPEAKER: The hon. Member for Edmonton-Meadowlark is reminded that until one does not speak until you're recognized. I can see that you're most anxious to tell us further on this. I thought I had made a ruling on it. Your point has been made. There isn't a lot that can be done relative to this. I think it is somewhat relevant, and some people may argue that it's even more, or they may argue on the contrary.

MR. SMITH: Thanks, Mr. Speaker. That guidance certainly allows one who's not a skilled debater to be able to get in here and walk through.

12:00

Debate Continued

MR. SMITH: If one took a very analytical approach to a very long Bill, in fact housekeeping – as this Bill has been put forward as that – is taking place in Acts that were put in as early as 1905. We are actually moving into the 1990s. In 1905, as these complicated, complex, overregulatory perspectives took place, surprisingly enough, it was a Liberal administration that started this, and we're here to help. So having said that we are here to help, having said that we are here to clearly represent our constituents, and having said that this Bill will allow for accountability and for better access for members of the public to see how parts of the government that apply directly to them work, in fact, Mr. Speaker, the Government Organization Act has, as you can see from a rather substantial amount of speaking notes, word changes, regulatory changes, recognition that this is 1994, not 1905, and in fact allows this government and this Alberta to become more responsive to the feedback from the constituents of all the ridings of Alberta.

So, having said that, Mr. Speaker, it is with great confidence that I'd ask you to call for the question on the subamendment.

MR. DEPUTY SPEAKER: Due notice having been given by the hon. Government House Leader under Standing Order 21 and pursuant to Government Motion 31 agreed to this evening under Standing Order 21(2), which states that no member shall rise to speak after the hour of midnight if the adjourned debate has not been concluded and that all questions must be decided in order to conclude debate, I must now put the following questions. All those in favour of the subamendment to the second reading of Bill 41, the Government Organization Act, now under consideration, please say aye.

SOME HON. MEMBERS: Aye.

MR. DEPUTY SPEAKER: Opposed?

SOME HON. MEMBERS: No.

MR. DEPUTY SPEAKER: Defeated. Call in the members.

[Several members rose calling for a division. The division bell was rung at 12:03 p.m.]

[Ten minutes having elapsed, the Assembly divided]

For the motion:

Abdurahman	Percy	White
Beniuk	Sapers	Wickman
Henry	Sekulic	Yankowsky
Hewes	Soetaert	Zariwny
Leibovici	Taylor, N.	Zwozdesky
Massey	Van Binsbergen	

Brassard	Gordon	Severtson
Cardinal	Havelock	Smith
Clegg	Hierath	Stelmach
Coutts	Jacques	Taylor, L.
Doerksen	Jonson	Thurber
Dunford	Lund	Trynchy
Evans	McFarland	Woloshyn

Against the motion:

Ady	Fischer	Paszkowski
Amery	Forsyth	Pham
Black	Friedel	Renner
Brassard	Gordon	Severtson
Cardinal	Havelock	Smith
Clegg	Hierath	Stelmach
Coutts	Jacques	Taylor, L.
Day	Jonson	Thurber
Doerksen	Lund	Trynchy
Dunford	McFarland	Woloshyn
Evans		

Against the motion:

Abdurahman	Percy	White
Beniuk	Sapers	Wickman
Henry	Sekulic	Yankowsky
Hewes	Soetaert	Zariwny
Leibovici	Taylor, N.	Zwozdesky
Massey	Van Binsbergen	

Totals:	For – 30	Against – 17
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Totals:	For – 17	Against – 31
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[Motion on subamendment lost]

[Motion on amendment lost]

MR. DAY: Mr. Speaker, I would request unanimous consent from the House that should the division bells be rung following this vote, there would be a time span of only two minutes between those two bells.

MR. DEPUTY SPEAKER: The hon. Government House Leader has asked for unanimous consent that should there be a division bell it be for two minutes and we waive the Standing Orders. All those in favour, please say aye.

HON. MEMBERS: Aye.

MR. DEPUTY SPEAKER: Opposed, please say no. That's carried.

On the motion for second reading of Bill 41, Government Organization Act, as moved by the hon. Member for Calgary-Varsity, does the Assembly agree to the motion for second reading?

SOME HON. MEMBERS: Agreed.

MR. DEPUTY SPEAKER: Opposed?

SOME HON. MEMBERS: No.

MR. DEPUTY SPEAKER: The motion is carried. Call in the members.

[Several members rose calling for a division. The division bell was rung at 12:18 a.m.]

[Two minutes having elapsed, the Assembly divided]

For the motion:

Ady	Fischer	Paszkowski
Amery	Forsyth	Pham
Black	Friedel	Renner

MR. DEPUTY SPEAKER: By now, with your senses attuned to the hour, you realize that a problem has arisen, and that is that there appears to be a problem with Standing Order 32(4): "Every member remaining in the Chamber must vote on the question being put." Now, it would appear that one member did not vote. If the hon. member knows who he/she is, please declare themselves now. If not, we'll repeat.

All those in favour of second reading of Bill 41, please stand.

For the motion:

Ady	Fischer	Paszkowski
Amery	Forsyth	Pham
Black	Friedel	Renner
Brassard	Gordon	Severtson
Cardinal	Havelock	Smith
Clegg	Hierath	Stelmach
Coutts	Jacques	Taylor, L.
Day	Jonson	Thurber
Doerksen	Lund	Trynchy
Dunford	McFarland	Woloshyn
Evans		

Against the motion:

Abdurahman	Percy	White
Beniuk	Sapers	Wickman
Henry	Sekulic	Yankowsky
Hewes	Soetaert	Zariwny
Leibovici	Taylor, N.	Zwozdesky
Massey	Van Binsbergen	

Totals:	For – 31	Against – 17
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[Motion carried; Bill 41 read a second time]

MR. DEPUTY SPEAKER: The hon. Member for Vegreville-Viking is rising on a point of information?

MR. STELMACH: We're privileged early this morning to celebrate one wedding anniversary, that being the 21st wedding anniversary of the Member for Calgary-Fish Creek. We're also privileged to celebrate the birthday – and he doesn't want to tell us how many years – of the hon. Member for Calgary-Shaw. So we all wish them the best.

[At 12:30 a.m. on Thursday the Assembly adjourned to 1:30 p.m.]